# Inequality and Migration: insights from migration desires

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Global

Actual Migration on the rise

International mobility of people is on the rise.

- International mobility has long been the missing ingredient of globalization.
- Over a period of 50 years the number of migrants has been multiplied by more than 5 in absolute terms.
- But in relative terms, the proportion of international migrants is quite stable (3% of population).
- There are several complementary explanations to that.
- One important reason is about migration restrictions: people want to emigrate to some countries, but these countries have restrictive immigration policies.
- Another one : important heterogeneity in terms of magnitude of movements across sending and receiving countries.

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## Global Global Migration (source:WB report 2017).

#### Figure 0.1 Global migrants constitute a stable share of world population World migration, 1960-2015



Sources: Data from the World Bank Global Bilateral Migration Database (1960-2000) and the United Nations Global Migration Database (2010-15). Population data from United Nations World Population Prospects.

#### Global Literature Desires GWP GWP Meaning BMR Limitations Heterogeneity of the mobility phenomenon.

- Huge heterogeneity across the main ingredients of the mobility phenomenon.
- $\bullet\,$  Large differences in terms of emigration rates  $\to\,$  different situations across origin countries.
- Large differences in terms of immigration rates : huge concentration of favoured destinations.
- Large difference across corridors. A few important migration corridors. But many "empty" corridors (more than 60 % of corridors are empty).
- Finally, huge differences in terms of the composition of the immigration flows. In particular skill and education levels of immigrants.

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# GlobalLiteratureDesiresGWPGWPMeaningBMRLimitationsFavoured destinations (source:WB report 2017).





■ 1970 ■ 1990 ■ 2010

Sources: Data from the World Bank Global Bilateral Migration Database (1960-2000) and the United Nations Global Migration Database (2010-15).

Note: EAP = East Asia and Pacific; ECA = Eastern Europe and Central Asia; EU = European Union; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SSA = Sub-Saharan Africa.

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### favoured destinations (source:WB report 2017).



#### Figure 1.6 Region-to-region migration corridors, 2010

Source: Data from the United Nations Global Migration Database (2010-15). Figure made using RAWGraphs visualization platform (Mauri et al. 2017).

Note: EAP = East Asia and Pacific; ECA = Eastern Europe and Central Asia; EU = European Union; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SSA = Sub-Saharan Africa.

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Global	Literature	Desires		BMR	
Empty	corridors				

Decade	Pct 0
1960	62%
1970	59%
1980	56%
1990	51%
2000	47%
2010	44%

Proportion of zero bilateral stocks

Sources: Beine and Parsons, 2015 and WB data.

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Global Literature Desires GWP GWP Meaning BMR Limitations Explanations of the literature on determinants

**H**uge literature on Determinants of migration flows: see e.g. Beine et al. (2016) for a review.

- Wage gap between origin and destination country (↗), e.g.(Grogger and Hanson, 2011). Ambiguous role of income at origin. See Mayda (2010) and subsequent work.
- **Cultural Proximity** such as common languages (Adsera and Pytlikova, 2015), colonial history, Cultural distance.
- Geographical proximity such as contiguity (↗), geodesic distance (↘).
- Networks at destination e.g. Beine, Docquier, Ozden, 2011, Bertoli and Ruyssen (2018) (↗). Diasporas at destination act as attraction devices.

## Global Literature Desires GWP GWP Meaning BMR Limitations Role of wage gap(source:WB report 2017).

#### Figure 0.6 Wage differences drive bilateral migration

Differences in wages and migration shares between source and destination countries, 2010



Sources: Data from the 2010/2011 OECD Database on Immigrants in OECD and Non-OECD Countries (DIOC-E) and World Bank International Income Distribution Data (I2D2).

Note: Figure plots the residuals from regressions of the x- and y-axis variables on a set of controls. Controls include origin fixed effects, (log) distance, contiguity, linguistic similarity, and (log) destination population. Dots represent averages over 100 equally sized bins. Sample restricted to all migration corridors with migrant stocks greater than 1,000 with available data. OECD – Organisation for Economic Co-operation and Development.

## Global Literature Desires GWP GWP Meaning BMR Limitations Role of distance(source:WB report 2017).

#### **Figure 0.8** Most migrants travel to neighboring countries, but the high-skilled travel farther

Cumulative distribution of world migration, by distance, 2000



Sources: Figure uses year 2000 migrant stocks from the World Bank Global Bilateral Migration Database (1960–2000) and 2015 refugee stocks from UNHCR Population Statistics Database. Distance and contiguity data derived from the CEPII GeoDist database.

*Note:* Distance is defined as distance between two most populous cities, and contiguous countries are treated as zero distance. The cumulative distribution function plots the share of all international migrants who reside in a country less than or equal to a given distance from their home country. UNHCR – United Nations High Commissioner for Refugees.

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#### Global Literature Desires GWP GWP Meaning BMR Limitations Explanations of the literature on determinants

- 2 main channels of effect of networks : lowering of assimilation costs and increase use of family reunification policies. Depending on the type of immigration (skill level and level of development), the relative importance ranges between 70-30 % and 50-50%. See Beine, Docquier and Ozden (2016).
- **Push factors** Quality of institutions at origin (Ariu et al., 2016). Climatic factors
- Push factors Climatic factors (Cattaneo and Peri, 2016).
- Push factors Conflicts (Cattaneo et al., 2018; Parsons, 2017).
- **Pull factors** Quality of institutions at destinations.

Limitation of using actual flows.



#### Limitation of using actual flows.

- The impact of out-selection factors is difficult to estimate. Why?
- Some important out-selection factors such as immigration policies are difficult to measure. There is so far no good measure of immigration policies that are comparable over time and across countries. Nevertheless IMPALA project.
- Same argument about constraining factors at origin. Liquidity constraints of potential emigrants are difficult to capture as well (not directly observed).
- But out-selection factors have an important impact. The estimated impact of self-selection factors is biased because of the important impact of out-selection factors.
- Identification of self-selection factors is key for many aspects including policies and forecasts.

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- G. Borjas (1994): " A good understanding of the economic impact of immigration requires an understanding of the factors that motivate persons in the source countries".
- To understand impact at destination, it is important to understand the motivations behind the move (i.e. self-selection factors). E.g. Economic migrants are more likely to have an impact on the domestic labour market.
- Solution : use of migration intentions.
- Allows people to express their wish regardless of the hurdles they might face to actually migrate.

#### A new approach using migration desires

- Recent literature using survey data collected by Gallup (Gallup World Survey) conducted in all origin countries of the world.
- The use of Gallup data has been used for various purposes.
- One is an estimation of the potential migrants. This can be used as an estimation of the future migration pressures. See WB report.
- This is the case for immigration pressures by destination.
- This is the case for emigration pressures by origin.

#### Top 10 destinations of potential migrants

Table: Top 10 destinations of potential migrants

Country	Share of all	Number (millions)
	potential migrants	
United States	21	147
Germany	6	39
Canada	5	36
United Kingdom	5	35
France	5	32
Australia	4	30
Saudi Arabia	3	25
Spain	3	20
Italy	2	15
Switzerland	2	13
Total	56	392
Source: World Ban	k Report,2018 and Gal	lup 2017.

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# Global Literature Desires GWP GWP Meaning BMR Limitations Gallup World Poll Survey

Gallup has conducted studies in more than 160 countries (include 99 per cent of the world's population aged 15+)

At least 1000 respondents (telephone and face-to-face)

Nationally representative of the resident population aged 15+

Question on migration intentions (plans + preparation).

- "Ideally, if you had the opportunity, would you like to move permanently to another country, or would you prefer to continue living in this country?"
- "To which country would you like to move?".

Rich information on respondents' characteristics (age, family structure, education, income...).

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**origi** Atghanis Albania Algeria Angola Argentir Armenia Australia Austria Azerbaij Bahrain Banglad Belarus Belgium Belize Benin Bhutan Bolivia Bosnia Botswar Brazıl Bulgaria Burkina Burundi Camboo Camero Canada Central Chad Chile China Colomb Comoros Congo I Congo I Costa R Croatia Cyprus Czech R Denmar Djibouti Dominic Egypt El Salva Estonia Ethiopia Finland ⊦rance Gabon Georgia German Ghana Greece Guatem Guinea Guyana Haiti Hondura Hong Ko Hungar India Indones Iran Iraq Ireland Israel Italy Ivory Co Jamaica Japan Jordan Kazakhs Kenya Kuwait Kyrgyzs Laos Latvia Lebanor Lesotho Liberia Libya Lithuani Luxemb

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ian	252	66 123	106	110 108	61 44	46 143	56 185	163	65 136	87 153
jan	252	125	14	50	31	41	97	100	88	94
lesh	507	247	270	267	239	343	183	161	193	168
,	168 171	139	158	118 155	157 172	133	157	170	150 198	189
	134	140		155	172	151	100	65	150	100
		136			212	272	155 45	191 26	324	296
	292	235	213	19 <i>1</i>	217	269	227	218	216	226
	_		134	130	152	195	277	283	294	291
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a	130	395	201	202	178 165	146	190 92	173	105	107
		211	211	559	306	335	223	212	200	207
stan	111	94	114	78	105	110	104	99	95	134
		665	303	338	245	287	156	258	211	226
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a ourg	204	12	63 63	83	81	71	42	162	44	70

Mauritania		145	268	399	425	200	241	208	215	234
Mauritius	1 (0)	160	162	140	244	16.1	16.2	210	169	216
Moldova	281	261	2/4	244	260	252	268	256	224	203
Mongolia	281	279		185	160	176	132	156	217	166
Morocco				247	179	894	181		265	136
Mozambique Myanmar		250			188	35	24	19	152	24
Namibia					-	00		179	00	2.
Nepal	169	149	158	117	149	276	133	157	107	93
Netherlands	141	147		130 67	118 79	142 125	119		159 43	166 55
Nicaragua	405	403	374	357	249	197	202	247	264	240
Niger		179	152	118	115	159	144	207	120	246
Nigeria		376	450	504	392	844	337	367	452	495
Pakistan		212	110	113	184	120	95	88	74	94 83
Palestine	257	226	212	315	304	362	149	166	158	167
Panama	187	149	117	105	156	105	123	112	115	96
Paraguay	207 412	172 404	137 357	107 296	139 246	71 307	154 256	87 222	261	141 321
Philippines	233	254	203	202	193	235	157	131	125	96
Poland	184		131	208	129	140	172	232	137	118
Portugal		125		257	175	193	176	132	170	165
Qatar						23		152		
Romania	182		154	204	243	176	181	186	186	191
Russia	406	149	171	428	245	357	248	117	143	133
Rwanda Saudi Arabia		136	29	39	(4	82 23	112	110 96	148 75	107
Senegal		460	490	388	289		296	231	359	407
Serbia and M.			534	505	602	490	493	634	740	822
Sierra Leone	111	483	70	602 80	492		526 107	540	526 83	643 84
Slovakia		200	10	130	114	102	135	109	119	111
Slovenia			48	122	134	182	197		209	196
Somalia South Atrica		155	427	574 161	439	167	102	161 152	134	167
South Korea	213	273	228	156	227	219	160	102	234	195
South Sudan								146	183	260
Spain Sri Lanka	55	40 186	49	85	78 143	185	114	140	147	131
Sudan	203	100	264	561	591	311	110	235	117	
Suriname						41				
Swaziland	1.2.1	102	0.9	1.17	298		7.9		102	
Switzerland	132	103	89	122	127	93 60	70		34	56
Syria		265	195	464	550	644	361		394	
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l anzania	103	00 333	07 266	311	204	147	50 14()	171	74 174	135
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logo		250			381			270	327	452
Trinidad and T. Tunisia		91	255	5/1	53 477	556	203	128	225	288
lurkey	108	107	81	137	134	169	67	208	212	195
Iurkmenistan			50		61	58	49	83	124	61
Uganda	182	336	422	374	406	308	294	278	342	314
UAE	102	100	21	33	107	36	213	140	51	18
United Kingdom		253	208	216	663	141	153		187	213
United States	460	88	72	60	41	37	31		14.(	65
Uzbekistan	109	78	42	95 44	43	97 37	35	53	20	100
Venezuela		87	91	120	107	89	81	195	168	300
Vietnam	195	216	142	78	57	83	57	67	125	127
remen Zambia		230	225	524	500	504 252	179	196	159	186
Zimbabwe		554	349	282	320	312	256	243	2/1	208



Gallup World Poll Survey

- Around 21% of respondents desire to migrate (on average).
- Preferred migration destinations more concentrated then observed bilateral flows  $\rightarrow$  This reflects the impact of restrictive immigration policies through deflection to possible destinations.

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#### Gallup Top Destinations

Destination	#resp. GWP	Ranking
United States	58220	1
France	16599	2
United Kingdom	15196	3
Germany	15137	4
Canada	14502	5
Spain	12564	6
Australia	8986	7
Italy	8064	8
Saudi Arabia	7051	9
Russia	6087	10
South Africa	5289	11
United Arab Emirates	4917	12
Switzerland	4783	13
Sweden	3838	14
Japan	3150	15
Brazil	2673	16
Source: Gallup and own	calculation.	

Table: Ranking countries in GWP

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- Total number of respondents choosing Luxembourg: 208 (29 in 2016).
- Luxembourg is ranked 76 in the world in terms of preferred destination (71 in 2016).
- 46 countries have at least one respondent mentioning Lux as a preferred destination over the 2008-2016 period.
- More than 160 countries have no respondent mentioning Lux as a preferred destination over the 2008-2016 period.

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#### Top-10 origins of intended moves to Lux

#### Table: Lux: Main origins

Origin	# Mention 2008-16	# Mention 2016
Portugal	52	8
Serbia	26	3
Belgium	22	1
Bosnia	8	5
France	8	0
Poland	7	0
Italy	6	1
Austria	5	4
Denmark	5	0
Romania	5	0

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#### Estimates of desired emigration rates

- One important output of Gallup is the estimation of desired emigration rates and (by contrast) intended stayer rates.
- The average desired emigration rate is about 21 % and is stable over time.
- But huge heterogeneity across origin countries. This reflects the perceived level of living conditions in the country.
- And huge heterogeneity across individuals. If you restrict to individuals aged 25+ (working age), this decreases to 12%.
- The evolution of the intended emigration rate also reflects the occurrence of shocks and trends at origin (positive or negative).













- Concerns that intended migration data are not reliable (Is it cheap talk ?)
- A related question: to what extent are intended migrants fully rational? Or partly rational? To what extent do they internalize information at destination?
- Are all intended migrants similar in their expectations or is there some heterogeneity? GWP has information on the characteristics of individual respondents.(age, family structure, education, income...)



- Literature highlights the role of traditional determinants of actual migration flows → Same determinants (with different impacts).
- A good example : Role of Networks. Bertoli and Ruyssen (2018). Using individual data, they show that the relative odds of intending to migrate to destination over any other foreign destination for an individual having a connection is between 6 and 8 times larger.
- Rest of the literature shows that the usual suspects in gravity models apply for the intended migration rates.
- Bertoli and Ruyssen (2018) show that migration intentions have predictive power of actual flows on top of the usual determinants.

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- To what extent are potential migrants using information at destination? Do potential migrants make rational choices with respect to conditions at destination?
- Beine, Machado, Ruyssen (2018) look at the role of integration policies at destination conducted in (mostly) OECD countries.
- Integration policies of immigrants in various dimensions: access to labour market, acquisition of nationality, political rights, permanent residence, family reunification, education policies for children of immigrants.



- Q1. Do potential migrants take into account differences in integration policies at destination (on top of the traditional determinants) in choosing their preferred intended destination (which might include staying put)?
- Q2. If yes, which policies ?
- Q3. Are there differences across types of potential migrants ? E.g. do skilled potential emigrants proceed the information in a different way?

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#### Global Literature Desires GWP GWP Meaning BMR Limitations Q1-Q2: are policies accounted for and which ones?

	M1	M2	M3	M4	M5	M6
Labour Mkt	1.279***					
	(4.75)					
Fam. Reun.		0.167				
		(0.72)				
Perm. Resid.			0.736*			
			(1.78)			
Nationality				0.695***		
				(5.70)		
Polit. Part.					0.045	
					(0.37)	
Acc to Edu.						0.399
						(1.19)
Observations	26493	26493	26493	26493	26493	20118
t statistics in p	arentheses					
Standard errors	are clustere	d across o	rigins.			
Impact of other	covariates i	not reprod	uced here.			

Table: Estimations benchmark (MIPEX 1 year lag 2008-2015)

\* p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01

GlobalLiteratureDesiresGWPGWPMeaningBMRLimitationsQ1-Q2:Are policies accounted for and which ones?Placebo.

	M1	M2	M3	M4	M5	M6
Labour Mkt	0.369					
	(0.88)					
Fam. Reun.		-0.026				
		(-0.06)				
Perm. resid.			1.630*			
			(1.80)			
Nationality				0.687***		
				(2.82)		
Polit. Part					0.067	
					(0.27)	
Acc to Edu.						-1.525
						(-1.36)
Observations	2562	2562	2562	2562	2562	1872

Table: Estimations within Schengen area only

t statistics in parentheses

Standard errors are clustered across origins.

Impact of other covariates not reproduced here.

\* p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01

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- Yes, but not so much.
- High-skilled migrants value more wage differentials, access to labour market, permanent residence and acquisition of nationality.
- Policies enhancing political participation, education policies, family reunification not so much valued.
- Education policies are valued by young intended migrants only (aged 15-30).



- Limitations and discussions about GWP data.
  - Surveys are about intentions of permanent moves (see Q1). Questions about temporary moves but much more restricted samples.
  - But literature suggests emigrants are not efficient in terms of forecasts of their future duration. In general, there is an underestimation of the time they actually spend abroad. Intended temporary migrants tend also update their expectations and often become permanent emigrants.
  - Do stated intentions correspond to real aspirations? Another question about whether people have made real plans in the last 12 months. Migali et al. (2018) claim this is the relevant question.
  - But very limited sample. Period of last 12 months restrictive. No information of actual type of plans (can go from visa application to sale of house)  $\rightarrow$  It is unclear whether this adds important information.

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Limitations and discussions about GWP data.

- GWP : only one preferred destination.  $\rightarrow$  restrictive.
- Information about other preferred destinations are also useful. For instance if restrictions are imposed on preferred destination, the second or third destination might turn out to be the destination chosen in practice. Role of deflection.
- There is need for collecting data in which intended emigrants give the full set of chosen destinations, should they leave. Goal of new CORE project starting in 2019 with A. Dupuy and M. Joxhe.

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- Analysis based on actual flows is useful but confounded by impact of out-selection factors.
- New approach based on migration intentions allows to deliver new insights on the role of self-selection factors at the world level.
- GWP Survey data very comprehensive. Increase use to forecast future migration pressures. Migration intentions reveal attractiveness of foreign destinations. They also reveal perception of well-being in origin countries.
- Intended migrants tend to be (partially) rational in their location choices. For instance, they internalize the way integration policies ease the access to the labour market.