

AFRICAN PROFILES AND CHALLENGES FOR FUTURE RESEARCH

**Labour migration workshop
Whitesands Hotel, Mombasa**

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30 May, 2009

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Objectives

- review such data as exist on migration dynamics within the region
- Considers ideas on the economic consequences (remittances and the brain drain) of international migrations in the region
- concludes with thoughts on policy issues and potential options for future research

Patterns of Migration

- **Sources of data:**
- **UN Population data on refugees reported by the UNHCR,**
- **data from the World Bank's Development Prospects Group,**
- **OECD data sets**

Patterns of migration

- The **stock of international migrants**, within SSA, has risen substantially in the last half century. Migrants represented just over 3.5 percent of the population in SSA in 1960 but only 2.3 percent by 2000 (UN Pop. Division).
- UN and WB estimates show **immigration** is relatively high in Burkina Faso, Ghana, South Africa (SA). Although SA is frequently mentioned as a principal destination for migrants in the region, the UN reports larger stocks of migrants in Cote d'Ivoire, Guinea, Tanzania, Nigeria, Mozambique, Kenya, Gabon, due to irregular migration and refugees
- Liberia, Mozambique, Djibouti, Rwanda, Ethiopia and Gambia report **net return migration**
- **Emigration** is relatively high in Lesotho (to SA), Burkina Faso and Mali (largely to each other and Cote d'Ivoire), Ghana (more than a third to Cote d'Ivoire), Senegal (to both Africa and Europe) and Mauritius
- Other countries with estimated net emigration are Eritrea, Sierra Leone, Gabon, Burundi, Mali and more recently Zimbabwe

Key features of contemporary migrations in SSA

- **extreme instability** over time. Net migration positions fluctuate over time
- most international migrations are to **neighbouring countries**, and **circular migration** is common
- **Cross border *trading*** is common
- more than three quarters of the **refugees** from SSA are located in the region
- emigration from Africa has accelerated in the 1990s with the **largest absolute stocks of emigrants** in the OECD in 2000 being South Africa, Nigeria, Kenya and Angola.
- Southern Africa, and Western Asia, has the lowest portion of **female migrants** of any region in the world (Martin, 2004)

Thoughts on determinants of African migration

- cross-border migrations in SSA are dictated primarily by choices of migrants and their families
- Key determinants of international migration in the region: are (1) *economic factors*, (2) *demographic patterns* and (3) *conflicts*. ('forced migration')

Economic factors

- **wage differentials** between migrant-sending and – receiving countries
- employment rates and **job opportunities**
- It has been also argued that there is a potential non-linear relationship between **economic growth** and migration. The so-called ‘migration hump’.
emigration pressures may actually increase with economic development (Lucas, 2005):
- No empirical evidence to support this set of hypotheses in SSA
- **risk diversification**
- Migration may also compensate for **imperfect credit markets** that make it difficult or impossible for individuals to borrow in order to invest.

Demographic factors

- age structure of countries of origin and destination

Conflicts

- conflict clearly has detrimental effects upon economic development but note the role that economic deprivation may play in fuelling ethnic conflict – what is the relationship with migration here?
- the distinction between motives for migration between refugees and economic migrants is generally blurred.

Slide 9

I1

I am not sure here what we can put as the aim. Sorry can't quite suggest anything

Imatshe, 2009/01/25

Who are African migrants?

- There are few systematic comparable studies of international migration in the region partly because appropriate micro level data are rarely collected.
- exception is the South African Migration Project (SAMP), which is focused on Southern Africa only.
- SAMP devised the Migration and Remittances Survey (MARS) to provide nationally-representative data on migration and remittance flows at the household level for 5 Southern African countries: **Botswana, Lesotho, Southern Mozambique, Swaziland and Zimbabwe.** Households were randomly selected and were included in the survey only if they had cross-border migrant or migrants. survey not representative at the national level
4,700 household interviews (30 000 people)

MARS Findings

- most migrants in the region are **male**.
- migration streams are dominated by the young and unattached. Three quarters of migrants under the age of 25 came from only two countries: Zimbabwe and Mozambique.
- many are also **heads of households**.
- Most migrants are educated
- Many migrant sending households across the region rely on family **migration networks**,.
- **South Africa** plays a central role in the cross-border migration picture with **Minework** was the most frequently cited occupation of international migrants from Botswana, Lesotho, Mozambique and Swaziland
- Migrants maintain strong **links with home**,
- majority (85%) of migrant-sending households receive cash **remittances** etc

The Consequences of International Migration in Africa

- The potential effects of large scale emigration upon the economy of the sending country include impacts on labor markets for those left behind, consequences of a brain drain, the role of the diaspora from abroad through remittances and otherwise, the potential for poverty exacerbation especially within families who lose major income earners abroad, and the difficulties of adjustment for short and longer term circular migrants.

Remittances

- SSA has provided a substantial part of the supporting empirical literature on the notion of migration as a risk-spreading family strategy, with remittances offering **relief in times of adversity**.
- An important consequence of **strategic remittance behavior** is that the poorest are rarely the major beneficiaries of remittances, at least directly.
- there are several contributions showing the role played by remittances in fostering **investments and productive enhancements** at household level.
- the **education of children** (especially daughters over sons in this case).
- the **demand for health** services
- current **consumption**, with only 10 percent of remittance receipts devoted to savings,
- Nonetheless, there is a general consensus that remittances may prove **poverty alleviating**,

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Brain drain

- The withdrawal of any factor of production, such as highly skilled labor, **diminishes returns to other factors remaining at home**
- The other concern is with respect to **fiscal impacts** of a brain drain. There are two distinct aspects:
 - there is a potential loss of *tax revenue*
 - the second element of fiscal concern is the *public money* spent on educating the departing emigrant.
- some plausible channels of **brain gain**: routes through which a highly skilled diaspora may benefit the old country. Besides remittances, there is the role of diaspora in *promoting trade*, in *transferring technology*, and in *channeling capital funds*. Lastly the role of a brain drain to *encourage expanded education at home*.
- Southern Africa has a much lower rate of brain drain to the OECD than do the other three regions of SSA.

The brain drain in Africa by sectors

- ***healthcare workers,***
- ***other professions..***
- *it is misleading to lump emigration of all highly skilled persons into one category. A more detailed look at precisely who is emigrating, the state of the home labor market for such persons, how their education is financed, and the implications of their exit for employment of others, all need more careful analyses*

On the impact of immigration upon receiving countries in SSA

- the economic impacts may be mixed.
- infrastructure likely to be stretched but, depends upon the duration of stay,
- *local labor markets* and *markets* for basic provisions can be considerably transformed
- There are also more *macro-economic effects*, depending upon the extent of foreign exchange inflows.

Conclusions and Options for Future Research

- When countries are in *migrant-sending mode*, the lack of economic development and of employment creation, the pressing consequences of demographic structure, overlain with the geographic setting, and exacerbated by the cumulating effects of growing migrant networks, are primary driving factors.

cont

- **Conflict resolution** is absolutely critical to the future of migration **Economic development and job creation**
- research on **remittances** in Africa has been substantial, some results also emphasizes the need for more research. The macro-economic effects of remittance inflows remain poorly modelled and understood, not merely in Africa but more generally.
- More research will be needed to investigate the likely **patterns of future emigration** expansion itself.

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- a full economic evaluation of the **brain drain & gain**
- Consider both the effects of immigration upon the local labor market and some of the more **general equilibrium effects of immigration**: effects on price formation in non-traded goods, on patterns of demand with implications for trade, and on returns to capital and human capital in various sectors in the short run.
- Immigration control
- Finally, and most importantly for SSA, more research will be needed on the impact of **refugee arrivals** on the local and national economy in the country of asylum.

Major obstacle to this research agenda is availability of **data**.