



# Economic Cycles, Demographic Change and Migration

International Dialogue on Migration  
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Assisting a World on the Move for 60 Years



Migration for the Benefit of All



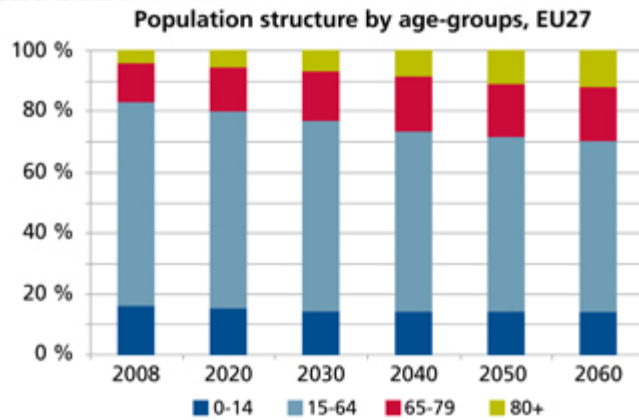
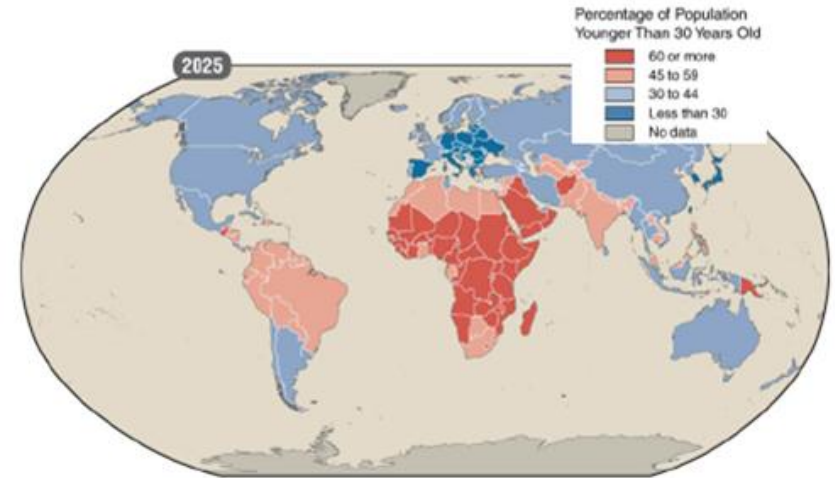
# Core Issue

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How to reconcile (longer term) demographic changes and (shorter term) economic cycles in migration policy?

# Demographic Change and Migration

**Ageing populations and decline in working age population in most industrialized countries**



Source: EC, 2009 Ageing Report.

**Growing labour surplus in many developing countries**



# Economic Crisis and Migration

- ① **No single global trend to narrate the manner in which the crisis affected migration.**
- ① **Evidence from 2008-09 global economic crisis suggest:**
  - Unemployment rates higher than for locals
  - Remittance declined less than forecast
  - Fewer returns than expected
  - Declining irregular migration flows
  - Remaining migrants more vulnerable

*IOM World Migration Report 2010  
The Future of Migration: Building Capacities for Change*





# Dynamics of Economy, Demography and Migration

## Multilayered and complex interfaces:

- Economic and demographic trends often follow different logics, drivers and timescales...
- ...however, the two trends converge in the labour market.
- Migration, particularly labour mobility, can be a cause and/or consequence of economic and demographic imbalances...
- Migration has become a key element in labour markets – both at the high and low skilled ends.





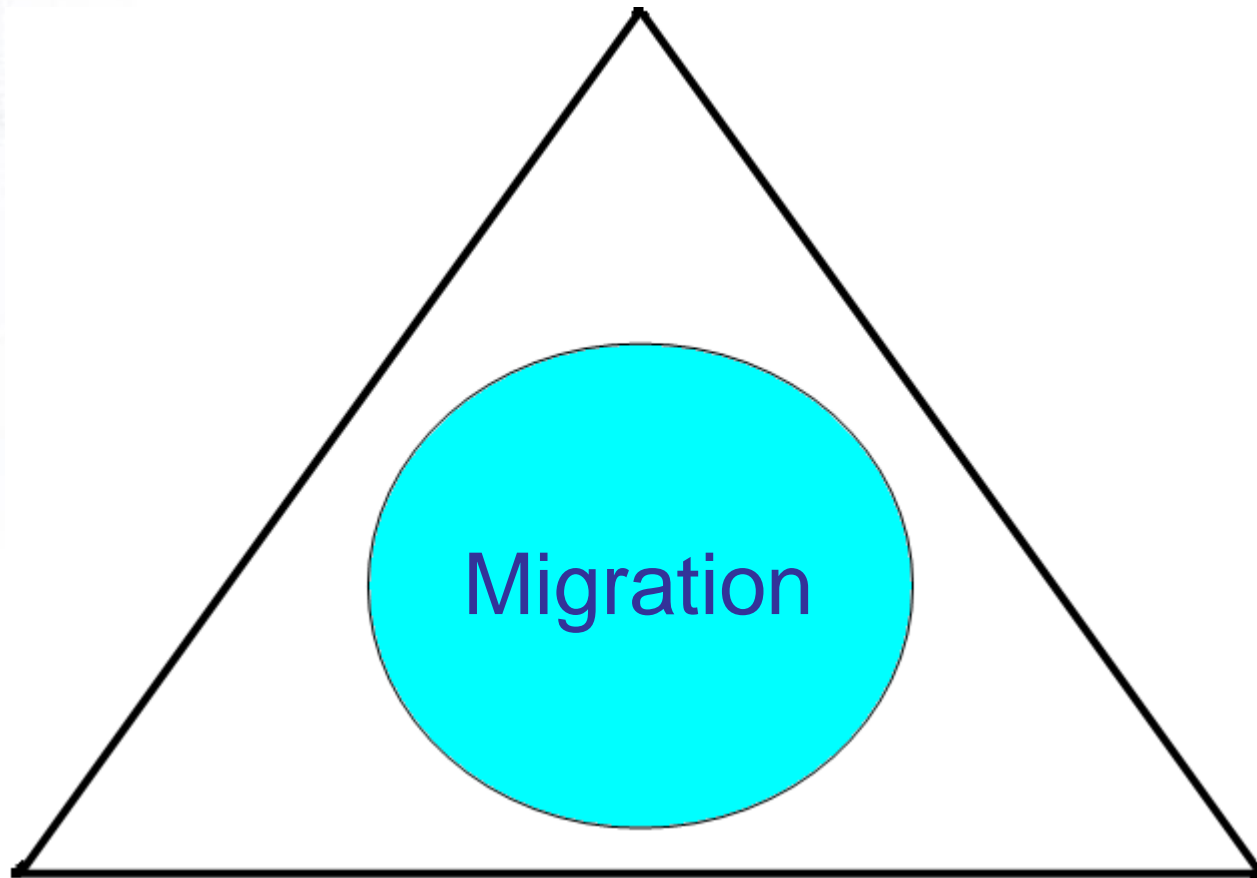
# Dynamics of Economy, Demography and Migration

- Economic crises affect lives and livelihoods of people (migrants and non-migrants), often through an individual's employment situation.
- Immediate, severe consequences of economic downturns attract priority attention of policymakers.
- Ad-hoc migration policies adopted during or after an economic crisis could hinder long-term economic recovery.
- Short sighted policies may run counter to long-term demographic trends.



# Triangular Complex Challenge

State priorities and capacity



Economic cycles

Demographic change



## Understanding and adjusting to labour market dynamics

- Labour market assessments (formal and informal, cyclical and non-cyclical, high and low skilled sectors),
- Broad based consultations,
- Coherence between labour market and migration policies.



## **Managing labour migration for economic growth and development**

- Reduction of underemployment / brain waste through skill upgrading,
- Coherence between skilling / education and migration policy,
- Systems for skills / qualifications recognition,
- Anti-discrimination measures in the labour market.

## **Attracting and retaining talents in all skill categories**

- Reducing cost of recruitment,
- Private-public partnership,
- Promoting student mobility.

## **Enhancing the potential of temporary and circular migration**

- Evaluation of past programmes,
- Focus on rights protection and skill development,
- More flexible residence permits, entry provisions and procedures to change visa/residency categories,
- Portability of benefits.

## **Placing migration policy in demographic context**

- Labour market integration of non-economic migrants,
- Policies to integrate second and third generations,
- Better management of internal migration.



# Conclusion

**🌐 Migration is one component of economic cycles and demographic changes and one item in the “policy basket”**

- Migration plays a key structural role in adjusting to demographic changes, labour market imbalances and economic fluctuations.
- However, migration is not the only factor...
- ... It is part of the solution and needs to be complemented through other policy measures.



# Conclusion



## Governance of international migration:

- ***Integrated and flexible approach:*** take into account short-term market consideration and long-term demographic trends.
- ***Equitable framework:*** balance State and market interests and protection of migrants.
- ***Pragmatic societal discourse:*** avoid “politicisation” of migration and stigmatization of migrants.
- ***Productive inter-state dialogue:*** finding common ground between countries of origin and countries of destination.





Thank you

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