



International Labour Office

***HUMAN MOBILITY: AN IMPERATIVE FOR DEVELOPMENT IN THE
AGE OF GLOBALIZATION:***

Presentation Session 1, CAUSES OF MIGRATION

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Human mobility –migration- today is not a threat nor is it just an opportunity for development. In the context of globalization, it is an essential imperative to sustaining development and to obtaining social welfare.

In the face of economic, technological and demographic changes taking place concurrently and as consequences of globalization, sustaining development in the North and the South will depend on greater mobility, particularly migration of labour and skilled personnel. Let me add that social welfare will consequently depend on that migration taking place with protections for the safety and dignity of all migrants.

One projection should make the point. An ILO study showed that, if current economic, demographic, employment and migration trends in Europe remain as they are today, the standard of living in this region will be 22% lower by 2050 compared to now.

To be a bit more precise, ILO conducted a future simulation for Western Europe using its methodology to predict performance of social security systems. This method has proven accurate over the last ten years. The simulation assumed that current trends would remain the same regarding population aging and decline, female participation in the work force, retirement age, low immigration, and modest advances in productivity and economic growth. The outcome of the simulation showed that, in little over 45 years from now, the standard of living in Western Europe measured by per capita income of gross domestic product will be 78% of what it is today, 22% lower.¹

While migration is far from being the silver bullet solution to achieve a more optimistic scenario, it is the only variable in the equation with significant potential for modification.

No wonder then that, in the last few years, migration policy has become the issue at the top of the agendas of EU Presidency conferences, UN High Level debates, the just concluded EU-Africa Summit and innumerable academic forums, business strategy discussions, not to mention press coverage and politicians speeches.

¹ ILO. *Towards a Fair Deal for Migrant Workers in the Global Economy*. International Labour Conference 92nd Session June 2004. Report VI. P. 37-38. Available on line at: <http://www.ilo.org/public/english/standards/relm/ilc/ilc92/pdf/rep-vi.pdf>

Let me remind you of the importance of addressing these challenges. Migration, or more appropriately, human mobility is vital to global prosperity. Migrants make important contributions to their countries of destination and of origin. Migrants are rightly considered as agents of development who strengthen cooperation between home and host societies. Migrants contribute to development through investment and remittances – but also through their skills, entrepreneurial activities, and support for democratization and human rights.

ILO figures show that migration today is essentially about work, about production of the world's goods and services –and thus the reproduction of capital. Of the 191 million people living outside their countries of birth or citizenship, ILO estimates show that 90 to 95 million of this number are economically active—employed, self-employed or otherwise engaged in remunerative activity. Engaged in what we call the world of work.

Foreign-born workers represent 10% or more of work forces in Western Europe, 15% in North America, and even higher proportions in some countries in Africa and the Middle East.

Today, mobility of workers is essential to assuring access to labour, distribution of income, and economic productivity worldwide. Indeed, over 100 nations today are significant countries of origin or destination of migrant workers, or both.

Increasing numbers of jobs in industrialized and in developing countries simply cannot be filled by native-born workers. This is certainly the case for lower skilled jobs in developed economies. But it is also the case that national educational systems simply cannot evolve rapidly enough to train for all of the different and rapidly changing skills needed in technologically complex and rapidly changing economies.

Ageing of native work forces combined with declining populations is only accelerating these dilemmas. At current rates, Italy's population will be 25% less in 2010. While today the average social security dependency is 2 retired persons for seven economically active across Western Europe, the ratio will rise to 4 per 7 by 2050. This means either doubling the contributions per working person or halving the income for retirees.

But this dilemma is no longer a monopoly of Europe. The projections of this looming crisis in social security dependency rates are similar for China. More immediately, the work force of Russia will decline by 5 million workers by 2010 compared to 2000. Tunisia reached the fertility rate of zero population growth last year.

The challenge of labour migration lies squarely in the contemporary crisis of accumulation of capital. Today's globalizing world is explicitly characterized by increasing competition for markets, resources and labour. This process is accompanied by generalized rise in costs of raw materials and technological inputs. At the same time, costs of access to capital, raw materials, agricultural produce and manufactured goods have become increasingly equalized among countries and across regions. More and more, the only variable is labour cost.

One consequence of these trends has been the shift to the periphery of industrial activities that previously were main sources of capital accumulation for Western countries. The periphery, where labour costs are kept lower by combinations of labour surplus, repression of organization, and denial of human and labour rights. Industrialized countries simply cannot compete on costs in manufacturing and, increasingly, many services.

However, high tech activity, information, and a large range of services remain viable and difficult to offshore. Activities such as construction and many health services simply cannot be dislocated. Small and medium size business enterprises don't have the means to relocate offshore. Many advanced countries have deliberate policies to retain at least part of food production within their territories.

Elsewhere, groups of countries are finally realizing that they can only function –let alone compete—in the globalized economic market system when they achieve economies of scale and collective political clout obtained through regional economic integration schemes, just as the European Union has done over the last half century. But creating larger common market spaces of free movement of capital, goods, services and technology simply cannot function unless there is also labour mobility. Without labour mobility, the work force and skills are simply not available where economic development initiatives take place –whether new factories, expanded agricultural production, infrastructure projects or new services.

So the question of facilitating human mobility is high on the agenda in the Andean countries and Mercosur in South America, in the Central Africa Economic and Monetary Community, the East Africa Community, the Economic Community of West African States, the Southern Africa Development Community, and more recently it has been put on the agenda of ASEAN, the Association of South East Asian Nations.

Whether or not globalization is really contributing to greater global prosperity for a greater proportion of the world's people, the imperative for greater migration must be acknowledged and addressed. This challenge is only compounded by increasing human displacement predicted –and occurring as a consequence of the consequences of global warming and climate change.

On the other side of the equation, a myth must be challenged. For many –probably most--migrants, migration is not about choice. It is not simply to seek greener pastures or a better life or opportunities somewhere else. Those terms imply that migrants leave green pastures, opportunities and life sustaining conditions at home.

The reality is far different. Many migrants are compelled by the absence of decent work and the impossibilities for survival at home. As the ILO Director General Juan Somavia put it, *“if you look at Globalization from the point of view of people's concerns, its single biggest failure is its inability to create jobs where people live.”*

The forces driving migration are many and complex, and global explanations may not apply to all individual situations. Poverty, wars, famine and repression are certainly among the major causes of migration, but there are other factors as well. Some of the reasons cited for crossing national borders include population pressures on scarce natural resources, wage or income inequality between the poor and rich countries, growing urbanization, reduction in the cost of transport and communications and increasing interactions among societies, the absence of human rights, and establishment of migration networks by earlier migrants.

Civil conflicts can cause the dislocation of people from their homes, forcing them to seek temporary protection in neighbouring countries. During the last decade, the number of refugees globally peaked at about 18.5 million in 1990-95, but has since declined to about 13.5 million in 2005.ⁱ In the future, global warming may raise migration pressures. However, contemporary international migration can generally be explained by increasing differences between countries and the lack of gainful employment, decent work, human security and individual freedoms in certain parts of the world.

A major issue is that not enough jobs are being created for the world's growing labour force. Every year some 40 million new workers are added each year to the global work force. The world's population of 6.7 billion in 2006 was growing by about 75 million every year, mostly in developing countries. The ILO report, *Global Employment Trends 2007*, estimated the world's labour force in 2006 at around 2.9 billion people.ⁱⁱ In the same year, there were an estimated 195.2 million unemployed, about 6.3 per cent of the total global labour force. The number of "working poor" - or

persons living on the equivalent of US\$ 2 per day or less - has continued to grow, reaching 1.37 billion in 2007.ⁱⁱⁱ

The plight of farmers in developing countries is a powerful economic factor behind international migration – now and in the future. Many industrial countries had a “great migration” off the land in the 1950s and 1960s, and similar movements are evident today in many major source countries, including China, Mexico and Turkey. In 2005, about 40 per cent of the world’s workers^{iv} were employed in agriculture, and in poorer countries they are usually worse off than urban dwellers. This is partly the result of, among other factors, public policy often reflecting structural adjustment packages that have pushed countries to “modernize” agricultural production to make it more export-oriented, and the consequent undermining of the position of small farmers through the increasing liberalization of trade. Farmers are then pushed out of farming into chronic underemployment or rural out-migration.

Indeed, the world’s urban population has grown very rapidly (from 220 million to 2.8 billion) over the 20th century, and the next few decades will see an unprecedented scale of urban growth, particularly in the developing world. The UN estimates that by 2008, for the first time in history, more than half the world’s human population, 3.3 billion people, will be living in urban areas.. This will be particularly notable in Africa, as well as Asia where the urban population is expected to double between 2000 and 2030.^v

Why is all this a big deal? Because migration today is about development. About development in the age of globalization. And this means development in an age of globalized flows of capital, and intensified competition between economic blocks.

In this age of globalized competition, migration is key to control and lower labour costs, the only variable when free trade is equalizing costs of material resources, goods and technology.

In today’s deregulated environment, migrant labour is an extremely valuable commodity because, without a clear regime of regulations based on international norms, it can be kept cheap, docile, flexible, and easily removable when no longer needed.

Yes, we need a comprehensive, wholistic and long term approach to migration. But one founded on the human values embodied in international human rights and labour standards. It is only those standards enacted in law that provide accountability to human dignity, to development, and to social welfare that we understand governments and social partners throughout the Mediterranean should be about.

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ⁱ UN Population Division: *Trends in total migrant stock: The 2005 Revision* (New York, UN DESA, 2005).

ⁱⁱ ILO: *Global employment trends*. (Geneva, 2007).

ⁱⁱⁱ ILO: *Key indicators of the labour market*, 5th Edition (Geneva, 2007).

^{iv} ILO: *Global employment trends model* (Geneva, 2006).

^v *State of world population: Unleashing the potential of urban growth*, UN Population Fund, 2007, <http://www.unfpa.org/swp/2007/english/introduction.html> (accessed 12 November 2007).