

Migration and Globalization: Challenges and Perspectives

PhD Prof. Mariana Bălan

“Athenaeum” University of Bucharest, Romania and

Institute for Economic Forecasting- NIER, Romanian Academy

E-mail: dr.mariana.balan@gmail.com

Abstract: The globalization of modern world stimulated marked increases in the migration to locations both near and far supported by several factors either of economic, social or environmental nature or by political instability and the development of some sophisticated, modern transport systems and networks that facilitated easier, cheaper and quicker movement of individuals than in any other moment in mankind’s history. Thus, the number of international migrants reached 244 million in 2015 on increase by 41% as compared with the year 2000. Characteristic for the migration phenomenon by the end of the 20th century and the beginning of the third millennium is the change in the structure, dimension and typology of migration flows, as the workforce demand regarding the labor force market in the countries of destination is addressed especially to high-skilled immigrants. Even though for most of the times, the volume, diversity, geographic expansion, as well as the general complexity of international migration are considered as on increase as effects of the globalization processes, still this idea remains for its largest part unverified. The paper presents a brief analysis of the main globalization characteristics of globalization and its impact on the volume, structure, and trends of the migration flows.

Keywords: globalization, migration, urban immigration, economic and social effects

JEL Classification: F22, J10, J21, J24, J61, O15, R23

Introduction

Globalization increased the interconnectedness of national states, accelerating the flows of goods, services, ideas and people beyond national borders. International migration was present earlier than globalization but the speed, scale, complexity and volume of world migration within the global era remains unprecedented.

Transnational flows of goods and capital were made possible by gradual lowering the barriers to trade and investments beyond national frontiers during the last decades and allowing thereby for the expansion of world economy.

The World Bank Report “Globalization, Growth and Poverty”¹ indicated that while countries pursued to promote integrated markets by liberalizing trade and investments, these elaborated a series of policies which were, to a large extent, opposed to migration liberalization. However, despite governments’ reluctance to liberalize policies in the field of immigration, the number of individuals living outside their countries of origin increased from 120 million in the year 1990 to 244 million in the year 2015, a figure representing 3.3% of the world population.

The increase in social, economic and cultural links between countries facilitated migration for an increasingly larger number of individuals and the diversification of this phenomenon regarding structure of these immigrant populations not only of the countries of origin, and with respect to migration types: for labor, education, family and asylum, temporary migration and permanent migration coexisting increasingly more.

The determinant factors of international migration are diverse and complex. From the reasons classified as “push and pull” factors, globalization imposed the implementation of a third set of motivations under the designation of “network”, which includes the free flow of information, improvement of communication at world level, along with swifter and cheaper transport. These latter factors are not a direct migration reason, but elements contributing to favoring migration. It should be noticed that modern globalization is not determined only by the technological progress, but also by the political and ideological changes.

1 *Globalization, Growth, and Poverty: Building an Inclusive World Economy*, The report is written by Collier P., Dollar D., World Bank Publications, 2002

Regarding the contemporary geography of labor force migration, this one mirrors the globalization of world economy and of the labor force markets, where an increasingly higher number of countries turned into participants to the migration systems at world level. A globalization of international labor force migration takes place, and the increase in the numbers of countries involved in the migration systems triggers an increasing higher diversity of the flows.

In the framework of globalization, enterprises increase and become more internationalized and, often, these externalize their production to developing countries where the labor force costs are smaller. This movement of jobs from developed countries to developing ones attenuates some of the economic factors generating migration.

The effects of migration are complex, as they bring both benefits and disadvantages, both for host countries and origin countries. Immigration provides a source of cheap labor for host countries, a resource for diminishing the effects of demographic ageing, while remittances of migrant workers might represent an important income sources for relatives remaining in the country of origin. On the other hand, immigration may generate resentments and fear against the newcomers in the communities. For the economies of the countries of origin, emigration generates losses of working age young individuals who are well-educated and to a more substantial population ageing.

Quantifying the direct or indirect impact of globalization on international migration is a difficult and complex task. The studies realized with this purpose highlight that globalization favored both legal and clandestine flows of migrants, these generating benefits and problems/ pressures in origin and host countries. All these combined trends suggest that the migration models at world level became increasingly complex.

1. General characteristics of globalization

Globalization is an extremely complex and controversial concept, yet not a new phenomenon, but a continuation of current socio-economic developments. Among the most significant characteristics of globalization in the current conjecture, might be reminded:

- i) internationalization of manufacturing accompanied by changes in its structure;
- ii) expansion of international trade and services;
- iii) expansion, diversification and deepening of international capital flows.

The globalization phenomenon is synonymous with the one of acceleration, which is found in vast technological changes, global economic integration, but also in the massive changes of the manufacturing systems and of the labor force markets. Globalization lays particular emphasis on the openness of frontiers between countries, and the economic one encourages free trade agreements between countries, multinational corporations and a free flow of goods in the entire world. The technological changes of the last decades affect the product parameters and flows between countries. Improvements taking place in the transport networks and in technology have diminished the transport costs, and the performances in the field of information and communication technologies have facilitated the access for many individuals to a higher volume of available information, at very low costs. These have important implications regarding the nature of manufacturing activities, of knowledge flows, but also on trading the realized products. Thus, economic globalization prospers due to advanced digitalized technologies that facilitate the global expansion of companies, allowing them to optimize their operations and their aggregation on the world market while at the same time saving costs for these operations.

At the same time, economic globalization has as purpose also the incorporation of peripheral regions within a single global economic system unhindered by domestic borders.

However, the globalization process is a controversial one. The supporters of this process allege that globalization supported by economic policies' liberalization and by technological process generates important benefits, such as: improving the allocation of resources; increasing competitiveness, wider consumers' choice, increasing the possibilities of accessing international capital and investment markets, and access to ideas, technologies and performance products.

Yet, in favor of these arguments are but few evidences. Thus, if the GDP growth rates are analyzed at world level, for the last decades of the 20th century and the beginning of the third millennium, these are still lower than the ones by the beginning of the seventies, when financial liberalization began. At the same time,

the weight of investments in GDP at world level was, by and large, low² and indicating the intention to realize long-term investments.

The promoters of globalization support the idea that the liberalization of commercial markets and of the capital account led to higher efficiency in resources' allocation. If, with respect to the liberalization of commercial flows several studies were realized which bring to the fore strong empirical evidence in support of this statement and of their benefits, still analyzes regarding the significant benefits generated by the liberalization of the capital account does not provide for systemic evidences. The fact that the liberalization of the capital account is a much more complex process than the liberalization of commercial flows was highlighted also by the experiences of many developing countries that were faced with the financial crises of the last years.

Some experts³, regard globalization as being an extremely unequal process. For instance, growing trade is not leading to more equitable distribution of underlying comparative advantages. Inequalities exist also regarding the entries of foreign direct investments, and in generating 'new knowledge' (a relatively small number of countries continue to dominate in innovation).

'Winners' and 'losers' of the globalization process are found both at the level of the various countries of the world, and at the level of some population segments within the same country. The increasing inequality between countries generated by the globalization process is highlighted also by the differences between the income per capita in the richest and the poorest countries. Thus, according to the World Bank statistics, in 2015, the gross domestic product (at purchasing power parity) per capita, between the two richest countries Qatar and Luxemburg, was of 141543 Int\$, respectively 11497 Int\$, while in the poorest countries, the Central African Republic and Burundi, it was of 619 Int\$, respectively 727 Int\$. The fact that some countries are the 'winners' and others the 'losers' of the globalization process, indicates also that significant differences exist in their capacity of mitigating efficiently the challenges of globalization.

All these swift increases of transnational capital, trade and technology flows have led to world level economic restructuring with disturbances for the less developed

2 World Investment Report 2016, <http://unctad.org/>

3 Mojmir M., (2000), *Globalization: Trends, Challenges and Opportunities for Countries in Transition*, www.unido.org

or developing economies. These phenomena are generating unemployment, wages decrease or jobs uncertainty in dominant market economies. (Helfti, 1997).

Nowadays, globalization is a strong process and its reversibility is less probable. Globalization presupposes a set of changes, not only one dimensional change. Many of these changes are rather of social, cultural and political nature than strictly economic.

2. Migration during the globalization period

Migration is not a novel phenomenon. People always left their homes in search for better economic opportunities, both inside and outside their own country.

Because economic globalization compounds the inequality between nations, migration turns for many from choice into economic necessity.

In the year 2015, at world level, there were 244 million migrants⁴, from among which about 58% headed towards developed regions. Almost two-thirds from total migrants headed to Europe (76 million persons) and Asia (75 million persons). North America hosted 54 million migrants, followed by Africa (21 million), Latin America and the Caribbean (9 million) and Oceania (8 million). Migrants at world level, in 2015, represented 3.3% from the world's population, on increase by 0.4 pp against the year 1990. The Statistics of the United Nations⁵ show that in the period 1990-2015, the number of migrants at world level increased by over 91 million individuals.

The increases in the volume, diversity, geographic expansion, as well as the general complexity of international migration for the last decades are most times driven by the progresses in the field of transports and information and communication technology or, otherwise said, by the globalization phenomenon that, according to Held et al. (1999)⁶ might be defined as “the expansion, deepening and acceleration of interconnections at world level regarding all aspects of contemporary social and economic life”.

4 United Nations, *Trends in International Migrant Stock: the 2015 Revision* (United Nations database, POP/DB/MIG/Stock/Rev.2015). Available from www.unmigration.org.

5 Idem 3

6 Held D., McGrew A., Goldblatt D. and Perraton J., (1999), *Global Transformations: Politics, Economics and Culture*. Stanford University Press, <https://www.geog.mcgill.ca>

The technological changes of the last decades diminished the constraints related to resources regarding mobility by reducing travel and communication costs. At the same time, this allowed to the immigrants to keep contact with family and friends, to send back money to family remaining in the country of origin, and to travel much easier between the host countries and their countries of origin, thus strengthening migrant networks and transnational links.

As result of developing new technologies and communication means, the literacy and education degree increased and, both, ext to improved access to 'global' information via television and satellites, mobile phones and internet led to higher expectations and awareness degree of individuals from 'traditional' emigration countries and from other countries, as well. Thus, for the last 5 decades, international migration sped up and diversified from the viewpoint of both countries of origin and destination. In this context, Vertovec (2007)⁷ coined the term of "super-diversity" for indicating the unprecedented degree of migrants' diversity.

The motivation for migration varies a lot between countries. In some countries like, for instance, the United States and France the main reason for emigration is family reunion. In other countries, such as Australia, Canada and United States most immigrants come in view of definitive settlement. In a free area of labor force circulation, such as the European Union, most times migration is temporary and with lucrative purposes.

One of the effects of globalization is the increase in the urbanization degree of the countries. Over 54% of the world population lived in the urban area in 2014⁸. The forecasts of the United Nations Department of Economic and Social Affairs indicate an increase of urban population from 3.9 billion nowadays, to 6.4 billion by the year 2050.

One of the factors for increasing urbanization is also migration. Immigration and its impact on the urban landscape which is in continuing change are both important facets of the globalization process. The difficulties in estimating the migration impact on urban population increase consist in the lack of standardized

7 Vertovec S., (2007), *Super-Diversity and its Implications*. Ethnic and Racial Studies 30(6):1024–1054, www.uio.no

8 *World Urbanization Prospects, the 2014 Revision: Highlights*. United Nations Department of Economic and Social Affairs (UN DESA), <http://esa.un.org>

institutional data regarding immigration in cities all over the world. These are destination gates for an increasingly higher number of either international or internal migrants. Thus, in towns like Sydney, London and New York, migrants represent over one third of the population, while in Brussels and Dubai they are over 50% of the population. In Seoul, the number of foreign residents doubled for the last ten years. At the same time, in Asia and Africa is registered a rapid increase of the population in small cities.

The increase in the number of migrants in the urban area is determined also by demographic ageing, by the unequal development between the regions of one country, or between countries, by the environmental and climatic imbalances, etc. In many cities migration turned into more important factor of population increase and of its structure on ages than fertility and mortality⁹. To these is added the fact that social networks that migrants use either for integration, survival or economic opportunities are placed in the cities. Cities are also the places that provide for better education opportunities.

Another aspect of urban migration is also the concentration of the skilled international labor force in transnational corporations. Beaverstock's studies (1994), Friedmann's (1986) and Castells' (1996) have all highlighted that high-skilled migrants from international corporations represent a vital ingredient for the latter, and the skilled migrant flows between the cities of the world might be considered as having as outcome a 'world city'.

The urban area provides for migrants higher employment chances, both for high-skilled ones and for low-skilled ones in particular. Migrants have significant and essential contributions in the economic, social and cultural environment and development in the new communities where they settle. The data provided by the World Bank indicate that over 585 billion USD were transferred by immigrants as remittances in the origin countries in 2015. Remittances are but an example of the way, in which immigration contributes among others, to increasing the living standard in origin countries, to creating links between cities and other localities of the world, and to creating new socio-economic networks.

The strong increase of the urban population represents, nevertheless, an increased pressure for infrastructure, environment and for the social structure of the city.

9 Skeldon R., (2013), *Global Migration: Demographic Aspects and Its Relevance for Development*. UN DESA Technical paper 2013/6. www.un.org/esa

When urban migration is well-managed it might induce an economic and social dynamic that leads to increasing the capacity of migrants from the urban area to face the shocks and pressures. To the contrary, migrants are faced with legal, cultural and social barriers but also obstacles in accessing a complete range of resources, services and opportunities that cities can provide: formal housing, labor force employment, medical care, education, and social support systems. As a consequence, they are often forced to live under conditions of exclusion, segregation and vulnerability.

Another important dimension of globalization is the increase in the cross-border flows of any kind: financial, commercial, ideas, ideologies and knowledge about democratic and economic government, culture, media products and individuals. The cross-border flows are mutually conditioning one another. Thus, the increased international links of trade, aid, investments, communications, etc. strengthen, at least on short-term the migration links and/or vice-versa. (Schiff, 1994; Czaika și Mayer, 2011).

Conclusions

The globalization phenomenon emerged in the second half of the 20th century as result of heightened connections between countries of the world, of higher flows of goods, services, and ideas under the conditions of new discoveries in the field of science, technologies and communications.

Globalization is a system or a complex phenomenon, sometimes ambivalent, even contradictory. This phenomenon induced and imposed new movements in the international area, among the most important being counted the relatively free movement of people, goods and capital. If the economic effects of international trade and capital flows were analyzed, quantified and might be precisely identified, the net effect of migration was much less studied and understood, even if migration flows emerged much earlier than goods and capital flows.

Even though for the last decades the output per capita increased significantly, still the income distribution on countries is unequal and the differences in the living standard between rich and poor countries grew permanently. Therefore, the migration is from developing countries to developed countries.

During the last years migration became a public debate and economic analysis topic, and today is one of the key-words for the visionary entrepreneurs and for the decision factors. Globalization and internationalization of markets triggers new dimensions and components of the migration flows, an increased fluidity of movements, and the temporary migration phenomenon increases as significance. At world level, migration is on increase, however only 3.3% of the world population is involved in this phenomenon.

Under the conditions in which important migration flows join in a relatively small number of countries, it might be alleged that almost all countries are affected by this phenomenon, as they can be countries of origin, transit, and destination or all three of them.

One of the effects of globalization and migration is the increase in the urbanization degree. The urban environment provides for migrants higher employment chances, socialization networks to which they can resort for integrating into the host country, and better economic and social chances.

The consequences of migration can be of economic, social and psychological nature, as migration affects both migrants and autochthonous people. Migration might be beneficial for all parties concerned, irrespective if sending or receiving countries are at the core of the discussion, or even the migrants.

During the last years, an augmentation of labor migration occurred for the human capital in general, and for the youths with outstanding performances and high-skills in particular, brain-drain remaining an area of interest for transnational companies or for international scientific research.

During the present conjecture, the migration models are in a continuous process of change: i) the areas of departure are increasingly dissipating as the ethnicity criterion loses its footholds; ii) the criterion of distance becomes a minor one and the migration flows to destinations that are farther away gains ground, preference being given to destinations providing opportunities of professional achievement and relatively easier conditions of integrating in the new communities; iii) temporary migration fluctuates, its determinant factors being given by the labor market situation in the country of destination.

Globalization and migration represent two of the contemporary world processes which have higher dynamics, and that are extremely interdependent, however both having specific leaders/drivers and dynamics. Globalization might be regarded

as a potential strong facilitator of international migration: it increased the action room and played an important role in changing nature and models of migration. While the future increase or decline of globalization is far from being clarified, its impact on the migration issues will continue to play a significant role.

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