

Making Migration Work

di Michael Spence

The UN is right to underscore the benefits of broad-based international cooperation on migration, particularly regarding measures that could, over time, reduce migrant flows by improving conditions in source countries. But, to be politically acceptable in virtually any country, such cooperation must respect national sovereignty.

MILAN – There are four pillars of globalization and economic interdependence: trade, investment, migration, and the flow of information, whether data or knowledge. But only two – trade and investment – are founded on relatively effective structures, buttressed by domestic consensus and international agreements. The other two – migration and information – are badly in need of similar frameworks.

Both amount to pressing challenges, though migration may be the most urgent issue, given the surge in recent years that has overwhelmed existing frameworks. And, indeed, efforts are underway to produce a new shared framework to manage the cross-border flow of people.

In September 2016, the United Nations launched a two-year process to produce the Global Compact on Migration by the end of 2018. “This will not be a formal treaty,” says UN Secretary General António Guterres, “nor will it place any binding obligations on states.” What it is, he claims, “is an unprecedented opportunity for leaders to counter the pernicious myths surrounding migrants, and lay out a common vision of how to make migration work for all.”

But not everyone was on board with this approach. Last December, President Donald Trump’s administration withdrew the United States from the Global Compact process. According to Nikki Haley, the US ambassador to the UN, the declaration’s approach “is simply not compatible with US sovereignty.” Americans, and Americans alone, “will decide how best to control our borders and who will be allowed to enter our country.”

Europeans, by contrast, don’t have that option. Even if the European Union withdrew from the Global Compact process, its members would still have to grapple with the fact that the free movement of people within the single market – regardless of differences in, say, language or licensing and credentialing – is a fundamental requirement of EU membership. The perceived clash between that rule and national sovereignty was a salient issue in the Brexit vote.

The EU's labor-mobility provisions were not put in place to facilitate migration *per se*; rather, they were aimed at bolstering the EU economy by supporting integration, expanding the labor market, and strengthening economic adjustment mechanisms. But, if inbound documented migrants can settle anywhere in the EU, some well-defined collective process for deciding on the numbers and portfolios of migrants does presumably need to be established.

At present, there are quotas for individual countries, though some, like Italy, have more than exceeded them, as desperate refugees continue to flow across their borders, while others, such as Hungary, have refused to accept refugees at all. In any case, a quota is too blunt a measure by which to characterize a country's absorptive capacity. The composition of immigrants, together with their likely final destination, also matters.

Consider migration from an economic perspective. There is surely always excess demand on the part of workers from lower-income countries to migrate to high-income or dynamic middle-income countries. And while elements of some countries' immigration policies function like prices (wealth or investment requirements, for example), no country, as far as I know, allows "price" alone to equilibrate supply and demand.

This is for good reason: using wealth as the chief criterion for citizenship controverts the values of virtually any society. As a result, immigration is to some extent rationed, based on some combination of time spent waiting, family ties, education and skills, and even lotteries.

The problem of excess demand becomes more serious – and ethically challenging – when it involves refugees and grows suddenly, owing to factors ranging from natural disaster to civil war. In particular, if the increase in demand is not accommodated by a supply-side response, illegal and often risky migration will tend to grow.

For this and other reasons, the UN is right to underscore the benefits of broad-based international cooperation on migration. It is also right to advocate measures that could, over time, reduce excess demand by improving conditions in leading source countries. These measures will require international cooperation and investment in development, peace keeping, humanitarian assistance, and migration management.

But there are limits to the extent of such cooperation – or rather, the extent to which common rules can be enforced. Whatever the merits of the US position on the Global Compact process, the principle of national sovereignty remains critical to any politically feasible migration policy.

The best way to build a solid foundation for international cooperation is to urge countries to develop coherent and adaptive policies for migration that ensure the admission of a balanced portfolio of migrants each year. To that end, countries would have to pursue multidimensional assessments of the economic (including fiscal) and social costs and benefits, as well as the domestic distributional

impacts, of migration. Without such a foundation, anti-immigrant political headwinds and storms will continue to impede international cooperation.

Crucially, each country would need to design its own policies, depending on a host of country-specific factors. These include demographics, fiscal conditions, social policies that affect income distribution, access to public services, the extent of upward mobility, the backlog of past extra-legal immigration, the ethnic composition of the country, and the values that define national identity. There is certainly no one-size-fits-all solution.

The excess-demand problem cannot be eliminated fully. Even if a wide range of destination countries each implemented a coherent set of immigration policies, the chances that total supply would rise sufficiently to meet total demand is highly unlikely. The only way to achieve that would be to increase the price of admission or override national sovereignty to increase the total number of slots – both politically untenable options.

But the supply side can be much better managed in many countries, without violating national sovereignty. The result would be a more solid basis for international cooperation aimed at reducing abuses and suffering, managing economic migration, protecting refugees, and, eventually, reducing excess demand by fostering development and growth in source countries.