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THE EFFECT OF DEVELOPMENT INTERVENTIONS ON MIGRATION DECISIONS

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Important questions

- What are development interventions?
- Do they work?
- Do they deter migration?



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What are development interventions?

- “addressing the root causes of migration” popular in policy circles
 - Types of interventions:
 - Social protection, social transfers in cash or in kind, employment creation, insurance
 - Skills training
 - SME support
 - Agricultural development
 - Institutional capacity building
 - European Union Emergency Trust Fund for Africa
 - Employment creation
 - Basic local level service provision
 - Migration management
 - Migration governance



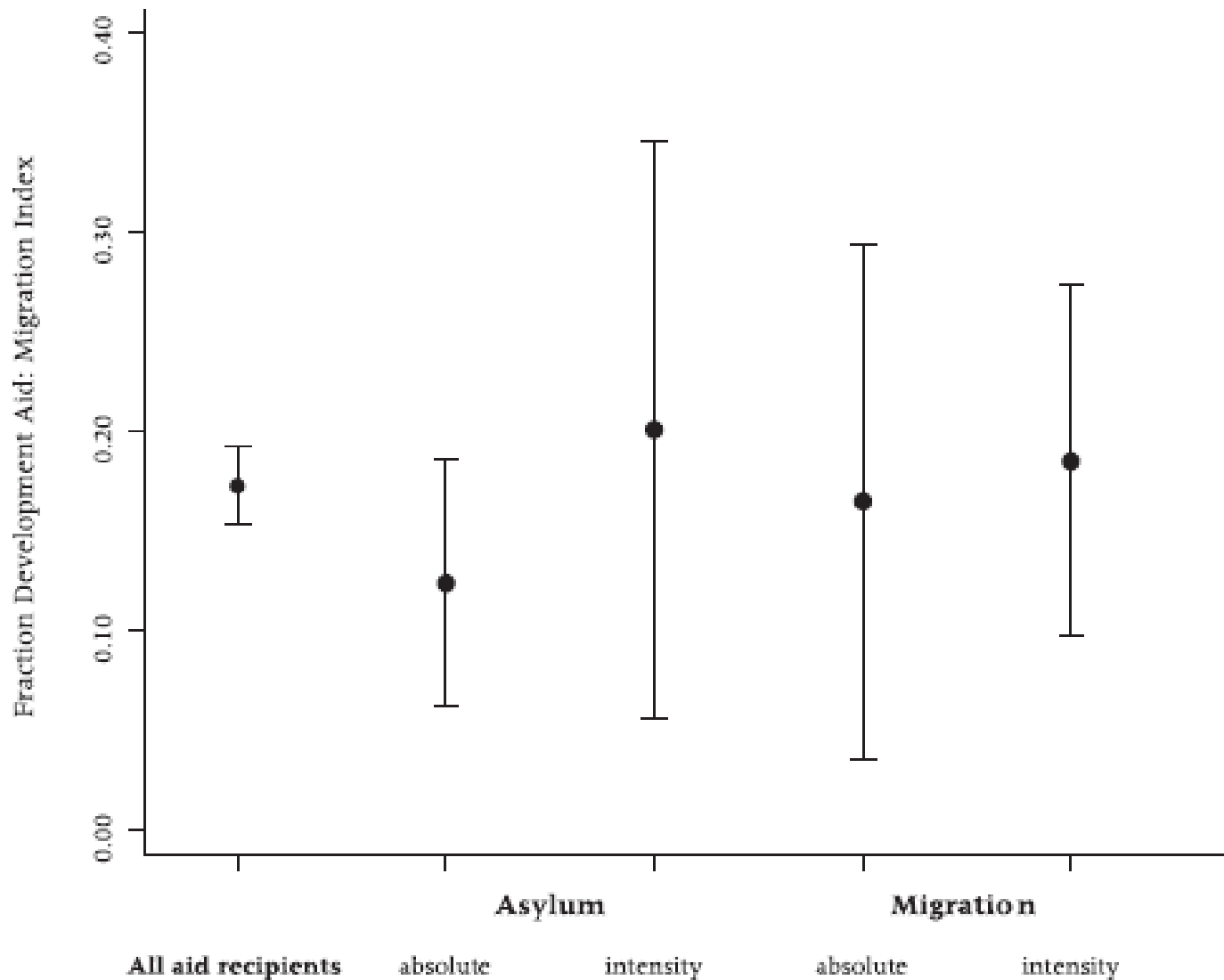
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FIGURE 1 Fraction of development aid allocated to “root causes” programming in major migrant origin countries, 2015



Source:
Clemens &
Postel
(2018)



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Does aid affect development?

- For this rational to work, aid must be targeted and effective (Gregl & Logozar, 2017)



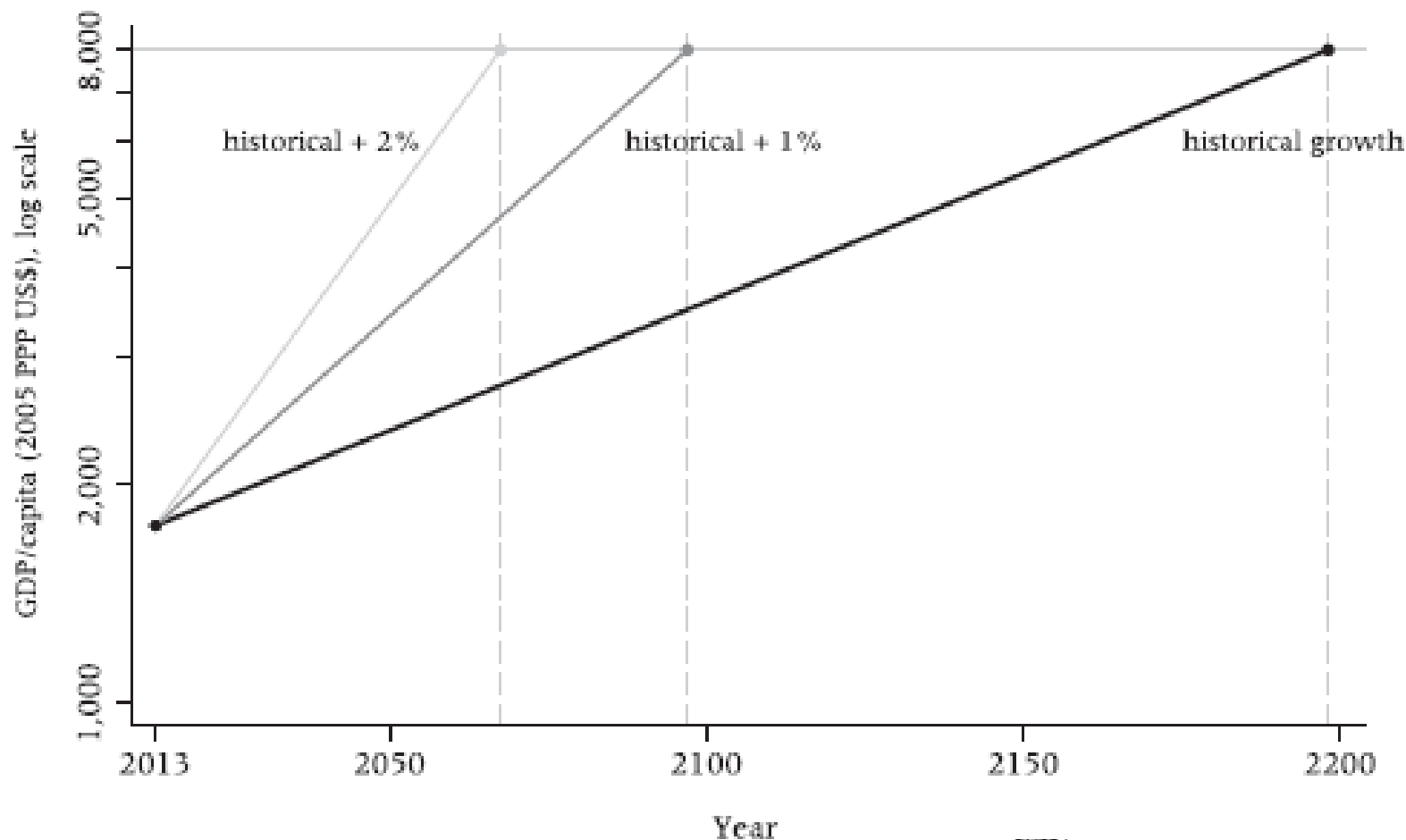
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FIGURE 2 Years for the poorest quintile of countries to reach PPP\$8,000/capita



Source:
Clemens &
Postel (2018)



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Does aid affect development?

- Skepticism about the ability of development aid to seriously contribute to sustained growth
- Skepticism about the ability of development aid to effect large changes in youth employment
- Little evidence that aid helps to mitigate conflict (Clemens, 2018)



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3. Do development interventions impact emigration? Does aid effect emigration?



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Evidence-general

- Berthélemy, Beuran, and Maurel (2009) Using World Bank bilateral data
 - Effect of total aid on migration-push affect/allowing migrants to afford the cost of migration-10% increase in aid in general increases migration by 1.5%-promotes unskilled migration
 - Bilateral aid-contact facilitation/attraction effect-scholarships-10% increase in bilateral aid increases migration by 3%-promoted skilled migration
- No systematic deterrent effect until \$8000-\$10000 PPP GDP per capita: Clemens (2014), Dao et al. (2018), OECD (2017)



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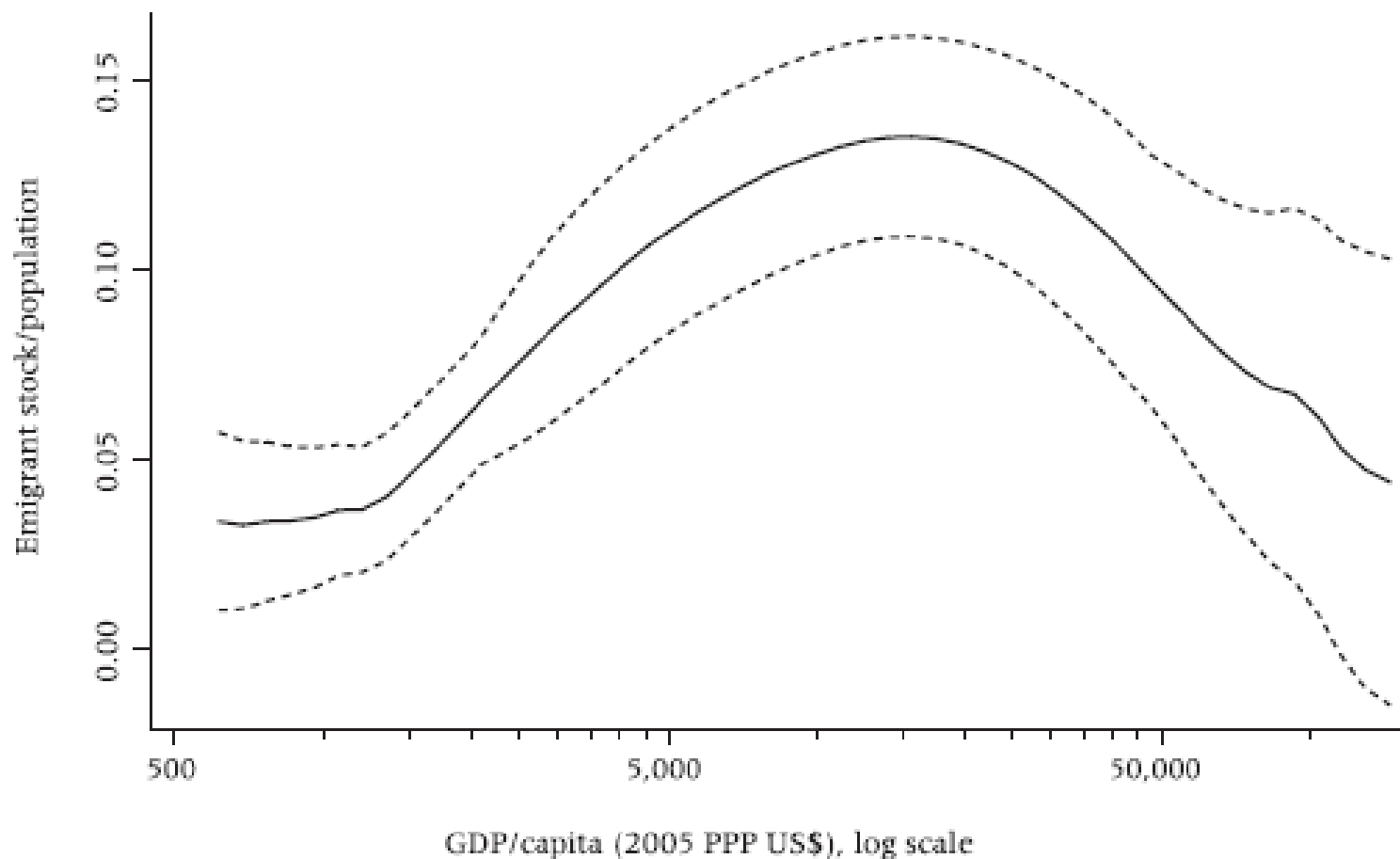
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FIGURE 3 In poor countries, emigrant stocks rise with real incomes

(a) Level of emigrant stock versus real level of income, 2013



Source:
Clemens &
Postel (2018)



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Evidence by type of aid



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Emigrant stocks fall with youth employment

FIGURE 5 Emigrant stocks fall with youth employment

(a) All countries

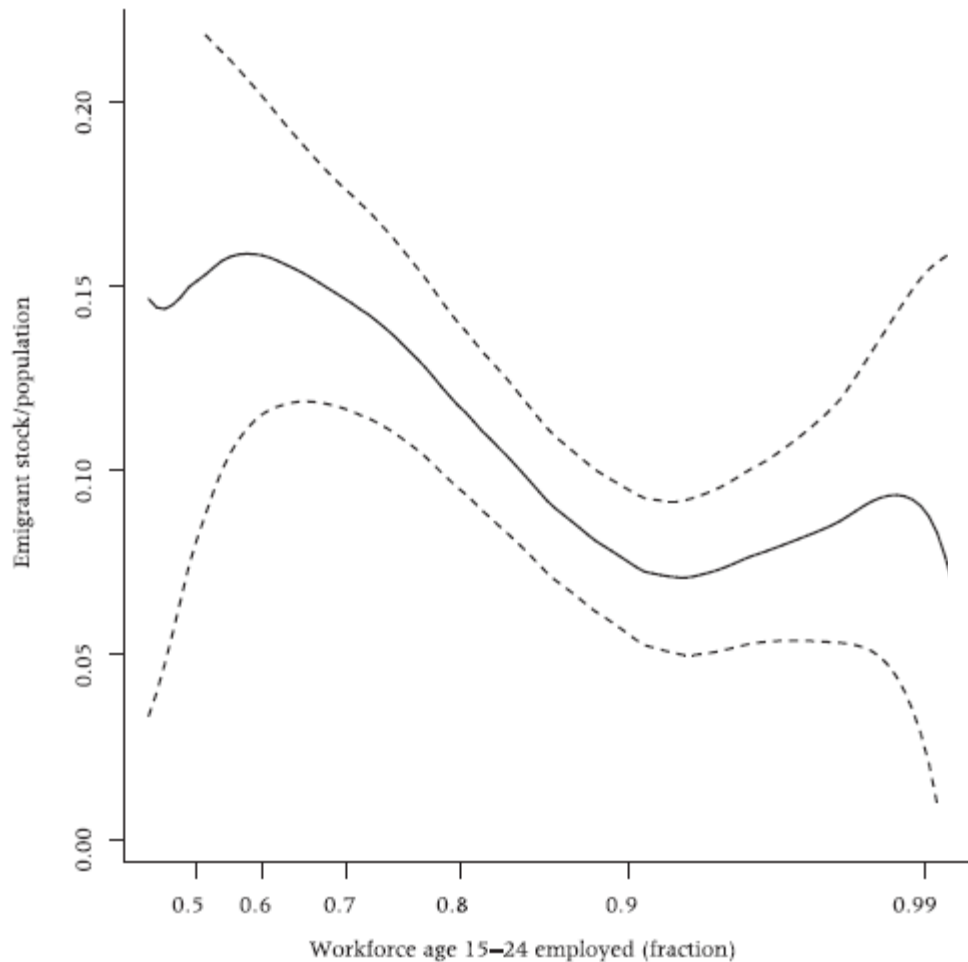
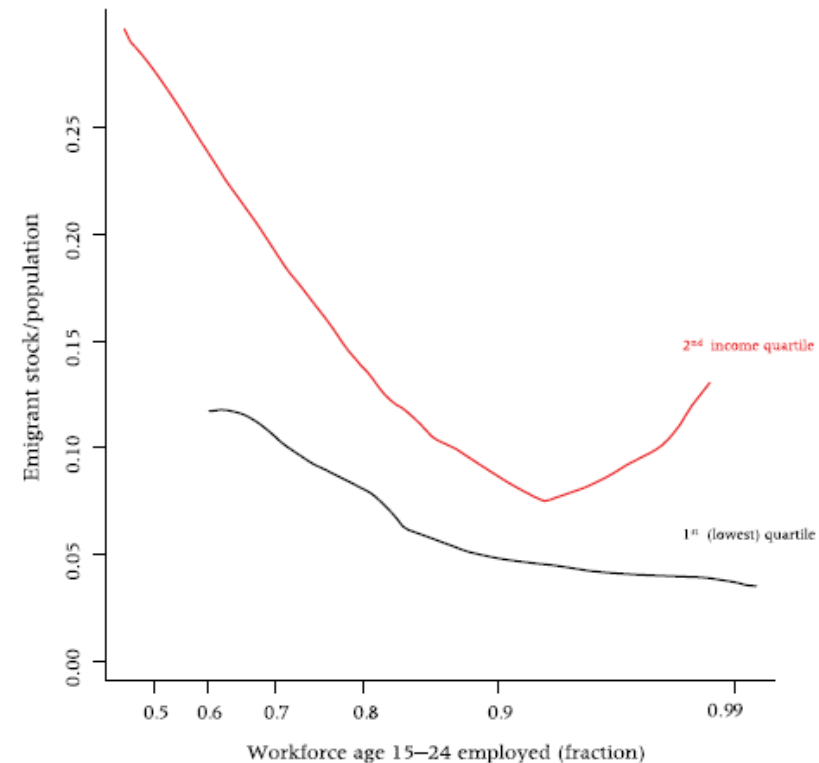


FIGURE 5 (continued)

(b) By income quartile, lowest two quartiles



Source: Clemens & Postel (2018)



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Evidence- by type of aid

- Aid supporting rural development had **very** small positive effects on the reduction of rural migration(Gamso & Yuldashev, 2018)
- Lanati & Theile (2018) find a negative relationship for both poor and more well off countries-aid related improvements in public service but the bilateral aid link is still there
- Effects can differ by type of aid Lanati and Thiele (2018) and Gamso and Yuldashev (2018) – aid to social sector or governance aid
- Differences in transferred and non-transferred aid (Lanati and Thiele, 2019)
- Specific channel of health aid showed a negative relationship (Moullan, 2013)



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Macro vs Micro studies

MACRO

- Sustained economic development tends to encourage emigration in poorer countries (Clemens, 2018)
- Highest rates of emigration in middle income countries
- Poorest countries could be most stimulated by aid interventions
- Type of aid matters
- Evidence is mixed (positive, negative, no affect)

MICRO

- Review of social protection interventions (Hagen-Zanker & Himmelstein, 2013): finds no consensus in the literature with interventions being associated with both positive and negative effects-context matters



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Concluding remarks

- Aid does not seem to be effective enough in its current form to make real underlying changes that effect migration decisions (magnitude)
- For poor countries, aid is expected to increase migration
- A deterrent effect of aid only seems to be the case when higher levels of income are achieved or with very specific types of aid in specific contexts
- What changes with development is how “we” perceive migration
- Need more systematic evidence, especially at the micro level, some is under way
- Do aid/development interventions deter irregular migration specifically? (disaggregation of types of migrants)
- We see a direct effect of migration on development spending in some cases:
 - Europe (Knoll, 2017), Spain Vazquez & Sobrao (2016, Some countries have a stronger “migration sensitive aid allocation” (Czaika & Mayer 2011) US, Austria, Norway

