

World Migration in the Age of Globalization: Policy Implications and Challenges

PETER S. LI*

Abstract

Economic globalization has changed the nature and volume of world migration. The world migrant population reached 190 million in 2005, but migration tends to be from less developed to more developed regions. Changes in world migration are related to fundamental features of economic globalization, but also influenced by demographic transitions in immigrant-receiving societies. Declining fertility and population aging compel many advanced industrial countries to rely on immigration for growth in labour force and population, but the demand is largely for highly-skilled immigrants. Globalization produces contradictory tendencies, making it easier for highly-educated professionals to migrate while displacing unskilled workers in traditional economies. Immigrant-receiving countries are confronted with issues related to international migration, including the need to develop a long-term immigration policy to attract immigrants with substantial human capital and to strengthen security to bar the entry of unskilled migrants and asylum seekers. Competition amongst immigrant-receiving societies for highly-skilled workers is increasing. Future brain drain is likely to be multidirectional and the world community may be compelled to agree upon a universal framework under which, world migration could be regulated.

Globalization has increased the interconnectedness of nation states, speeding up the flow of goods, services, ideas and people across national boundaries. There was international migration long before the age of globalization, but the speed, scope, complexity and volume of world migration under the global era are unprecedented. In 1980,

*Professor Peter Li is Professor of Sociology at the University of Saskatchewan. Research for this paper was supported by a grant from the Social Sciences and Humanities Research Council of Canada. His email address is Peter.Li@usask.ca. This paper was presented as a keynote address at the Building Research Capability in the Social Sciences (BRCSS) New Settler Researchers Network National Conference, University of Auckland, February 2007.

the world migrant population, that is, the population made up of those who resided in a country other than their country of birth, was less than 100 million people, or 2.2 percent of the world population (United Nations 2004, 2005). By 2005, the migrant population had increased to 190 million people or 2.9 percent of the world population (United Nations 2006). Thus, on average between 1980 and 2005, the world immigrant population increased by 3.6 million people each year. However, the distribution of the migrant population is uneven, with over 60 percent of the 190 million migrants or immigrants located in the more developed regions of the world; Europe and North America account for 57 percent of the world migrant population (United Nations 2006). How does globalization change world migration? What are the features of globalization that shape the nature of world migration? What are the policy implications for immigrant receiving countries?

Features of Globalization

There is no doubt that as a result of globalization, regions and nations become more interdependent and integrated. But the forces of globalization are perhaps most evident in economic relations. Economic globalization involves four essential elements. First, the growth of digitalized technology and communication has revolutionized the nature, efficiency and organization of every aspect of production and distribution. Digitalized technology has hastened the speed of automation. Globalization enables corporate firms to localize economic activities in different countries and regions by taking advantage of local labour supply and market conditions.

Concomitantly, digitalized technologies and transnational corporate structures and networks make it possible for firms to integrate localized economic activities in metropolis headquarters. In short, free trade and globalization enable corporate firms to operate in an enlarged transnational market, one that is characterized by the increasing deregulation of local restrictions and the integration of national economies into a universal framework of free trade. Thus, economic globalization thrives on advanced digitalized technology that facilitates the global expansion of corporations by enabling them to optimize their operations and accumulation in the global market and to economize the cost of such operations. In other words, the same process that promotes the dispersion of economic activities across

national boundaries also hastens the integration of territorially dispersed economic activities in the hands of corporate concentrations in global cities (Sassen 2001).

Second, the rapid growth of the market economy and world trade has prompted regional and national economies to dismantle barriers of trade by integrating transnational trading zones in order to carve out a larger share of the world market. The formation of European Union (EU), North America Free Trade Agreement (NAFTA) and Association of Southeast Asian Nations (ASEAN) is aimed in part at promoting freer trade among countries within the integrated region.² As well, the World Trade Organization, founded in 1995 by the 128 signatories of the General Agreement on Tariffs and Trade (GATT), is dedicated to the principle of free trade through the development of a universal framework of trade to which member states comply (World Trade Organization 2001). Thus, economic globalization not only expands the market economy but does so under a universal framework of free trade that aims at incorporating peripheral regions to a singular global economic system unhampered by national boundaries.

Third, the integration of the world economy facilitates the flow of capital, raw materials, goods, services and people across national boundaries. Capitalist expansion and economic globalization encourage the freedom of movement of people. It is a freedom that is closely associated with free trade, within which investments, exports, imports, information and capital are encouraged to move and operate in relatively unrestricted ways within a common trading zone, or a block of trade partners. One of the outcomes of globalization is to soften national boundaries by internationalizing domestic markets and integrating them in production, distribution and consumption. Thus, the expansion of the market economy and the integration of world trade inevitably lead to a larger volume of human migration.

Increased migration is evident not only from less to more developed regions of the world, but also among countries within integrated economic zones. For example, since the formation of the European Union in 1993, it has maintained the principle of free movement of people within the integrated European community. The original principle to open Europe's labour markets to migrant workers and their families was later extended to cover all categories of citizens of the European Union. To facilitate the free movement of citizens within the European Union, member states also

adopted the policy of mutual recognition of professional qualifications so that those with such qualifications may work in any country within the union and have their credentials properly recognized. The North American Free Trade Agreement, signed by the U.S.A., Canada and Mexico in 1994, also has a visa provision to allow a wide range of professionals in one country to work in another. For example, the U.S. created the TN visa to allow Canadians trained in 64 broad professional categories to work in the U.S. on a yearly basis but the visa may be renewed indefinitely. Hence, economic globalization removes many barriers of mobility by integrating regional economic zones and by allowing those with highly-trained human capital to move relatively freely across national boundaries.

Finally, since economic globalization is prompted by advances in information technology, there is a competition among information-based economies to develop such technology in order to sustain their future growth. The term “new economy” is used to refer to the inevitable future of the world economy in which countries that invest in information and communications technology stand the best chance for economic growth and wealth accumulation (OECD 2001). As a result, economic globalization brings an increasing demand for highly-trained human capital among advanced developed countries, prompting competition for high-skill workers in the world labour pool.

World Migration

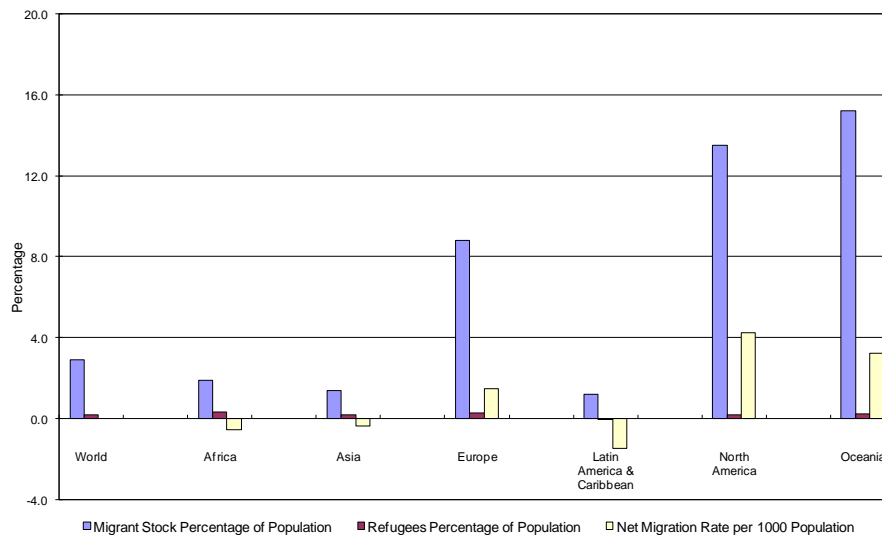
The age of globalization has witnessed some major changes in world migration. Many of these changes are related to the emerging global economic structure and the impact such a structure has on advanced capitalist countries and peripheral regions. However, there are other changes in advanced capitalist societies, notably the demographic transitions related to declining fertility and aging that produce pressures for these countries to look outside their borders for future growth in population and in the labour force. Four major areas of change in world migration are evident under globalization.

Shifts in Source and Destination Regions

Europe, a traditional emigration source, has become a net receiver of international migration. Throughout the 19th century and the early part of the 20th century, Europe was a main source of out-migration, particularly to North America. However, in the decades after the Second World War, emigration from Europe has slowed down because of the economic reconstruction of Europe after the war and the corresponding rise in demand for skilled workers. By the 1960s, it was evident that there was a shortage of skilled labour in the U.S. and Canada. The U.S. amended its immigration law in 1965 and Canada in 1967 to remove national and racial origin in the selection of immigrants and to place a greater emphasis on educational credentials and labour market needs. These changes increased the opportunity of immigration to North America for those outside of Europe, notably from Asia and also Africa and Latin America. By the 1980s, it became clear that immigration from Europe has fallen behind the migration flow from the so-called “non-traditional” parts of the world.

Data on the global migrant population in the first decade of the 21st century show that Latin America, Asia and Africa have a net migration loss, whereas Oceania, mainly Australia and New Zealand, North America and Europe have a substantial net gain (Figure 1).

When the migrant population of each region is compared in terms of its proportional population weight, it becomes clear that the migrant or immigrant population accounts for a much larger share of the population in North America, Oceania and Europe than Asia and Africa. The data show that migration in the global era tends to be from less developed regions to more developed regions of the world, and the immigrant population carries a larger population weight in the more developed than less developed regions of the world.

Figure 1: International migration by region, 2006

Source: United Nations, Department of Economic and Social Affairs, Population Division, 2006. Sales No. E.06X111.6

Declining Fertility and Aging

Declining fertility and population aging have compelled many highly developed countries to rely on international migration as a source of labour supply and population growth.³ The fertility rate and the level of economic development usually change in opposite directions. Hence, the more developed regions of the world tend to have a lower fertility rate (Table 1).

Among OECD countries, the fertility rate has been declining since the 1960s to a point where many countries do not have the natural capacity to replace their populations. A total fertility rate of 2.1 is considered by demographers to be the required level for a population to replace its members through natural replacement. The only OECD countries in 2005 that had a total fertility rate that was marginally below the natural replacement level are the U.S. (2.04), New Zealand (1.96) and Ireland (1.94). In contrast, Japan, Italy, Spain and Germany have a total fertility rate of about 1.3, and Canada, 1.5 (Table 1).

Table 1: Total fertility rate and foreign or foreign-born labour force in selected OECD countries

OECD Countries	Total Fertility Rate (children per woman) 2000-2005	Foreign or Foreign-born Labour Force as % of Total Labour Force 2002
Australia	1.75	24.6
Austria	1.39	9.9
Belgium	1.66	8.2
Canada	1.51	19.9
Denmark	1.75	3.5
Finland	1.72	1.4
France	1.87	6.2
Germany	1.32	8.9
Ireland	1.94	5.6
Italy	1.28	3.8
Japan	1.33	0.3
Luxembourg	1.73	43.2
Netherlands	1.72	3.6
New Zealand	1.96	19.9
Norway	1.79	3.4
Portugal	1.47	2.5
Spain	1.27	2.7
Sweden	1.64	4.6
Switzerland	1.41	21.8
United Kingdom	1.66	4.8
United States	2.04	15.3

Source: Total Fertility Rate data retrieved from Population, Resources, Environment and Development Databank: The 2005 Revision at <http://unstats.un.org/pop/dVariables/DRetrieval.aspx> United Nations, Department of Economic and Social Affairs, Population Division, 2005. Labour Force Data adapted from *Trends in International Migration*, Annual Report 2003 Edition, Table I.8, p. 50. Paris: OECD, 2004; and *Trends in International Migration*, Annual Report 2004 Edition, Table I.10, p. 59. Paris: OECD, 2005.

The decline in fertility means that a succeeding cohort of labour market entrants will be smaller than the preceding one and, over time, the senior population will rise. Population aging is a demographic problem that

is affecting many OECD countries, and some have responded by increasing the intake of new immigrants.

The case of Canada illustrates well how demographic factors have made the issue of immigration pressing. The total fertility rate of Canada shows a dramatic shift over the 75-year period from 1921 to 1996. Except for the decade between the late 1940s and the late 1950s when the post-war prosperity brought about a short period of baby boom, the overall trend has been declining. More recent data indicate that the fertility rate dropped further to 1.5 in 2003. In other words, the continuous decline in the fertility rate in Canada means that Canada has lost its capacity to replace its population by natural increases.

Besides declining fertility, the most notable change is the aging tendency of Canada's population and the corresponding decline in the proportion of the population under 15 years of age. Since 1961, the youth population has been declining steadily; by 1971, it was down to 30 percent, by 1991, 21 percent, and by 2001, 19 percent (Li 1996; Statistics Canada, 2006). At the same time, there was a corresponding increase in the proportion of elderly people. In 2001, Canadians of 65 years and over accounted for 13 percent of the country's population. The median age of the Canadian population was 38.5 years in 2005; it was 31 in 1985 (Statistics Canada 2006).

There are further implications. Over time, the two trends of declining fertility and aging expand the elderly population and shrink the proportion of people in the working ages, since succeeding cohorts are proportionately smaller. When this happens, there would be a smaller proportion of people in the working ages to support a tax system to finance the publicly funded health and income security programs; at the same time, there would be a substantial cost increase in maintaining these programs which have to service a rising number of users due to the growing elderly population.

Statistics Canada has used different assumptions to project the future of Canada's population, and the results show that Canada will have more deaths than births as early as 2016 under the scenario of low growth, and as late as 2036 under the scenario of high growth (George *et al.* 2001: 64). In short, sometime between 2016 and 2036, Canada would have to rely exclusively on immigration in order to prevent its population from shrinking because of its inability to replace itself naturally. Even with

immigration, the aging trend will continue. Under the medium growth scenario, the median age of Canada's population is expected to reach 42.5 in 2021 and 46.2 in 2051. At the same time, the working population will be around 61.5 percent in 2035 and 60.9 percent in 2051 (George *et al.* 2001: 76). The demographic challenges in Canada explain why Canada maintains a relatively high level of immigration. As of 2001, the immigrant population accounted for 18.4 percent of the country's total population and about 20 percent of its total labour force (Statistics Canada 2003a; b).

Globalisation and the Demand for Labour

Globalization has had a contradictory impact on the demand of labour, creating new opportunities of social mobility for those in possession of scientific expertise and technical knowledge needed for the new economy, while dislocating others in peripheral countries connected to the traditional economy. These tendencies generate different kinds of labour demand in different locations. In developed regions of the world, the demand is mainly for highly skilled labour tied to the growth of the new economy, whereas in peripheral regions penetrated by the market economy, the demand is usually for low-cost industrial labour needed to fuel the economic expansion driven by the rapid growth in industrial and manufacturing production.

There are further contradictory tendencies within developed regions of the world, notably in what Sassen (2001) calls "global cities". The demand and growth of specialized service firms in global cities have enriched the professionals and technocrats responsible for their success, but the informalization of economic activities, in production and distribution, have resulted in poor remuneration for those associated with them (Sassen 2001).⁴ Thus under globalization, the demand for skilled labour by immigrant-receiving countries has risen while the demand for unskilled labour has shifted to offshore regions where such labour supply is plentiful and economic.

However, a distinction should be made between structural demand and actual demand. According to dual economy theory, demand for unskilled labour is a permanent feature of capital (Piore 1979). This is because under capitalism, capital is fixed and labour is a variable. The cost of procuring skilled labour compels employers to protect it in terms of providing training and benefits. But the unskilled labour is a dispensable

component. The shifting of production to periphery countries means that the demand for unskilled labour is partly shifted to offshore locations where its abundance, supply and low-cost makes it attractive, and the lack of labour protection makes laying off unskilled workers easy. Hence the structural demand for unskilled labour may not have changed, but its manifestation as an actual demand has shifted elsewhere as a result of outsourcing of manufacturing jobs. But some sectors, such personal services, still require regular supply of unskilled labour. But the structural shift in production makes low-skill immigrants less needed for manual labour in advanced capitalist countries and global cities.

Historically, the rising demand for skilled workers is met by the state investing in higher education as a means to ensure that the supply of skilled labour is assured. Under the information age, the rising demand for high-skill labour is compounded by demographic transitions that threaten the size of the entry cohorts to the labour force. Throughout the 1970s and 1980s, the increased labour force participation of women and their rise in enrolment in the higher education system have maintained a sustained growth of labour supply for many advanced industrial countries. But the increase of women's labour market participation has begun to saturate. As well, the declining fertility means the entry cohort of fresh graduates may be shrinking in the future. This means that domestic youths graduating from university would be in high demand as their number declines over time, creating potential serious shortages of skilled workers.

This tendency creates an additional pressure for advanced industrialized countries to have to rely on immigrants as a means of addressing the problem of shrinking labour supply and rising demand for skilled labour. In Canada, as much as 70 percent of the growth in the labour force between 1991 and 2001 can be attributed to new immigrants; by 2011, it is estimated that all labour force growth would come from immigration (Statistics Canada 2003b).

Contradictory Tendencies in Labour Demand and Migration

Fourth, economic globalization creates contradictory tendencies in international migration. As noted earlier, capitalist expansion and economic globalization promote greater freedom of movement associated with free trade, within which investments, exports, imports, information and capital are encouraged to operate relatively unrestricted within a common trading zone, or a block of trade partners. Immigrants today are attracted to the highly developed regions of the world because of the material affluence and economic prosperity of these regions, and because of the resulting occupational opportunities and financial rewards for individuals. Regional disparities explain why economically developed regions such as Europe, North America and Oceania, mainly Australia, have net gains in international migration, whereas Asia, Latin America and to a lesser degree Africa are migrant or immigrant sending regions and are experiencing net loss in international migration. Advanced capitalist countries such as the United States, Canada and Australia are benefiting from international migration, especially by attracting the highly-trained human capital from less developed regions of the world.

Different kinds of immigrants are drawn to highly developed countries for similar reasons. For those in possession of advanced skills and human capital that are in rising demand because of the expansion of digitalized technology and professional specialties, technologically advanced capitalist economies offer the best remuneration and job opportunities. But the robustness of highly developed economies also attracts others to venture to move, including those who are marginalized and displaced in their own countries as a result of economic globalization, capitalist expansion, and other social and political forces. For them, advanced capitalist countries provide a chance to improve their livelihood, even though their lack of educational expertise and technical skills is likely to land them only in marginal sectors and in low-paying jobs. In short, in comparison to limited options and growing uncertainty in their home countries, any slim chance of migrating to affluent countries becomes attractive, even if it means working in menial and marginal jobs. Thus, the two forms of migration - skilled and unskilled - operate under different levels of supply and demand.

It is difficult to estimate the different types of people who have crossed national boundaries. However, the comparison between the global

migrant population and refugee population is revealing. As of 2006, the United Nations estimated that there were 13.5 million refugees globally, about 80 percent of them located in less developed regions of the world. In contrast, 61 percent of the migrant population was located in the more developed regions of the world (United Nations 2006). The magnitude of inflow of these two types of populations also illustrates the contradictory approaches adopted by advanced industrial countries towards the wanted and the unwanted migrant populations (see Table 2). Many OECD countries have developed an immigration policy as a means to regulate a steady annual flow of skilled immigrants. However, asylum seekers are seen as “unwanted immigrants” or “bogus refugees” who cross national borders for economic reasons. Despite the relatively small inflow of asylum seekers compared to the inflow of immigrants, most OECD countries adopt draconian measures of border control to keep potential asylum seekers at bay.

A distinction is sometimes made between political or conventional refugees and economic refugees; the latter group is composed of those who are economically displaced and not necessarily politically persecuted. Whether driven by political factors or economic forces, the displacement of large numbers of people globally also encourages desperate attempts to seek entry to highly developed countries which offer better opportunities of survival. Many advanced capitalist countries today are faced with the rising problem of undocumented immigrants or unauthorized migrants, that is, those who are without a legal status because they either extend their legal stay without authorization or enter the country illegally.

In 2000, the United States was estimated to have seven million undocumented immigrants, about 69 percent of them originated from Mexico (OECD 2005:289). In 1999, 37,800 illegal immigrants were removed from the U.K.; by 2002, the number of illegal immigrants removed rose to 65,500 (OECD 2005:284). In Australia, the number of people who remained in the country after the period of their legal stay expired was 59,800 in 2003, and in New Zealand, between 16,515 and 20,042 migrants were estimated to have overstayed in 2003 (OECD 2005:154, 244). The undocumented immigrants are in a vulnerable position subject to exploitation and abuse, and they often provide a source of cheap labour for developed countries (United Nations Development Programme 1999:33).

Table 2: Inflows of foreign population and asylum seekers into selected OECD countries, 2002

OECD Countries		Inflows of Foreign Population (000's)	Inflows of Asylum Seekers (000's)
Australia*	Permanent	88.5	5.8
	Temporary	340.2	
Austria**		...	39.4
Belgium**		70.2	18.8
Canada*	Permanent	229.1	39.5
	Temporary	74.1	
Denmark**		22.0	6.1
Finland**		10.0	3.4
France*		156.2	51.1
Germany**		658.3	71.1
Greece*		...	5.7
Hungary**		15.7	6.4
Ireland*		39.9	11.6
Italy*		388.1	7.3
Japan**		343.6	0.3
Luxembourg**		11.0	1.0
Netherlands**		86.6	18.7
New Zealand**		47.7	1.0
Norway**		30.8	17.5
Poland*		30.2	5.2
Portugal*		61.5	0.2
Spain**		443.1	6.3
Sweden**		47.6	33.0
Switzerland**		97.6	26.1
United Kingdom*		418.2	103.1
United States*	Permanent	1063.7	58.4
	Temporary	1282.6	

Note: * Inflows of foreign population data based on residence permits or on other sources.

** Inflows of foreign population data based on population registers.

Data from population registers are not fully comparable because the criteria governing who gets registered differ from country to country. Counts for the Netherlands, Norway and especially Germany include substantial numbers of asylum seekers.

Source: Adapted from *Trends in International Migration*, Annual Report 2004 Edition. Tables A.1.1, A.1.3, pp. 295, 315. Paris: OECD, 2005.

The contradictory effects of economic globalization on international migration are well summarized by the United Nations (United Nations Development Programme 1999:32) as follows:

Global employment opportunities may be opening for some, but they are closing for most others. The global market for high-skilled labour is now more integrated, with high mobility and standardized wages. But the market for unskilled labor is highly restricted by national barriers, even though it accounts for a larger share of the international migration.

These migration flows produce different tendencies for immigrant receiving countries. On the one hand, there is an intense competition among these countries for immigrants with professional expertise and highly specialized human capital that is in growing demand in the information age and digitalized economy. On the other hand, advanced industrial countries have common concerns and adopt similar strategies in trying to block the entry of unwanted immigrants and illegal migrants who are seen as having little value to offer and who constitute a social and financial burden to the receiving society. These tendencies influence the way the receiving society approaches the immigration question and how it assesses the merits of immigration.

Racial and Cultural Diversity

World migration has added racial and cultural diversity to historically homogeneous populations. Canada and Australia have adopted a policy of multiculturalism in response to the rising racial and cultural diversities brought about by new waves of immigration. Since the 1970s in Canada, the increased presence of visible minorities in Canadian society has become more noticeable. In 1986, members of visible minorities made up only 6.3 percent of Canada's population; by 1991, they climbed to 9.4 percent; and by 2001, 13.4 percent (Statistics Canada 1998; 2003a). No doubt, the single most important factor contributing to the growth of visible minority populations in Canada has been immigration since the 1970s.

The United States, which historically had to deal with the white and black race question, now has to recognize the growing Hispanic population as a result of immigration. As of 2006, the 43 million Hispanic population has outnumbered the Black population (about 36 million), accounting for 14.3 percent of the U.S. population. But Hispanics now account for about 1.3 million of the annual growth of 2.8 million people in the U.S. (Joyce 2006). In short, as international migration continues from less developed to more developed regions of the world, the growing nascent migrant

population is likely to change the racial and cultural mix of immigrant-receiving societies. Depending on the speed and magnitude of change, the resident population reacts in different degrees of nativism and intensity towards the increased heterogeneity brought about by immigration.

Policy Implications and Challenges

The proliferation of the market economy under economic globalization has produced different types of labour demands in different parts of the world. In advanced industrial countries, there is a rising demand for professionals and highly-skilled workers as a result of the thriving information-based new economy and the global expansion of corporate firms. The future prosperity of nation states now depends on their ability to invest in the knowledge economy and to procure and to retain highly-trained human capital. Thus, the changing economic conditions under globalization have created increased demands for highly-skilled and professional workers, as well as opportunities of international mobility for such workers.

The demand for highly-trained labour is exacerbated by demographic transitions in many advanced industrial countries as the fertility level continues to decline below the natural replacement level, producing an aging population and a potentially shrinking labour force. The combined economic and demographic forces generate different tendencies of international migration, which in turn, produce contradictions and policy challenges for immigrant-receiving countries.

Most developed countries now see the need to rely on immigration as a source to replenish their populations and labour forces and as a means to sustain future economic growth. However, even though enlarging the intake of immigrants may be a sound policy choice for the future sustainability of the population and the labour force, such an expansion may trigger a backlash towards newcomers from the resident population. The immigration question has become a sensitive issue in many European countries, and the resident population often views immigrants as outsiders from a different cultural and racial background infringing upon the rights and entitlements of native-born citizens. Thus the challenge for policy makers is to maintain a balance between the long-term interests of the nation by ensuring a steady flow of immigrants and the immediate concerns

of citizens who tend to blame incoming immigrants for many economic problems and social woes.

One solution some countries have adopted is to set up an immigration program that maintains a level of immigration that does not deviate much from past levels, but at the same time, creates substantial flexibility in the admission system to enable foreigners not of immigrant status to reside and work legally in the country. In the U.S., the number of legal immigrants granted permanent residence status in 2002 was 1.06 million, but the U.S. also has 60 categories of non-immigrant admission. In 2002, 1.3 million non-immigrants were given a visa to reside in the U.S., the largest category was the speciality professionals (H1-B) which numbered 118, 400 people, following by 57,000 intra-company transfers (OECD 2005:287-9).

In Canada, 262,824 legal immigrants were accepted in 2005 and 247,143 temporary residents were also admitted. About one third of temporary residents were also given work authorizations (Citizenship and Immigration Canada 2006:63). The use of temporary admissions and work permissions is a means by which some countries use to increase the stock of foreign workers without appearing to raise the immigration level. Over time, the cumulative stock of foreign workers granted a temporary status creates a potential labour pool from which the level of immigration can be further regulated by speeding up or slowing down the process of clearing immigration backlogs that arise from in-land applications of temporary residents.

The shifting of immigrant-sending regions from Europe to Asia, Africa and other less developed areas means that immigration will inevitably lead to greater racial and cultural diversity in immigrant-receiving countries located mainly within OECD. Thus, the increased migration from less to more developed regions of the world exacerbates the need for receiving countries to address issues of cultural pluralism, social integration and racial discrimination. The rise in immigrant population from different cultural, religious and racial backgrounds also creates a new constituency that can exert political demands on the host society to accommodate diverse cultural practices, religious worship, and educational aspirations in terms of the languages of instruction and school curriculum. Thus, the challenge of immigration goes beyond the framing of a policy of admitting newcomers to include policies of integration and social inclusion.

Immigrant-receiving countries also vary in their reactions towards cultural pluralism and racial diversity. Canada and Australia adopt an official policy of multiculturalism, even though such a policy often amounts to a token recognition of cultural diversity. But countries like Germany and France tend to be more protective of the conventional culture and way of life and less prepared to accommodate for differences brought by immigrants. Thus, the policy challenge for immigrant-receiving countries is to find a policy option that would allow the country to bridge its cultural heritage with a future that is bound to be more diverse and multicultural.

Most immigrant-receiving countries now define the value of immigration in terms of human capital. Given that immigrant-receiving countries have a similar interest in procuring high-skill human capital to strengthen the emerging new economy, the international competition for skilled immigrants is likely to increase. Immigration-receiving countries have developed various measures to soften the shortages of skilled workers, including making it easier for professionals to migrate for short-term and long-term employment purposes and adopting a universal standard of credential recognition within an integrated economic zone. However, as the national border is relaxed to facilitate the international mobility of highly-trained professionals, immigrant-receiving countries also tighten border controls to bar the entry of unskilled or unwanted immigrants. Hence, economic globalization brings a contradictory response regarding border control, sometimes requiring it to be flexible and accommodating to high-skilled labour and other times necessitating it to be draconian in driving out the unskilled migrants seeking entry to improve their life chances.

As the flow of skilled immigrants increases, they in turn sponsor family members and relatives from the country of origin to immigrate. Family sponsorship provides a means of chain migration for many immigrant groups. However, immigrant-receiving countries often do not attach much economic value to family migration, but accept family migration as a humane measure under liberal democracy that permits family reunification. As the cumulative stock of immigrants increases, there is a corresponding demand for direct and extended family members to migrate. Thus the policy challenge for immigrant-receiving countries is to uphold the liberal value of allowing immigrant workers to reunite with overseas family members by accepting family-class immigrants on the one hand and to

allocate sufficient immigration slots for skilled immigrants needed for the labour market on the other.

In Canada, as well as Australia and New Zealand, there has been a shift to accept a larger proportion of skilled immigrants and a smaller proportion of family-class immigrants since the 1990s. In 1980, about one-third of the annual immigrants were family-class and another one-third were economic class, but by 2000, economic-class immigrants had risen to about 60 percent and family-class immigrants declined to 27 percent (Li 2003a). Throughout the 1990s, the immigration discourse in Canada placed a substantial economic value on skilled immigrants selected under the point system, and used terms such as “self-selected” or “unselected” immigrants to describe family-class immigrants (Li 2001; 2003b).

The U.S. immigration system is largely designed for family reunification, but with the exception of spouses and minor children, other family classes usually have to wait many years before an immigration visa is granted. In contrast, the immigration of professionals is often facilitated by first using various non-immigrant categories of admission and then expedited in immigration procedures. Maintaining a balance between family-class immigration and economic-class immigration is difficult because as the intake of skilled workers increases, the enlarged stock of immigrant skilled workers will also increase the potential pool of family-class immigrants. Eventually, the immigration system will be haunted by an ever increasing backlog of immigration applications.

The continuous reliance on developing regions to supply skilled immigrants to developed regions of the world also runs the risk of losing the skilled immigrants back to the sending regions once the regional disparity is reduced. Since the end of the 20th century, there has been keen competition among immigrant receiving countries like Australia, Canada and the U.S. for skilled immigrants, with the result that changes in the immigration policy of each country affects the competition of skilled immigrants in the worldwide market (Cobb-Clark & Connolly 1997). At the same time, there has been an increase in the migration of highly skilled workers within Asia, albeit mainly temporary, as skilled workers follow capital investment from more developed regions of Asia to less developed regions (Iredale 2000).

The case of emigration from Hong Kong to Canada in the late 1980s and early 1990s, followed by a subsequent return of many Hong Kong immigrants to Hong Kong in the late 1990s illustrates well the dilemma

facing immigrant-receiving countries. Canada benefited from the injection of human and financial capital brought by middle-class immigrants from Hong Kong in the 1980s and 1990s. However, the economic success of many Hong Kong immigrants that enabled them to fulfil the immigration requirements of Canada in the 1990s also gave them the option to move back to Hong Kong once the opportunities of Hong Kong improved (Li 2005). Thus, while Canada's policy of admitting immigrants well endowed in human and financial capital meets the country's labour needs, such a policy also brings highly mobile immigrants who have the capacity to move away once the opportunities elsewhere become more attractive.

Since the late 1990s, immigration from China to Canada has topped the list of sending countries. The arrival from China to Canada was between 33,000 to 42,000 a year between 2000 and 2005, most of them were admitted as economic-class immigrants (Citizenship and Immigration Canada 2006). But as the economic growth of China continues and the remuneration levels for professionals keep rising, some immigrants from China to Canada with substantial human capital can be expected to be drawn back to China. Thus, a policy challenge for immigrant-receiving countries like Canada is not only to attract high-skilled immigrants, but to retain them after they have arrived and settled.

A Concluding Comment

It is difficult to predict the future of international migration in the global era. The competition for skilled migrants in the world market is likely to increase, as developing countries raise their economic output and reduce the disparity with developed countries, and as demographic pressures increase in the developed world regions. Under such a scenario, countries which can maintain a competitive level of remuneration as well as an enlightened policy of multiculturalism and immigrant integration will be in a better position to attract and to retain skilled immigrants. Immigrant receiving countries like the U.S., Canada, Australia, New Zealand and the U.K. will continue to facilitate the admission of well-educated professionals and skilled workers and at the same time tighten their border controls to restrict numbers of unskilled immigrants and asylum seekers from entering.

There is no doubt that international migration under economic globalization represents a form of brain drain from less developed to more

developed regions of the world. But as the shortage of skilled immigrants increases, the brain drain may be multidirectional as immigrants well endowed in human capital likely will be able to circulate in various regions of the world market subject to competitive market prices for their labour.

Currently, there is no agreement in the international community to support a universal policy of international migration, in the same way that free trade has been supported and regulated under the World Trade Organization. As the contradictions of international migration sharpen under further economic globalization, migrant-receiving and sending countries will have to come to terms with a universal framework of international migration under which the supply and demand of various types of labour may be regulated.

Notes

- ¹ Professor Peter Li prepared this paper for a keynote address at the Building Research Capability in the Social Sciences (BRCSS) New Settler Researchers Network National Conference, February 2007, University of Auckland, New Zealand. Professor Li is Professor of Sociology at the University of Saskatchewan. Research for this paper was supported by a grant from the Social Sciences and Humanities Research Council of Canada. His e-mail address is: Peter.Li@usask.ca.
- ² The European Union (EU) was founded in 1993 as a union of European countries to advance political, economic and social cooperation. The member states adopted a common currency, the Euro. At the end of 2006, the EU had 27 members (<http://userpage.chemie.fu-berlin.de/adressen/eu.html>). The North American Free Trade Agreement was signed by the U.S.A., Canada and Mexico in 1994 to promote freer trade among these countries. The agreement was an expansion of an earlier agreement called Canada-U.S. Free Trade Agreement signed between Canada and the U.S. in 1989. The Association of Southeast Asian Nations (ASEAN) was established in 1967 by the five original countries, Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei joined in 1984, Vietnam, 1995, Lao and Myanmar, 1997 and Cambodia, 1999. The aims of ASEAN are (1) to accelerate economic growth, social progress and cultural development in the region and (2) to promote regional peace and stability. The ASEAN covers a region of 500 million people and a combined gross domestic product of almost U.S.\$700 billion, and a total trade of about U.S.\$850 billion (<http://www.aseansec.org>).
- ³ The total fertility rate is the number of children a woman would have if she were to go through her entire reproductive years in accordance with the reproductive pattern set by all women of that year.

- ⁴ Informalisation refers the growth of the informal economy that encompasses “the production and sale of goods and services that are licit but produced and/or sold outside the regulatory apparatus covering zoning, taxes, health and safety, minimum wage laws, and other types of standards” (Sassen 2001:294). The informal economy differs from the underground economy that entails illegal activities.

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