



Fourth AFD / EUDN conference
**Migrations and development :
who benefits?**



Paris, November 8th, 2006

Venue: Ministry of Economy, Finance and Industry
Centre de conférences Pierre Mendès France
139 Rue de Bercy, 75012 Paris

9:00 Introduction: **Pierre Jacquet** (Chief Economist, AFD)
Jean-Philippe Platteau (President, EUDN)

9:10 **Maurice Schiff** (The World Bank): *Migration, Trade and Investment: Complements or Substitutes*

The relationship between migration and trade on the one hand, and FDI and domestic investment on the other, is of consequence for policy. In other words, whether trade liberalization results in an increase or in a decrease in immigration is of the utmost importance for destination countries' authorities that are considering new trade and immigration policies. For instance, destination countries would prefer trade liberalization to result in an increase in FDI and a decrease in immigration rather than the opposite. And they would prefer any increase in immigration to consist of skilled rather than unskilled individuals. This paper contributes to our understanding of the relationship between these variables by examining it under a much wider variety of scenarios. These include changes in trade policy, migration policy, trade costs, migration costs, remitting costs, macroeconomic policies, and more.

Chair: **Carlos Winograd** (University of Paris-Evry)

Discussants: **Jaime de Melo** (University of Lausanne), **André Sapir** (Université Libre de Bruxelles)

10:55 Coffee break

11:10 **Frédéric Docquier** (Université Catholique de Louvain): *Brain Drain and Inequality Across Nations.*

Is the brain drain a curse or a boon for developing countries? On the face of it, what are the policy options open to international organizations and home country governments? Obviously, there are no straightforward answers to these questions. On the one hand, the brain drain is part of the ongoing globalization process and as such contributes to raise total world output. Certainly, it is a good thing for rich countries to integrate a skilled and talented workforce from overseas, and the move is also worthwhile from the perspective of the individual migrant. On the other hand — and this is our major source of concern — the brain drain is usually seen as depriving developing countries from the scarcest and most important resource they need, namely, human capital. This paper reviews what is known to date about the magnitude of the brain drain from developing to developed countries and the way such skilled migration affects the source countries.

Chair: **Jean-Michel Debrat** (AFD)

Discussants: **Peter Quartey** (University of Ghana), **Khalid Sekkat** (Université Libre de Bruxelles)

13:00 Lunch

14:30 Jeff Dayton-Johnson and Theodora Xenogiani (Development Center - OECD): *Migrations Policies and Coherence of OECD Country Policies towards Development.*

Decision-makers increasingly look to use non-aid instruments, as well as aid, to achieve the goals of foreign aid policy. These non-aid policies include trade, investment, security and migration policy. Based on an analytical framework emphasizing the direction of causality and the degree of substitutability among policies, the paper reviews the interaction of migration policies and flows with aid and trade. From comparative country case studies, emerge stylized facts regarding the joint impact of these policies on a group of developing and transition economies. In conclusion, the paper proposes consideration of changes that would be needed in OECD-country migration policies to better promote development outcomes. This may be achieved notably through a better interaction with migrants' networks, with particular attention to improving the quantity and quality of remittance flows and increasing equity in the distribution of the gains from migration.

Chair: Louka Katseli (OECD)

Discussants: Pierre Jacquet (AFD), Jacques Ould-Aoudia (Ministry of Economy, Finance and Industry)

16:10 Coffee break

16:20 Riccardo Faini (University of Rome): *Impacts of Migrations and Remittances on Developing Countries.*

In the nineteenth century, migration proved to be a powerful engine of growth and income convergence. In the present episode of globalization, migration appears to be confined to a relatively marginal role, overwhelmed by the expansion of trade and especially capital flows. A further key difference is that immigration policies in the main destination countries have become increasingly selective and tend to favour the entry of skilled individuals. The paper focuses on the impact of international migration flows on sending countries. What are the determinants of migrants' wages, remittances and, ultimately, the impact of out migration on the home country? What are the conditions for the brain drain to turn into a brain gain? What are the micro and macro-economic impact of remittances? The paper will review the main policy implications that can be derived from the existing theoretical and empirical literature.

Chair: El Mouhoub Mouhoud (Université Paris Dauphine)

Discussants: Flore Gubert (IRD, DIAL, Paris), Jean-Christophe Dumont (OECD)

18:00 Guest Speakers : **Jean-Michel Severino (AFD)**
 Jean-François Bayart (CERI)
 Jean-Pierre Garson (OECD)

18:45 Conclusion: Brigitte Girardin (Minister Delegate for Cooperation and Development)

19:00 Departure to AFD headquarters

Venue: Agence Française de Développement
 5, rue Roland Barthes
 75012 Paris

19:30 Cocktail at AFD
