

Volume 28

2013

The dynamics of international migration: Introduction

By ODED STARK

Reprinted from

**INTERNATIONAL REVIEW OF
ECONOMICS AND FINANCE**

© 2013 Elsevier Inc.



Contents lists available at ScienceDirect

International Review of Economics and Finance

journal homepage: www.elsevier.com/locate/iref

The dynamics of international migration: Introduction

Students of music are puzzled as to why Franz Schubert did not complete his eighth symphony. Or perhaps he did. Apparently, we know neither the facts, nor (if, indeed, he did not) why. Migration is at the same time like and unlike a symphony: it too is a sequence of movements, hardly ever a single movement. A symphony always has a finale. However, a particular migration process need not have an end point; it can stretch over long periods of time, far beyond the lifespan of a single generation. Both a symphony and migration are flows. Experienced music students will correctly guess, for example, that the evolution and dynamics of a classical symphony are such that an opening Allegro movement is followed by an Andante or an Adagio movement. Yet back then, no student of music could have anticipated a symphony of more than three movements, let alone five. Students of migration have long noted that migration typically consists of two movements - one of people (spatial mobility), the other of funds (remittances). Yet not many migration scholars have acknowledged that every so often migration consists of more than two "movements," even more than the five of symphonies by Tchaikovsky and Berlioz. This special issue of the *International Review of Economics and Finance* attests to the richness of migration as a composition of multiple movements far beyond the mere geographical relocation of people and the associated transfer of funds. Each of the six articles in the issue studies different sets of movements; it seems that the architecture of migration has many designs.

The first article in this issue, "The evolution and sustainability of seasonal migration from Poland to Germany: From the dusk of the 19th century to the dawn of the 21st century," studies the force of tradition in propelling and perpetuating seasonal migration over more than a century. The article shows that the tendency to engage in this form of migration over a long period of time and across generations was strong enough to sustain the flow even in the face of political upheavals, a shifting regulatory environment, and the redrawing of borders. That seasonal migration from Poland to Germany (largely for work in German agriculture) has not been a passing episode but rather a durable phenomenon invites us to go back in time in search of an explanation of a process that has continued up to the recent past, when barriers to labor market mobility from Poland were lifted twice (in 2004 and 2011). That generation after generation people in specific areas in Poland have resorted to seasonal migration suggests that this proclivity has become a way of life for individuals and communities, a tradition.

The second and third articles in this issue consolidate and expand the static, one-period framework that yielded "The New Economics of the Brain Drain" (Stark, 2005). The essence of this body of work is that a probability of migration that applies to many but is realized by few encourages the formation of (additional) human capital by all, such that those who do not end up as migrants also wind up with more human capital, *and* such that the welfare of all members of the home country's workforce, migrants and non-migrants alike, increases, so long as the probability of migration remains small, yet strictly positive.

The second article in this issue, "Rethinking the brain drain: Dynamics and transition," nests the formation of human capital in a realistic time setting. It admits that the incentive effect of migration does not lead to an instantaneous replacement of the pre-migration average level of human capital in the home economy with a higher average level. Substituting dynamic slow motion for comparative statics, the article reveals that no transition generations incur a welfare loss, not even those in the very early phases of the human capital transition period.

The third article, "Migration and dynamics: How a leakage of human capital lubricates the engine of economic growth," unravels how the formation of human capital in response to the prospect of migration generates positive intertemporal externalities that jump start the engine of economic growth; beyond some threshold level, human capital formation is subject to a positive intertemporal externality that, in turn, raises productivity and brings about a higher growth rate. The growth gain translates into a welfare gain even for the individuals who stay behind in the home country.

In addition to the first article on the dynamics of migration in the specific empirical setting of Poland, two other articles in this special issue explore this dynamics in concrete empirical settings: Egypt and Spain.

It is one thing to work out the consequences of the prospect of migration for the human capital formation of would-be migrants; it is another to inquire how the migration of parents affects the human capital formation of their children who stay behind. This topic is tackled in "International migration, remittances, and the human capital formation of Egyptian children." Here, the intergenerational relationship is complicated by the simultaneous operation of two opposing pressures or channels:

enabling remittances, and disruptive absence. The article finds that the effect of remittances is to increase school enrollment and raise the age at which children enter the labor force, whereas the effect of parental absence is to lower both the enrollment and the age of first participation in the labor force. Still, even when both parents are migrants, the remittances-enabling effect dominates with respect to the entry of their children into the workforce.

That the migration of some people today paves the way for the migration of others tomorrow is not a novelty of this issue (Stark, 1995; Stark & Wang, 2002); what is new is a demonstration in “Co-national and cross-national pulls in international migration to Spain” that the people whose migration today shapes the environment that is conducive to the subsequent migration of others are not only “co-nationals;” adjacent “cross-national” people form a magnet too.

Closing the special issue is an article that unearths yet another sequence of migration movements as a dynamic process: imposing integration on migrants (a move in social space) instills a stronger incentive to acquire destination-specific human capital (a move in the economic sphere). “Integration as a catalyst for assimilation” provides conditions under which migrants who are subjected to “engineered” integration intensify their assimilation.

All in all, the six articles in this special issue on the dynamics of international migration contribute to the received literature by highlighting the role of tradition in propelling migration; by admitting that the human capital formation response to the prospect of migration is gradual; by studying the impact of such formation on economic growth and welfare; by working out the consequences of the migration of parents for the wellbeing of their children; by demonstrating that the “basin of attraction” of new migrants includes cross-national past migrants; and by causally relating the intensity of the effort that migrants exert to assimilate economically to the extent of their social integration. We commented at the outset that in the hands of Tchaikovsky and Berlioz symphonies were expanded to five movements. Here we sought to expand the received literature on the dynamics of international migration via six moves. It is hoped that students of migration will find these extensions sufficiently inspiring to pursue them further.

References

- Stark, O. (1995). Return and dynamics: The path of labor migration when workers differ in their skills and information is asymmetric. *Scandinavian Journal of Economics*, 97(1), 55–71.
- Stark, O. (2005). The new economics of the brain drain. *World Economics*, 6(2), 137–140.
- Stark, O., & Wang, Y. Q. (2002). Migration dynamics. *Economics Letters*, 76(2), 159–164.

Oded Stark
Universities of Bonn, Klagenfurt, Vienna, and Warsaw
E-mail address: ostark@uni-bonn.de