The Fall of the Final Mercantilism
Labour Mobility in the Caribbean and the World, from Arthur Lewis to the 21st Century

Eastern Caribbean Central Bank
Michael Clemens
November 3, 2010
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2. Skilled emigration is “brain drain”.

3. Migration policy can never change.
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5. Better policy is possible.
Migration happens when development doesn’t.

Migration is a form of development.
Miami: $292 billion
CARICOM: $64 billion
OECS: $6 billion
Skilled emigration is “brain drain”.

Skilled emigration is a symptom.
Percentage of skilled workers outside

Population (millions, log scale)

Philippines
Kenya
USA
Brazil
What causes loss of professionals?

• “Graduates are not in the Caribbean because they are emigrating.”

• “Prices are high because merchants are raising them.”
Should active recruitment of health workers from sub-Saharan Africa be viewed as a crime?

Edward J Mills, William A Schabas, Jimmy Volmink, Roderick Walker, Nathan Ford, Elly Katabira, Aranka Anema, Michel Joffres, Pedro Cahn, Julio Montaner

Shortages of health-care staff are endemic in sub-Saharan Africa (table). Overall, there is one physician for every 8000 people in the region. In the worst affected countries, such as Malawi, the physician-to-population ratio is just 0.02 for every 1000 (one per 50,000). There are also huge disparities between rural and urban areas: rural parts of South Africa have 14 times fewer doctors than the national average. These numbers are very different to those in developed countries: the UK, for example, has over 100 times more physicians per population than Malawi. Furthermore, almost one in ten doctors working in the UK are from Africa. The insufficiency of health staff to provide even basic services is one of the most pressing impediments to health-care delivery in resource-poor settings. The consequences are clearly shown by the inverse relation that exists between health-care worker density and mortality.

migrate within 10 years of graduation to Canada, the UK, and the USA. In sub-Saharan Africa, nurses commonly bear the brunt of health-care delivery, but their numbers have declined substantially in recent years because of migration. In Malawi, for example, there has been a 12% reduction in available nurses due to migration. In 2000, roughly 500 nurses left Ghana, double the total number of nursing graduates for that same year. The recent upsurge in migration has affected the ability of nurse training programmes to continue because of poor staffing levels. Death caused by infectious and chronic diseases is also a major contributor to nurse attrition in the region.

The number of pharmacists living in sub-Saharan Africa is also very low in comparison with that in many other regions of the world. Liberia has a pharmacist-to-population ratio of only one to 85,000, 77 times lower...
Migration policy can never change.

Better policy is possible.
THE HIGH TIDE OF IMMIGRATION—A NATIONAL MENACE.

Immigration statistics for the past year show that the influx of foreigners was the greatest in our history, and also that the low working population is now being supplemented by the riffraff and outcasts of all Europe.
ANARCHISTS FLOCK HERE FROM MEXICO

Dangerous Aliens Smuggled Across the Border at the Rate of 100 a Day.

STRICTER LAWS NEEDED

Chairman Johnson of Immigration Committee Talks on Weakness of Deportation System.

America's difficulties with foreign-born anarchists and other classes of radicals will be enormously increased if the laws governing immigration and deportation are not made far more effective, according to Chairman Albert Johnson of the Committee on Immigration of the House of Representatives, members of which are here studying the
IMMIGRATION A KEY TO LABOR'S PROBLEMS

Stop It for Ten Years, Says Prof. Carver, and Wage Slavery Will Disappear.

FINDS FLAWS IN SOCIALISM

Replies at Republican Club to Algernon Lee, Who "Hopes Labor's Armageddon Will Be Peaceful."

Members and guests of the Republican Club proffered its forum as a platform on which Socialists and radicals, including the next generation of Socialists, to hear a number of speakers yesterday.
Slavery and promote a general Enjoyment of the blessings of Freedom. Under these Impressions they earnestly entreat your serious attention to the Subject of Slavery, that you will be pleased to countenance the Restoration of liberty to those unhappy Men, who alone, in this land of Freedom, are degraded into perpetual Bondage, and who, amidst the general joy of surrounding Freemen, are groaning in servile Subjection, that you will devise means for removing this Inconsistency from the Character of the American People, that you will promote Mercy and Justice towards this distressed Race, I that you will Step to the very verge of the Powers vested in you for discouraging every Species of Traffick in the Persons of our fellow Men.

Philadelphia Feb. 3, 1790

Franklin
President of the Society
Racial Concentrations and Homelands

Racial concentrations of 30% or more by magisterial district

NOTE: Portions of Colored, Indian, and white areas may also have an equal or slightly larger percentage of other racial groups. Black areas have no other racial groups as high as 30%. Homelands are traditional areas set aside by the South African government for specific black ethnic groups. All have a black population in excess of 90%. Bophuthatswana, Transkei, and Venda have been granted nominal independence by South Africa.

Based on 1970 census
South Africa, Comprehensive Welfare Index

Bhorat, Westhuizen, and Goga (2007), University of Cape Town
South Africa, Comprehensive Welfare Index

Bhorat, Westhuizen, and Goga (2007), University of Cape Town
100 Haitians who aren’t poor

Poverty line $10/day
100 Haitians who aren’t poor
Alternatives

- Performance incentives
- Subsidize most needed skills
- Attack domestic barriers
- Regional centers of excellence
- Innovate in education finance
Three problems

• Root causes
• Information barriers
• Ethics
Wages of average US worker

-3%  +1%

Wages of Haitian

+680%

Borjas  Peri