

International Migration, Cross-Border Labor Mobility and Regional Integration in Asia and the Pacific

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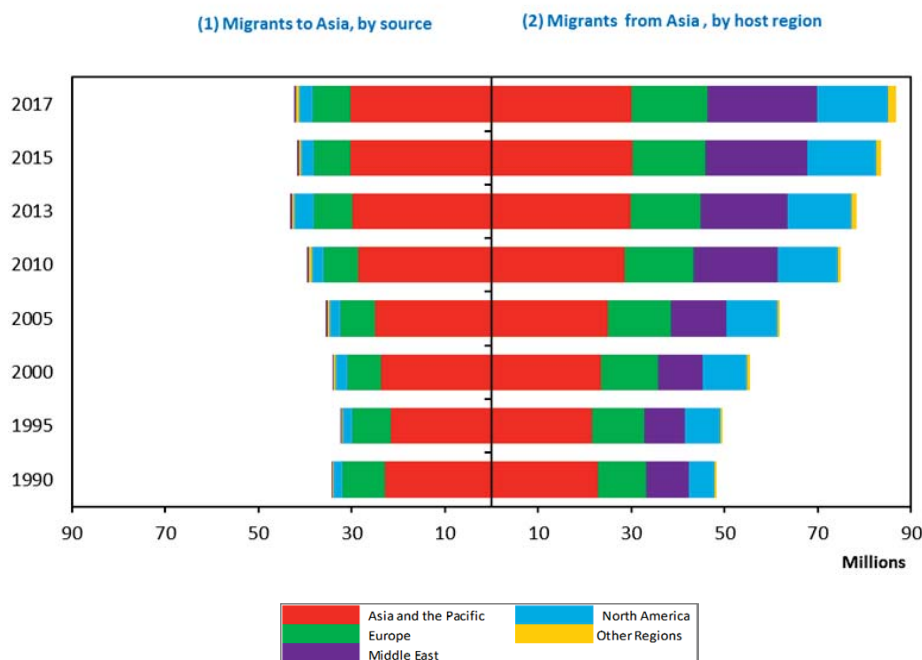
Economic Research and Regional Cooperation Department

Asian Development Bank

ADB

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Asia's international migration: Out-migration exceeds in-migration

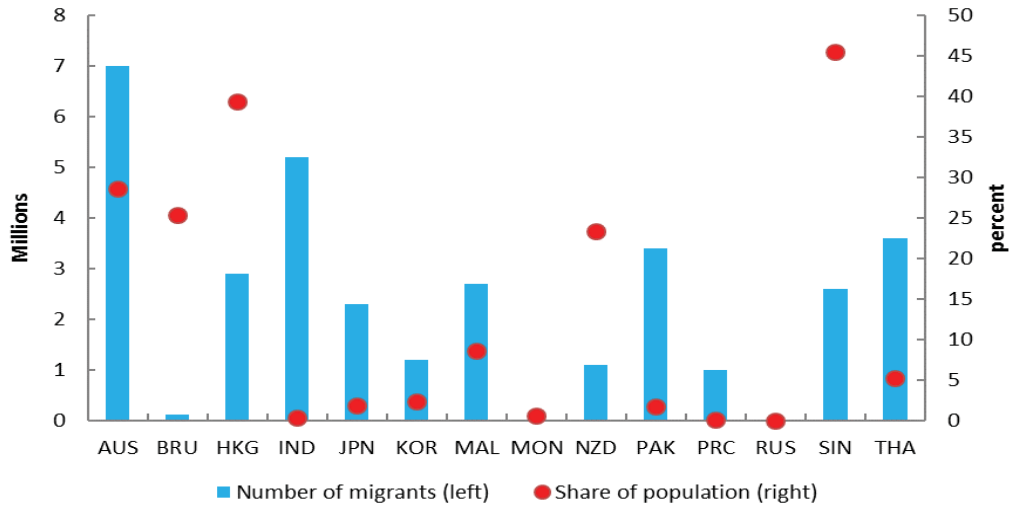


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Varying Openness to Migration

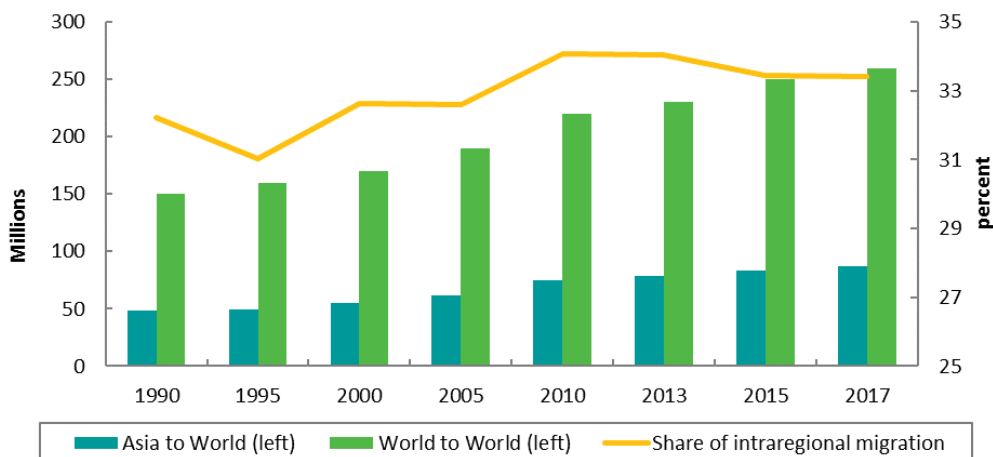
Figure 2. International Migrant Stock and the Population Share (in %), 2017



Source: ADB calculations using data from International Migrant Stock: The 2017 Revision. <http://www.un.org/en/development/desa/population/migration/data/estimates2/estimates17.shtml> (accessed Aug 2018).

Intra-regional movement of people on decline

International Migrant Stock and Share of Migrants from Asia, 1990-2017



International Migration in Asia: Determinants and Nexus with Economic Integration

Population age structure in host economies a significant driver of migration

Variables	OLS		Fixed Effects		GEE (Exchangeable)	
	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2
<i>Demographic factors</i>						
Working-age population of origin economies	0.189 (0.304)	0.179 (0.512)	0.142 (0.156)	0.296 (0.287)	0.142 (0.173)	0.290 (0.296)
Working-age population in host economies	1.010*** (0.162)	0.648 (0.484)	0.887*** (0.076)	0.472* (0.267)	0.893*** (0.084)	0.482* (0.275)
Old dependency ratio of host economies	0.050*** (0.008)	0.053*** (0.012)	0.051*** (0.005)	0.048*** (0.009)	0.051*** (0.005)	0.048*** (0.009)

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Income gap fuels migration.

Variables	OLS		Fixed Effects		GEE (Exchangeable)	
	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2
<i>Economic factors</i>						
GDP per capita of origin economies	0.408* (0.225)	0.596 (0.362)	0.256*** (0.093)	0.396** (0.167)	0.264** (0.103)	0.406** (0.172)
Income gap relative to host economies	0.416** (0.170)	0.419 (0.274)	0.150** (0.067)	0.277** (0.112)	0.162** (0.074)	0.284** (0.115)

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Geographic variables strongly explains cross-border migration.

Variables	OLS		Fixed Effects		GEE (Exchangeable)	
	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2
<i>Gravity variables</i>						
Distance between capitals, in logs	-1.556*** (0.151)	-1.344*** (0.263)			-1.586*** (0.146)	-1.355*** (0.242)
Contiguity, dummy	0.885** (0.424)	0.781 (0.484)			1.061*** (0.321)	0.922** (0.386)
Common official of primary language, dummy	0.803*** (0.226)	0.617* (0.332)			0.796*** (0.246)	0.612* (0.350)
Colonial relationship, dummy	2.651*** (0.259)	1.747*** (0.551)			2.788*** (0.284)	1.635 (1.003)

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Trade ties

Variables	Fixed Effects				GEE (Exchangeable)			
	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2
<i>Migration and integration hypothesis</i>								
Bilateral exports (origin-host), % GDP of origin economies	0.042*** (0.005)	0.062*** (0.007)	-0.081*** (0.026)	-0.007 (0.065)	0.039*** (0.005)	0.055*** (0.007)	-0.050* (0.028)	0.026 (0.066)
<i>Interaction term with GDP per capita</i>			0.013*** (0.003)	0.007 (0.006)			0.010*** (0.003)	0.003 (0.006)

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Regional production chain

Variables	Fixed Effects				GEE (Exchangeable)			
	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2	Route 1	Route 2
<i>Migration and integration hypothesis</i>								
Bilateral vertical specialization (origin-host)	-0.010 (0.017)	-0.044 (0.028)	-0.228* (0.121)	-0.542*** (0.205)	0.002 (0.022)	-0.027 (0.030)	-0.165 (0.154)	-0.487** (0.214)
<i>Interaction term with GDP per capita</i>			0.027* (0.015)	0.061** (0.025)			0.021 (0.019)	0.056** (0.026)

Conclusion and Policy Implications

- Population aging of major host economies a significant pull factor drawing migration from Asia, along with income disparity and other geographic and cultural ties.
- Skills complementarity will contribute to sustaining and adding momentum of cross-border labor mobility in the region.
- Economic integration through trade and production chains substitutes labor mobility but higher income through deeper economic cooperation and integration can facilitate migration.
- Effective migration policy and region-wide skills recognition schemes are needed to maximize the gains from migration.