

Demographic and economic determinants of migration

Push and pull factors drive the decision to stay or move

Keywords: migration, determinants, costs, networks

ELEVATOR PITCH

There are a myriad of economic and non-economic forces behind the decision to migrate. Migrants can be “pushed” out of their home countries due to deteriorating economic conditions or political unrest. Conversely, migrants are often “pulled” into destinations that offer high wages, good health care, and strong educational systems. In making their decision, individuals compare the net benefits of migration to the costs. By better understanding what forces affect specific migrant flows (e.g. demographic characteristics, migrant networks, and economic conditions), policymakers can set policy to target (or reduce) certain types of migrants.

KEY FINDINGS

Pros

- ⊕ Increases in income differentials across countries often lead to increases in migrant flows.
- ⊕ Strong migrant networks have historically played a large role in enhancing migrant flows.
- ⊕ Tax and government transfer policies (e.g. welfare, health care, and educational systems) can attract migrants.
- ⊕ Migration serves as a form of insurance for households and the desire to remit earnings from abroad may form part of the household decision to migrate.
- ⊕ Macroeconomic conditions at home and abroad can affect the flow of migrants.

Cons

- ⊖ Migration costs are central to the migration decision, they take many forms (e.g. transportation, job search, visa fees, smuggler fees) and often vary with distance.
- ⊖ Strict migration policy acts as a constraint in the migration decision.
- ⊖ Demographic factors such as age, education, marital status, and language impact one’s willingness to migrate.
- ⊖ Worsening political and environmental conditions abroad and/or improving conditions at home can lead to less migration.

AUTHOR’S MAIN MESSAGE

Many factors affect the net benefits and costs of migration and thus impact the decision to migrate. Studies indicate that the key determinants of migration include the availability of migrant networks, differences in income across countries, and demographic factors, but many other factors also affect the migration decision. Constraints created by tighter migration policy represent the most significant hurdle to migration. Prior to making significant changes in migration policy, policymakers should make sure they sort out which factors are driving each migrant flow so they are better prepared to welcome their new migrants.

