

BLOOMSBURY PUBLISHING LONDON · NEW DELHI · NEW YORK · SYDNEY World of Labor

Evidence-based policy making

NEW REPORT: The relationship between climate change and migration

A <u>new IZA World of Labor report</u> looks at the complex relationship between climate change and natural disasters and migration. It shows that disasters related to climate change can lead to brain drain from developing countries. Public intervention both before and after disasters is crucial in building resilience

Climate change and natural disasters are two of the biggest challenges for current and future generations. According to economist Linguère Mously Mbaye of the African Development Bank Group, Côte d'Ivoire, it is important for policymakers to know what can motivate people to migrate or prevent people from migrating in the aftermath of a disaster. This would help them design better policies for protecting the most vulnerable populations from climatic shocks.

Mbaye shows that between 2008 and 2014, developing countries accounted for 95% of global displacement due to disasters. Moreover, most of the displacements were from middle-income countries. This is illustrative of the fact that people at the extremities of the income distribution do not necessarily migrate in the aftermath of disasters. Indeed, the poorest cannot afford to migrate and the richest have other mitigation strategies. Mbaye cites a number of studies showing that the level of vulnerability is correlated with factors such as the risk of exposure to the shock, the level of poverty, the social structure, the diversification of assets and income, and the political situation.

While the effect of climatic shocks on agricultural productivity is found to lead to an increase in the urbanization rate within affected countries, natural disasters closely related to climate change such as storms, floods, wet mass movements, drought, wildfire, and extreme high temperatures, have also been shown to boost migration from developing countries to the six main OECD receiving countries: Australia, Canada, France, Germany, the UK, and the US. This effect is primarily driven by the migration of highly educated people, which may indicate that they can afford migration costs. This can lead to brain drain from developing countries.

Mbaye shows that the varying effects of disasters on migration flows are often closely related to the effectiveness of public intervention before and after the event. For example, in Bangladesh over the period 1994–2010, the occurrence of floods did not lead to high migration from affected areas, while crop failure caused a dramatic increase in migration. The different migration reactions can be attributed to authorities' responses to the disasters; assistance was provided in the aftermath of the floods, while it was not the case for crop losses.

Migration itself can also serve as a coping mechanism through the remittances sent back by emigrants to communities affected by climatic shocks and natural disasters. An example from the Philippines shows that transfers of money back home from international migrants completely mitigated the income losses households suffered as a result of rainfall shocks; this was not the case for households without overseas migrants.

Mbaye suggests that migration and remittances, which are private mechanisms for dealing with shocks, should be considered as complementary to public intervention. Governments thus should help channel migration when necessary and alleviate the cost of sending remittances. Moreover, public authorities can help households build disaster resilience through investing in infrastructure, providing social protection, and allocating aid rapidly and efficiently.

Please note: We have a <u>new website</u> which offers a range of <u>new features</u> including a new key topic site with latest research around <u>migration policy and the labor market</u>.



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Notes for editors:

IZA World of Labor (http://wol.iza.org) is a global, freely available online resource that provides policy makers, academics, journalists, and researchers, with clear, concise and evidence-based knowledge on labor economics issues worldwide.

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The site offers relevant and succinct information on topics including diversity, migration, minimum wage, youth unemployment, employment protection, development, education, gender balance, labor mobility and flexibility among others.

Established in 1998, the Institute of Labor Economics (<u>www.iza.org</u>) is an independent economic research institute focused on the analysis of global labour markets. Based in Bonn, it operates an international network of about 1,500 economists and researchers spanning more than 50 countries.