

Introduction growth
and advancement
(angrist and andrian,
2002.p.49). there



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Introduction

International migration is the movement of people across the global boundaries in pursuit of stability, establishment and personal growth. A research carried out by Alan and Philip indicated that this kind of movement has colossal implications in bolstering growth for both the origin and destination countries (2004. p.

56). According to Migration and Remittances Factbook almost two hundred million people live permanently outside their country of birth. The two key factors which have a massive implication on the migration partners are demographic factors and income differences.

The issue of international migration garners massive advantages to all the parties involved in it however it has got its bottlenecks which must be tackled in order to minimize loss and abuse. In order for countries to reap maximum benefits from intercontinental immigration, disruptive effects should be minimized so as to enhance the developmental impacts. Countries in the Middle East have for the past decade provided cheap labor for the <https://assignbuster.com/introduction-growth-and-advancement-angrist-andrian-2002p49-there/>

developed countries through immigrants. In return they gain remittances earned by the immigrants based in the developed countries. Opponents of this trend have severely criticized it deeming it as oppressive abusing morality.

These sentiments were particularly voiced because most of the learned expatriates were offered degrading menial jobs irrespective of their academic competence. The critics however fail to acknowledge the reality that immigrant literary jump at the opportunity of working in developed countries rather than waste their skills in their mother land where there are no jobs to come by. The past global financial hiccup gradually reduced the rates of immigrations at the same time stalling world economy growth. The big question that begs an answer is that, does immigration garner more benefits to the sending or the receiving country, and therefore should the trend be encouraged or disbanded?

Effects On The Receiving Countries

Increased economic growth: When the immigrants from developing countries flow into the developed countries such as US, Japan and Australia, they offer labor in the areas where it has been missing or deficient. When they are fully assimilated in the production or manufacturing system they contribute positively through increased labor thus causing the economy to grow.

Increased labor and labor force: Most developed countries are running short of the labor force especially in the technical and computer based jobs. This trend is very prevalent owing to the increased availability of new and modern companies in the event when immigrants come in, they help to fill in the place of missing labor and labor force in the industrial sector.

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Developed countries have surplus jobs, ranging from menial jobs to professional jobs which need laborers; by attaining easy and available labor from the developing countries, they are able to maximize on their production hence growth and advancement (Angrist & Andrian, 2002. p. 49). There are shared benefits accrued to movement of labor force through immigrants from the developing countries to the recipient developed countries. The developed countries cheaply obtain skilled labor force and utilize them in the production and the technical based jobs. As Moses (2001) notes, the trend of obtaining labor force from the developing countries is likely to increase due to the increased use of computer technology and the minimal availability of jobs in the developing countries (p. 52).

Increased technical skills: In essence developing countries import capital from other countries and this expands their production capacities helping them to have bounty in economic growth. There is a notable technological growth in the host countries owing to the influx of technical expatriates from the developing countries. The immigrants bring in the needed technical skills and help in broadening the spread of technical skills in the recipient countries. Reduced cost of production: increased work force afforded by the immigrants help the developed countries in provision of cheap labor in manufacturing and production companies so that their companies have a chance to grow as they can afford to easily expand as they cut down on the production cost. The developed countries have been working in consensus with the developing countries to erase the trade of labor exploitation so that the immigrants cross borders under secure conditions, they are offered good enumerations and that their working conditions are made cheap. This

enhances benefit for both the developed and developing countries. In comparison to other income flows to the developing countries remittance, inflows surpass private capital flows and authorized development aid (Smith & Barry, 1997. p.

32). When developed countries offer immigrants jobs they help in reducing the borrowing trend associated with the developing countries. In many cases when people migrate and are adopted in other countries they tend to stay and send money back home. Mora and Taylor (2005) suggest that economic gains accrued to migration and remittances to Middle east countries garner more advantages for both the sending and the receiving countries and should thus be encouraged (p.

70) Whilst the developing countries might have surplus labor force owing deficiency in industrial growth, the developed countries offer a solution to this deficiency by availing job opportunities to the immigrants from the developing countries affording them a chance to grow and enhance growth in their mother land. Receiving countries who import labor from the developing countries in the Middle East such as US, Canada and Australia garner myriad benefits since they are able to get the missing labor force from the high skilled immigrants from the developing countries. The immigrants offer a pool of diversified labor force which is normally affordable.

The receiving countries afford job opportunities to the in flowing immigrants and this increases their productivity at the same time cutting down on cost of production, two factors which aid to bolster economic growth in the

developed countries. Moreover, the presence of immigrants has a trickle effect on the general global economy.

Effects On The Sending Countries.

When people migrate and take their labor force to another country the trend is termed as brain drain this trend is also termed as human capital flight (Schiff, 2002. p.

64) There are innumerable reasons why people opt to leave their country of origin to pursue establishment and financial stability in other countries. Some reasons include internal conflicts, lack of job opportunities, presence of health hazards and general economic instability. In Middle East brain drain occurs because people are pursuing better working conditions, and good salary wages in the developing countries. For the past thirty years according to...many bright and prospective talented people have moved to developing countries in order to attain stability, security and financial break through. The flow in remittances garners a lot of foreign income for both the sending and the receiving countries. The receiving country obtains labor which translates to income and in return they pay their workers wages which are then siphoned to their country of origin translating to foreign income. The sending countries have remittances as a source of private income, because the people who migrate to other countries earn money and send it back to their mother countries. This way the sending countries get direct source of foreign income through the immigrants.

Foreign income enables them to advance and embrace growth which would have been impossible without the remittances. Remittance flows cannot be

compared to aid flows and neither can they be treated as debts they form a direct source of stability and income to the sending countries. This is because the money is not taxed and neither is it repaid with interest like in the case with debts. Owing to the reduced cost of remittance flows the migrants families reap maximum benefits. When there is foreign income flow into the sending countries the level of consumption increases and this bolsters a country's credit worthiness.

When a country becomes credit worthy it becomes empowered to have external borrowings which further aid in economic advancement and growth. Research carried out in Middle East established that immigration improved the level of education in that young people left their countries and went to developed countries where they harnessed advanced education which affords good quality professionals to their home countries (Singer&Tandon, 1998. p. 13).

Another key benefit associated with immigration is increased savings which come as a result remittance in flows by the people who migrate to work outside the developing countries. There is also a notable trend of heightened macro economic stability. Stability comes as a result of money flowing from the immigrants in the developed countries. When people in the home countries get the remittances they are empowered to build their lives, acquire good education and improve their way of living. As a result of remittance inflows, in the Middle East people get capital which helps them to start up their own business enterprises hence there is increased entrepreneurship with trickle effect on the economic growth of the developing countries. In Middle East where the trend of poverty is highly

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prevalent, remittances help to assuage this trend since it affords people extra money which heightens their chances to acquire businesses or educational stability evading the pang of poverty.

There is notable social inequality in the Middle East owing to diversity in culture and the myriad cultural factors mirroring the countries. When people are empowered financially they bridge the rift which creates social inequality creating a stable society. Research has projected a perturbing trend that is arising due to the movement of people across the globe in pursuit of stability (Alan Philip, 2004). There is a looming prospect of demographic imbalances for instance the number of men going to the developed countries is increasingly high and this brings gender imbalance which may affect population growth and development.

On the other hand there could be labor imbalance when all the young, educated and energetic young move to the developed countries leaving the elderly who are unable to produce labor force in high magnitude. A huge mass of the immigrants from the Middle East is siphoned to developed countries like The US, Europe, Japan, UAE and Canada. Most of the people hired from Middle East find place in the receiving countries in the production and transport sector a small percentage is normally absorbed in the technical and the professional field. The major challenge broaching the Middle East countries as far as migration and remittance are concerned is brain drain.

A lot of the young people have been compelled to think that the only way they can make it in life is by moving to the developed countries, this they do

at the peril of their developing countries. It's unfortunate that the people who move out to the developed countries form the top cream of the developing countries and this deprives them of the professional human resource. This challenge poses a perturbing dilemma to the developing countries because the graduates are siphoned out a lot of resource is wasted to bring up such individuals yet the countries don't reap the anticipated benefits. When young people are brain drained the resources invested in them in order to attain education are wasted since they are never ploughed back into the economy. It must however be noted that the immigrants who leave their countries to pursue better opportunities in the developed countries also remit funds to their mother countries hence the loss is minimal.

There is great fear that once young people get to put their attained skills into better use in destination countries. The developing countries cannot however blame young people for pursuing their professional careers in other countries because they have failed to offer the much needed job opportunities to the young vibrant generation.

Conclusion

There have been many arguments extended to gainsay the very trendy immigration drift which has been increasing at a spiraling rate. Critics have it that the trend causes brain drain and deprives the developing countries in Middle East of their best available human resources. Obviously, there are myriad issues accrued to this trend which raise a lot of concern; it must however, be noted that immigration and remittance play a massive role in filling in the gap where the developed countries have failed. Whilst, the developing countries have labor force they lack the mechanism and the <https://assignbuster.com/introduction-growth-and-advancement-angrist-andrian-2002p49-there/>

market to assimilate them hence immigrations comes in handy to solve the crisis offering jobs and foreign remittances. It can therefore be stated that both the receiving and the sending countries mutually benefit from this symbiotic kind of relation the only measure necessary is for the both groups to agree and set up a platform on which to operate so that non of the parties is exploited or misused in the trade.

Ultimately the whole globe stands to benefit from the advantages accrued to immigration and remittances in the international trade.

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