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Great Movements of People

Mr. Chairman, Honorable Ministers, Distinguished Delegates, and my Friends from the NGO Community;

It is my great honor to be able to address myself to this august conference. Time and again the inter-linked issues of population and development have been discussed for the past two hundred years, in particular, for this last quarter of the 20th century. Civilizations have largely been nurtured and destroyed by the interactions of the population. It is indeed very appropriate for the representatives of the global community to discuss and finalize an action plan on these inter-linked questions in such an ancient, and at the same time, modern city as Cairo.

Mr. Chairman, the dramatic unfolding of events since mid-1980s has been bringing about the most fundamental change in the human community in history. The Sasakawa Peace Foundation having been established in Tokyo in 1986 for the purpose of enhancing cooperative approaches to the relations between peoples, we have been trying our best to serve the mankind by attempting at and helping out innovative undertakings which are commiserate to the revolutionary changes that have been taking place in the world community. One initiative we took in 91 was to create a compact and truly global body which consisted of top-level opinion leaders so that its members can effectively address long-term issues in the international society in the midst of drastic changes in

the world.

This group was called the Global Commission for a Post-Cold War Global System. Its first report was published in March 1992 with a title, Reconstruction of a New t-Global Order - Beyond Crisis Management This report, after setting out major parameters of the global community in the next 30 years, identified several issues which would require in-depth studies. The first among them that has been picked up by the Global Commission was the closely related question of this Cairo Conference, namely the great movements of the people. After two years of work, The Global Commission adopted a report, titled in February 1994.

Mr. Chairman, the purpose of my statement today is to report to this Conference major findings and policy recommendations of the Global Commission for a Post-Cold War Global System on the subject of the great movements of people.

I. Major Findings

A starting point of the findings is a widely shared view in the Commission with regard to the emerging structure of the global society in which an increasing number of problems would present themselves to the world community. According to this view, the world is increasingly divided into two parts. One part consists of a large part of the Eurasian Continent, the Middle East and Africa. The other part consists of East Asia, North America and Western Europe. The first part will be characterized by an increasing number of turbulence which will mainly take the form of inter-communal conflicts. The other part will be characterized by

relative stability. It will take time, however, for each political unit in this zone of relative stability, such as a nation state or a regional body that belongs to this zone of relative stability to readjust itself to a rapidly changing situation in the world community. Other countries which fall in-between the great turbulent zone and the pockets of relative stability will gradually find themselves in either of these two zones probably before the end of the century.

1. The first finding is that the size of people who will move around across national boundaries due mainly to either the pull factors or the push factors will increase significantly in the years to come. While the precise estimates of their number are extremely difficult to arrive at, they will certainly be hundreds of millions by early 21st in century to the current estimate of about 70 million.

2. The movements of people can have both positive effects and negative impacts to relevant populations. Orderly encounter people maximizes the positive impacts, whereas exodus of people will cause great damages.

3. The major factor which contributed to the great movements of people in the modern period has been related to the building-up, management of, and the collapse of the empires. The current features of the nation states in many parts of the world reflect these marks clearly.

4. One major factor which motivates people to move across national boundaries now and in the foreseeable future is the expected difference in income. With widening gap between the developing countries and the industrialized world, the migratory forces will be

strengthened, a factor that cannot be altered simply by political

5. Political conflicts and even military battles will increase in the great turbulent zone. Political refugees will increase as a result. At the same time, economic refugees from these countries will also increase and be closely associated with social connections along the ethnic lines.

6. For a receiving country, it should be noted that immigration alone cannot restore a country's age pyramid that has been significantly depleted by a birth deficit. The assimilation process of individual immigrants as well as entire migrant families leads to their adoption of the age distribution of the host country. It does not take long for this process to be completed. Thus, the demographic efficiency of immigration to halt the process of population aging is quite limited. The irony is that immigrants are more easily assimilated in societies that have enough native births than in countries with low birth rates.

7. The fertility differential is the critical factor for the movements of people. A high fertility country is always a major sender of immigrants or migrants to other countries. The fertility differential between Europe and the southern bank of the Mediterranean is twice as large as the gap between the United States and Latin America, or between Japan and the rest of Asia. It is expected that the movements of people across the Mediterranean, which is already substantial, will increase significantly in the coming years. This perception is enhanced with an increasing catalogue of ills in Africa, including the weakening State organization, chaotic urbanization, structurally worsening unemployment, malnutrition and impending famine, desertification and soil erosion ethnic

fragmentation, mass illiteracy, declining per capita income, the spread of AIDS epidemics among urban elites, selective emigration of skilled workers, and a regression of foreign aid and investment.

8. Orderly acceptance of immigrants brings about a number of economic returns to the host country. Benefits spread throughout the economy in the form of lower product prices and higher returns to capital. Immigrants also increase aggregate demand, thus encouraging investment and fueling an expansion of the market while keeping some industries in the host country competitive by increasing returns to capital.

9. However, ready access to immigrants as low wage labor diminishes the incentive for some industries to innovate, further rationalize the production process, and upgrade jobs. By lowering the labor costs for the firms that use immigrants over those that do not, immigration may actually give rise to economic distortion. Therefore, immigration can become a factor that works against global restructuring of the industry.

10. Debates about effects of immigration on the labor market of the host country are reduced to one of substitution versus complementarity. However, it is always unclear whether the wage depression follows or precedes the incorporation of immigrants into a particular labor market. Therefore, any categorical statement on this question should be avoided.

11. Remittances by immigrants and migrants over the past 25 years have become a massive redistributive mechanism from rich countries to poor ones. In fact, even such less organized flows as

those of irregular migrants to the United States from Mexico and the Caribbean involve annual transfer of between \$6 and \$8 billion to the Caribbean - with Mexicans estimated to remit approximately \$4 billion per year.

12. Migrant's most clear contribution is to the survival and, - at times, the dramatic improvement of the material well-being of the migrant households. In most labor sending countries, those macro-figures of remittances mean a housing boom, a mechanization of the agricultural sector, a proliferation of small service establishments and the growth of tourist-related infrastructure. And at the same time, certain relief of unemployment is also an important contribution to the social stability in a sending country.

13. The most important negative impact of the immigrants and migrants on the sending country is the possibility that the migration process may result in the depletion of already meager supplies of skilled manpower who also tend to be the most healthy, dynamic and productive members of the society. At the same time, most indications suggest that their positive contributions to the mother countries are exceptions and that emigration has failed to provide a substantial, discernible and measurable development impetus to the mother countries.

14. The Fast Asian model is to mainly transfer capital rather than people between the countries with significant gaps in income and fertility. It has so far proved effective in enhancing industrial restructuring in East Asia, thus enhancing economic efficiency of the East Asian economies vis-a-vis others.

15. In a period of increasing immigrations, of sluggish economic

growth, of high unemployment, of deep crisis of the welfare state, neo-restrictionist views prevail in Western Europe and North America.

Against the background of the above major findings, a number of policy recommendations can be made. Given the fact that the world is increasingly divided into two parts as I stated at the outset, it is essential for us to consider our question from the viewpoint of creating a new global system to deal effectively with increasing number of challenges ahead. It is clear that the need for global co-operative security is growing, and that our frame of mind has to be adapted to this new situation. Policy-makers must anticipate international population movements, rather than try and avoid them, which will continue to grow in magnitude. The following recommendations of the Global Commission are made with this Spirit.

1. In order to enhance orderly encounter of peoples, efforts must be made both in sending countries and in recipient countries. In the sending countries some major reforms must be attempted at labor markets. deregulation of labor markets must be a primary objective in order to enlarge employment opportunities, this reducing the sizable share of "informal sector workers", who are major potential migrants. The main objective of labor market reform is to reduce the excess level of State intervention, thus reducing the cost of labor and substantially enlarging employment opportunities.

2. Globally, it is essential to promote structure. New investment opportunities industrialized countries should be looked for in such sectors as the information industry

including telecommunication, new materials, bio-technology related activities, etc. In developing countries, in addition to sound macro-economic policies, best efforts should be made to eradicate corruption and miss-use of resources and also to mitigate inter-and-intra-communal conflicts. Improvement of economic performance globally is the most important approach to ensure orderly encounter of people. Sudden flooding of people on another people is a situation which will only ensure maximum levels of negative impacts.

3. To prepare for the return of the migrant workers, sending countries should encourage their workers abroad to channel part of their remittances into productive Investments in order to guarantee a continuous flow of income for the workers once they return home. It should also try to maintain cultural contacts with its workers abroad. The labor-receiving country for its part, should avoid massive and abrupt termination of migrant workers' services as has happened in the Persian Gulf area. A grace period long enough should be allowed for the departure of the workers.

4. Domestic policies should aim at controlling the growth rate of urbanization through a balanced development between urbanization, industrialization, and agricultural development. While there are not many successful cases, there are a few. The successful experiences of town and village enterprises in China, the Japanese experiences of nationwide regional planning and the setting up of Techno-Polis to assist rural areas and developing regions, the successful planning of Singapore based on an interesting combination of free-market economy together with centralized control of land development may provide some references. A good combination of allowing market force mechanisms and guided

economic planning is needed.

5. Environment degradation triggers migration flows that are much larger than those that are needed for ' orderly encounter.

International aid should be allocated with greater awareness of the links between poverty reduction and environmental goals. Thus it should focus more on programs with high returns for poverty relief and environmental health, such as investing in research to reduce soil erosion and degradation and promoting the development of the agricultural sector, providing aid to protect natural h-habitat and biodiversity, and-investing in action-oriented R. & D. on non-carbon energy alternatives.

6. In many countries, the State has been in control of education, particularly at the level of primary and junior high schools. It should become increasingly important for education to become sufficiently globalized so that the people at the' receiving end of ~& migrants and refugees can become tolerant of and receptive to the inflow of foreigners with diverse cultural and ethnic backgrounds. It is also important for the education systems to be reformed in such a way as to provide necessary educational opportunities to migrant workers and refugees.

7. The contribution of the migrant workers of the developing world to the economies of the developed nations will have to be duely taken into account. Migrants meet the felt economic and social needs, and go at the invitation of the developed countries except in cases of illegal migrants. Their social rehabilitation is therefore a responsibility of the indurialized nations

8. Given that international migrants will continue to assume larger proportions in the years to come and since this is an international issue of considerable human, legal and economic magnitude, the Global Commission proposes the creation of an international convention on migrations under the auspices of the International Labor Organization.

9. At present, it is often impossible even to evaluate the scale of the displaced persons in various forms. The Global Commission proposes the creation of an internal monitoring body for assessing the magnitude and mechanisms of this problem as a prerequisite to devising an appropriate strategy.

10. While we believe that the Global Commission has made a considerable progress, we are also aware that a lot more work need to be pursued. Therefore, the Global Commission proposes the establishment of a blue ribbon panel of the Secretary General of the United Nations that will consider the policy approaches to the increasingly important issue of movements people.

Mr. Chairman, this is the report of the Global Commission for a Post-Cold War Global System to you, sir, and through you to the world community. The actions proposed above will perhaps be considered as a post-Cairo agenda for the global community. While highly political in nature, the deliberations at this Conference prove that the world community has successfully laid the ground for the consideration of these delicate questions in the coming years. I thank you for your attention.