Migration, Remittances, and Human Development
Some preliminary results from the Central Asia Regional Study

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Research questions

• Migration and remittances: Economic benefits vs Social costs

• Migration, remittances and development
  – Sustainability (supply and demand)
  – Labour export vs labor-intensive export
  – Poverty reduction vs Development
Interwoven themes

• Economics of migration and remittances
• Policy areas of particular relevance:
  – Macroeconomics
  – Labour markets
  – External sector (balance of payments)
  – Development
• Measurement/indicator issues
  – Substance vs Data
Inflows to countries of Central Asia, as % of GDP, average 2007-2012

Own calculations based on WorldBank World Development Indicators, Central Bank of Russia, OECD QWIDS database.
Central Asia export: resource- and capital-intensive in labour-rich region

UNDP calculations, based on 2012 data from ITC
# Concentration and targeting of forex inflows

<table>
<thead>
<tr>
<th>Type of inflow</th>
<th>Concentration</th>
<th>Targeting</th>
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</thead>
<tbody>
<tr>
<td>Export receipts</td>
<td>Concentrated or highly concentrated</td>
<td>Profit, reinvestments, expansion of production</td>
</tr>
<tr>
<td>Foreign direct investments</td>
<td>Highly concentrated</td>
<td>Profitable investments</td>
</tr>
<tr>
<td>Foreign aid</td>
<td>Concentrated</td>
<td>Development oriented, targeted</td>
</tr>
<tr>
<td>Remittances</td>
<td>Widespread</td>
<td>Consumption general and special (80-90%)</td>
</tr>
</tbody>
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De facto labour market integration

Ratio of adult population registered in Russian Federation to total labour force of the country
Own calculations based on FMS Russia, WorldBank World Development Indicators
Transfers from Russia: more legal and more affordable

Source: Central Bank of Russia
Moldova: Currency structure of personal transfers

Source: National Bank of Moldova
Transfers to and from Russia and Central Asia

Source: Own calculations based on Central Bank of Russia
Kyrgyzstan: Poverty reduction effect of remittances

Source: National Statistical Committee Kyrgyzstan
Kyrgyzstan: regional differences in remittances and poverty reduction

Source: Own calculations based on National Statistical Committee Kyrgyzstan
Migration and development

- Export of labour vs labour-intensive export
- Scope of investments
- Concentration of remittances and fund raising
- Institutional capital
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