The political acceptability of time-limited labor mobility: Five levers opening the Overton window

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Abstract. A substantial expansion of migration and labor mobility in the rich industrial countries currently seems outside the Overton window, the range of acceptable political discourse. If anything, the general mood seems to favor even greater restrictiveness. I argue that five trends that are underway that could, within a decade or less, bring larger flows of migrants and labor mobility—including a major expansion of time-limited labor mobility—squarely onto the global and domestic political agenda of rich industrial countries.
Introduction

The Overton Window is a commonly used metaphor for the range of acceptable political discourse. A closed Overton Window means something just isn’t talked about. Which windows are open and closed, what is on and what is off the domestic and global intellectual, research, and policy agendas is a complex puzzle and may have nothing to do with the potential empirical importance.

In the field of “international development” the use of randomized control trials to examine the impact of anti-poverty programs in poor countries has become an enormous fad, generating new organizations, think-tanks, and institutes and winning three of the movement’s pioneers the Nobel Prize in economics. This was in spite of the fact that everyone working in development economics knew (and continue to know) that the basic facts are that progress in poverty reduction was overwhelming driven by country and local economic conditions and that anti-poverty programs have mostly played little (or no) role in explaining a country’s level of poverty (Dollar and Kraay 2002, Dollar, Kleineberg, and Kraay 2016, Narayan, Pritchett and Kapoor 2009, Pritchett 2020, Bergstrom 2022).

In contrast, restrictions on labor mobility between rich and poor countries leave “trillion-dollar bills on the sidewalk” (Clemens 2011) which would mainly benefit the poor who would move (Winters). Since in the standard growth accounting most of cross-national income/wage differences are due to country total factor productivity differences (e.g. Casselli 2005, Inklaar and Timmer 2013) this implies workers can gain a massive income boost through gaining from the productivity “place premium” of by moving across borders (Clemens, Montenegro and Pritchett 2019). Pritchett and Hani (2020) show that a variety of different estimates show quite robustly that the consumption wage gains (in purchasing power parity) for a typical person, with only low levels of schooling, who moves from a low productivity place (developing countries) to a high productivity place (rich industrial countries) are around P$15,000. In its 2009-2010 round of surveys the Gallup organization asked people around the world whether if ideally they could move, would they like to move temporarily to work in another country and 1.1 billion people said yes, including 41 percent of the youth population 15-24 and 28 percent of the population aged 25-44 (Ray and Esipova 2012). A simplistic estimate of the gains from eliminating the barriers to movement is that if the 1.1 billion were actually allowed to move and the average gain was P$15,000 in wages this is 16.5 trillion dollars per year. Perhaps more people say they would move than actually would in practice, but even if half of those who said they would like to move did the gains are half as large, which is still 8 trillion, or even if only quarter do that is still 4 trillion, which all still dominate everything else on the global development or global poverty agenda by orders of magnitude.

1 I would like to thank the participants at the NYU symposium, Rebekah Smith, the LaMP team, and Ilya Somin for helpful suggestions.
2 That these gains are causal and not the result of positive selectivity of high productivity migrants has been shown with a variety of econometric corrections for selectivity (Clemens, Montenegro, Pritchett 2019 for the USA and forty source countries), Clemens 2019 (India-UAE), and with “natural experiments” in which those allowed to move are randomly chosen: McKenzie, Stillman and Gibson 2010 on New Zealand-Tonga, Mobarak, Sherif, Shrestha 2020 on Bangladesh-Malaysia, Clemens 2010 on India-USA.
For instance, official development grants ([OECD DAC estimate](https://www.oecd.org)) plus global development philanthropy adds up to around US$200 billion, which assuming that, given overhead and administrative costs, leakages, inefficiency and lack of efficacy, this leads to a dollar of benefits for beneficiaries per 2 dollars of grant would imply that in total this is a factor of 100 smaller than the upside available gains from labor mobility. And the RCT agenda is about (marginal) improvements in how those funds are used, so supposing (massively optimistically) the more widespread use of RCTs led to a 10 percent gain the benefits from development assistance and philanthropy, that would be a gain to the global poor of 10 billion dollars, a 1000 times smaller than the possible gains from labor mobility.

Yet labor mobility is not (yet) on the global agenda in any significant way. The UN’s massive exercise in creating the 2015 Sustainable Development Goals (SDG) led to an expansive agenda with 17 goal areas, 169 targets and 230 unique indicators (United Nations 2016). Not one of these goals, targets or indicators was about encouraging greater labor mobility or migration—compared to four SDG indicators about fish\(^3\).

Why has the promotion of great labor mobility not been squarely on the global (or even international development) agenda?

An obvious two-fold answer to what is on the agenda is that (i) countries in the world have radically unequal power in setting and promoting their own domestic policies and in framing and promoting global agendas and (ii) most politicians in the rich industrial world don’t see acting to allow more substantially more labor mobility as attractive—or even as within their Overton window.

This simultaneously naïve and cynical answer has a lot to be said for it. Table 1 shows the fraction of their population who are migrants from other rich countries or from poorer regions and the responses from the 2018 Pew Global Attitudes Survey about whether than want more, about the same, or fewer migrants in their country. In Europe (median across 10 countries in the Pew survey) and in the four largest countries of Europe wanting “more” migration is a distinctly minority view (less than 16 percent) and the fraction wanting “fewer” is much larger and the ratio of those that want fewer or the same is 5 times larger than those who want more. The countries more favorable to migration (Spain, Australia, Canada, the USA, and Japan) have about a fifth to a quarter of the population who want to allow more migration and the ratio of “fewer or about the same” to more is only 3 or 4.

Table 1 also shows there are regions with much higher levels of migrants, particularly from poor regions, than the rich industrial countries. There 41.8 million migrants from poor regions living in the Gulf 6 oil rich countries (Kuwait, Saudi Arabia, Oman, Bahrain, UAE, Qatar), with a native population of only 13.1 million. This is more than in all of Europe, 30.6 million, with a native population near 700 million and about as many in the USA, 42.7 million. There are more migrants from poor regions (2.1 million) in the tiny city-state of Singapore than in all of Japan (1.8 million).

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\(^3\) SDG Indicators about fish are:14.4.1, 14.6.1, 14.7.1, 14.b.1.
Table 1: Current levels of migration from rich and poor regions and attitudes towards more or less migration show low levels of migrants from poorer regions—and that relatively few say they want “more” migrants.

<table>
<thead>
<tr>
<th>Region/country</th>
<th>Total population, 2020 (in millions)</th>
<th>Percent of current population</th>
<th>“In your opinion, should we allow more immigrants to move to our country, fewer immigrants, or about the same as we do now?”</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>From rich regions</td>
<td>From poor regions</td>
</tr>
<tr>
<td>Developed (rich industrial) regions and countries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developed</td>
<td>1,273.3</td>
<td>4.6%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Europe (region and five largest countries)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>747.6</td>
<td>5.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Germany</td>
<td>83.8</td>
<td>9.4%</td>
<td>4.9%</td>
</tr>
<tr>
<td>UK</td>
<td>67.9</td>
<td>5.9%</td>
<td>7.8%</td>
</tr>
<tr>
<td>France</td>
<td>65.3</td>
<td>4.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Italy</td>
<td>60.5</td>
<td>5.6%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Spain</td>
<td>46.8</td>
<td>5.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Western offshoot countries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>25.5</td>
<td>11.6%</td>
<td>15.6%</td>
</tr>
<tr>
<td>USA</td>
<td>331.0</td>
<td>2.3%</td>
<td>12.9%</td>
</tr>
<tr>
<td>Canada</td>
<td>37.7</td>
<td>7.3%</td>
<td>13.7%</td>
</tr>
<tr>
<td>East Asia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>126.5</td>
<td>0.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>S. Korea</td>
<td>40.6</td>
<td>0.3%</td>
<td>2.4%</td>
</tr>
<tr>
<td>High labor mobility regions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gulf 6</td>
<td>58.7</td>
<td>6.4%</td>
<td>71.2%</td>
</tr>
<tr>
<td>Singapore</td>
<td>5.9</td>
<td>0.9%</td>
<td>35.7%</td>
</tr>
</tbody>
</table>

Source: For columns 1-3 author’s calculations with UN data on migrant stocks by origin and destination, for columns 4-6 data from Pew Global Attitudes Survey, Connor and Krogstad (2018). For migration attitudes “Europe” is the median of 10 countries.

Rich country politicians, no matter how visionary or benign, and no matter their willingness to “lead” and not just follow public opinion, are likely to see a policy stance that is out-numbered 5 to 1 (most of Europe) or even 3 to 1 (most of the developed world) as just not having a viable Overton window for political dialogue. The risks of taking on this topic, either domestically or globally, given current voter/citizen attitudes are just too large. Angela Merkel, widely regarded as one of the industrial world’s most capable and competent politicians of the 21st century, suffered considerable political losses for her compassionate stance towards refugees in 2015. Even support for a relatively tepid UN document, the Global Compact for Safe, Orderly, and Regular Migration,
provoked sharp political backlash in Italy and other European countries. Ten European countries either voted against or abstained⁴.

The primary obstacle to reaping the gains from labor mobility are the opinions and attitudes of the citizens of rich countries (Pritchett 2006). But, fortunately in this case, “past performance is no guarantee of future success.” As Keynes reportedly responded to a charge that he was inconsistent because his policy views had changed: “When the facts change, I change my mind, what do you do?”

My argument is that the facts are changing, often rapidly, and hence rich country voters will change their minds soon (in years, not decades) about the desirability of greater labor mobility. Given the tight space constraints I briefly outline the five changes that will be the levers prying open the Overton window and bring labor mobility onto the rich country domestic and global agendas.

First, the consequence of the prolonged birth dearth in the rich industrial countries is that without labor mobility the labor force will shrink so much that the very politically popular social contract between the young and old—of old age pensions and health care—will become fiscally untenable.

Second, continuation of trends in the “u-shaped” polarization of the labor force, with demand for labor rising both at the upper and lower end of the wage distribution (e.g. Autor 2014) will reveal that much of (most) job growth will be jobs that have tasks that are both (i) non-offshore-able (require physical presence) and (ii) non-technology amenable (require non-routine adaptation). These are jobs, like elder care, that are essential and increasing but which cannot be filled with native-born workers.

Third, rich industrial countries voters will become more flexible about the range of legal conditions in which non-citizens can be present to provide labor services and will realize that more control of the border and much higher flows of workers across the border are possible. This will come with an acceptance that the questions of “which people are the future of our country/nation/society/culture?” can be separated from “what are the labor market needs of our economy?”

Fourth, a global labor mobility industry, the people who move people, will be created that makes labor flows safe, orderly, and regular and return of temporary migrants routine and politically legitimate.

Fifth, note that none of these four reasons require rich country voters to become more globally minded, more altruistic, or act against their economic best interests, change their fundamental ideas about their political/social/cultural identity. But I believe that, if the long arc of the moral universe bends towards justice, it will become increasingly untenable to maintain both a heightened

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⁴ Not surprisingly, given the Trump administration, the USA declined to participate in the UN Global Compact process and subsequently voted against.
aversion to inequality and appreciation of diversity and a legal regime that excludes by fiat all those without the foresight to be born inside privileged political boundaries.

When the facts change, minds can change very fast. What seems impractical or impossible in retrospect appears inevitable. Labor force participation of married women in the USA in 1890 was only a few percent. Around that reality grew up a whole set of rationalizing narratives of why this outcome was inevitable, desirable, biologically suited to the “nature” of women, perhaps even God-given. The entry of the USA into World War II and the need to vastly ramp up production of war materiel, continue needed domestic production, while at the same time putting a large fraction of (young) males into military service meant the situation needed vastly more women in the labor force. This shift in pressing needs of the society and economy for women working accelerated the pace of increase in labor force participation, particularly of married women, and set off 60 years of changes in which the labor force participation of married women converged to that of unmarried women (closing the gap in only 20 years between 1940 and 1960) and both converged towards that of men—for married women increasing from

**Figure 1:** The history of increased employment of women and the labor scarcity in the USA during World War II

![Graph showing labor force participation rates for females and males by age and marital status: 1890 to 2004](image)

*Source: War Department pamphlet, Goldin (2006)*

A similar process is happening in Japan today. Most people think of Japan, not entirely unfairly, as a culturally unique and somewhat insular country and imagine that “more migration” would never be on the policy agenda. Indeed, as seen in Table 1 their ratio of foreign born to native born population is 2 percent, a factor of 10 lower than in high immigration industrial countries like Australia or Canada. But demographic pressures and the lack of workers in needed sectors are causing very rapid changes. Japan created a Specified Skills Visa in 2018 with the goal
of recruiting 500,000 time-limited workers by 2025 (a huge increase off a base of 1.8 million) and by 2021 was openly considering shifting from a purely temporary to a pathway to permanence. The fact that aggressive recruitment of foreign workers with a path to permanence has moved into the Overton window in Japan shows how quickly things can change.

1. First lever: Inversion of the age pyramid and the social contract

Demographic predictions show that rich industrial countries (and some others, like China) are going to experience an intensification of a phenomena never seen in human history until quite recently: an inversion of the demographic pyramid. The demographic challenge of OECD countries is not that “population growth will slow” or “populations will fall.” A focus on the total population misses the most important point: the change in the age structure of the population.

Figure 1 shows the UN 2019 “Zero Migration” scenario for the rich industrial regions/countries⁵. Between 2020 and 2050 the number of “elderly” (over 65) grows by about 100 million (from 249 to 349) while the labor force aged population (20-65) shrinks by 143 million.

These countries have an existing “social contract” (which goes much deeper than just a set of social programs) in which the working population supports the aged population. With some exceptions, like oil-rich Norway, the working population is taxed to support the retirement income and the health care costs of the aged. The “pay as you go” social contract supporting programs were begun and grew into their current shape in an era in which the number of contributing workers relative to retirement age was large. In 1950 the “support ratio” of labor force aged to elderly in the more developed UN regions was 7.3, falling to 4.2 by 2000, and by 2020 it had fallen to about 3. This shift has already brought massive fiscal strains to OECD countries. In the “zero migration” scenario the support ratio would continue to fall, reaching only 1.8 labor force aged to elderly by 2050. With an aggregate labor force participation rate of those aged 20-64 of 70 percent this implies only 1.3 workers to support each elderly person. Nothing like the existing design of the existing “social contract” of support to retirement income and health care costs of the aged can be sustained under those demographic conditions.

Figure 1 illustrates to keep the support ratio constant at the 2020 level of 3.08 an additional 101 million elderly need 101 times 3.08=310 million more labor force aged in 2050. But given the demographic changes that have (mostly) already happened—after all, everyone who will be over 28 years old in 2050 is already born—there will not be 310 million more, but rather 143 million less native-born workers. The “support ratio constant” labor force aged population would have to be 454 million higher than the projected 624 million labor force aged of the Zero Migration scenario. Maintaining a constant support ratio would imply that in 2050 42.1 percent of the labor force aged population would be the result of migration between 2020 and 2050. Put

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⁵ The countries are those in the UN defined regions of North America, Eastern, Northern, Southern, and Western Europe, Australia and New Zealand, and includes Japan and South Korea.
another way, there would have to be about 13 million *additional workers per year* into these developed regions if the support ratio is to remain constant.
Figure 1: Differing demographic futures of regions creates massive migration potential

Source: Author’s calculations with UN Population Prospects 2019 data.

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Parts (though not all) of the developing world face exactly the opposite near term future demographic challenges. In the combined regions of Africa (Sub-Saharan and North), South and South East Asia, and the Middle East/Western Asia the challenge is creating productive employment and “good jobs” for their still rapidly growing young populations. Between 2020 and 2050 in the Zero Migration scenario there will be 1.2 billion people added to the labor force aged populations in those countries. This implies that should the richer regions be willing to allow labor mobility these regions could easily provide an additional 454 million workers as emigrants (temporary or permanent) and still see the need to employ an additional 800 million workers.

These differing demographic changes are ushering in a future of chronic labor scarcity in developed countries side by side with labor abundance in other regions.

2. Second lever: Polarization of the labor market, or, what to do about the U?

My argument that rich country voters will become substantially more amenable to much higher levels of labor mobility might seem completely out of touch with the political consequences of shifts in the labor market that have raised the return to skills, increased inequality, and produced the stagnation in real wages for the less schooled workers, particularly in the USA. Many people believe the challenge of the future is that technological changes are destroying jobs at an increasing pace and hence, even with smaller labor forces the challenge will be finding productive work for all citizens and hence that labor mobility is less likely in the future.

Reality is more complicated. There is not a simple linear relationship between change in jobs and the conventional calculations of skill level, rather as David Autor (with a variety of co-authors) have shown the shifts in employment shares by occupation are “U” shaped with a decline in middle-paying jobs and an increase in jobs both at the low end and the upper end of the wage distribution. Figure 2 shows that in the 1979-1989 period there was a shift in employment from low-wage to high wage but since 1989 there is an increasing tendency for employment to be shifting into low skill jobs, and between 2007 and 2012 employment grew fastest in occupations with the lowest wages in 1979.
Figure 2: Changes in the occupation shares of employment by skill in the USA is U-shaped with the most rapid growth coming in the lowest wage occupations.

Source: Author (2014)

This U-shaped shift in employment and growth in low-initial-wage jobs is not unique to the USA. Figure 3 shows the shift in low, middle, and high wage occupations for 16 EU countries. In all 16 countries employment growth was stronger in the low than middle paying occupations, and low paying occupations had positive employment share growth in 14 of the 16 EU countries.
Figure 3: The ‘polarization’ of the labor market with growth in low and high paying jobs and decline in the middle is also a phenomenon in the EU.

Change in Occupational Employment Shares in Low, Middle and High Wage Occupations in 16 EU Countries, 1993 - 2010

Source: Autor (2014).

This U-shaped pattern of employment growth is consistent with two major trends: (i) globalization that allowed many rich country jobs in manufacturing and services to be moved to lower wage destinations (the “China-shock” (Autor, Dorn and Hanson 2016)—or more broadly and recognizing its positive impacts--the “Great Convergence” (Baldwin 2016) and (ii) technological shifts that raised the returns to very high levels of skill (Autor, Lavy, Murnane 2003).

However, in spite of the changes that have allowed the proliferation of geographically separate value chains, there are large numbers of jobs in rich countries that are not “off-shorable” as they require physical contact (e.g. haircuts, harvesting, elder care, home maintenance, cleaning). These jobs can be further decomposed along the lines of Autor, Levy, and Murnane’s (2003) decomposition of occupations into the specific tasks associated with those occupations into tasks that are “routine” versus “non-routine” and then “routine” can be decomposed into “manual” and “abstract” and the non-routine can be further divided into those which are “non-
routine, analytical” (e.g. writing a novel, heart surgery), “non-routine, manual” (e.g. cleaning a hotel room) and “non-routine, interpersonal” (e.g. home health care).

Figure 4 shows the allocation of standard US Department of Labor projections of new jobs in the US economy by occupation from 2018 to 2028. Most of the net job creation is forecast to be in the “non-offshorable” but “non-analytical” (as classified in Clemens and Pritchett 2013). In line with the U-shaped polarization of the labor market in advanced economies, this category is both large and growing, with 2.8 million new jobs.

This predominance of employment growth in “low skill” jobs may seem incompatible with the increasingly technology intensive nature of the modern economy. But this is the result of two misunderstandings.

First, modern economies thrive on specialization and hence need people with a variety of skills. Take a world-class tertiary hospital. It requires doctors (and researchers) who rely on literally decades of schooling and training and a process that filters for the highest levels of professional capability (and the global recruitment of top talent). But as anyone who has spent time in a hospital knows, a quality hospital also requires nurses, technical specialists (e.g. phlebotomists), patient intake, food services, cleaning. The high productive post-modern economies are actually “complexity” economies that require a large array of people with different tasks to be combined (Hidalgo and Hausmann 2009, Balland et al 2022). Hospitals need both heart surgeons and janitors, neither of which are occupations which are “routine” nor amenable to mechanization (Autor and Dorn 2013).

Second, the term “low skill” is misleading as it usually refers to only one element of the skills, the type acquired by schooling and/or formal academic training. Workers need various skill sets: conscientiousness (perform each assigned task well), cooperative (able to work well with others in teams), compliant (willing to do the tasks assigned) and (acquired) capacities (the range of analytical and physical tasks a worker has the capacity to carry out). I call the first three sets: conscientiousness, cooperative, compliant the essential skills which are then can be augmented by higher and higher levels of training. Many essential jobs require essential skills and the additional capacities can be learned relatively quickly, which definitely does not make them “low skill” jobs.
Figure 4: Most of new job creation in the US will be in low-education/training jobs but in tasks that require non-routine manual or interpersonal skills.

Source: Author’s calculations (updated from Clemens and Pritchett 2013) based on US Department of Labor projections.

An increasingly pressing question for advanced, complexity, economies will be: “who will fill the essential jobs on the left of U?” There are three obvious possibilities: native workers, “robots” or foreign workers.

There are two problems with a plan to fill these jobs with native workers: there aren’t any and they don’t want them. The UN Zero Migration scenario for the US is that between 2020 and 2020 there will be about 4.5 million less labor forced aged people (fewer young labor market entrants than older workers leaving the labor force) so even if all incremental native born were somehow forced to take these “left of the U” jobs there would not be enough. But, more importantly, every advanced nation’s policy agenda (and the desire of the youth--and, as an older person, I might add, their parents)) is that the young move as far up the right hand side of the U as they can.

There are three problems with imagining that the solution to filling essential jobs is “robots” (programmable machines). One, Moore’s law has improved computing power since 1960 by an unimaginably large $10^{11}$ (the different between freeway car speeds and the fastest possible speed (light) is about $10^7$) and we are where we are: the reason for the U in the first place is that the non-routine manual and non-routine inter-personal jobs are just very hard to mechanize and it is not obvious this is on the horizon for many non-routine jobs in the coming decades (Khandan 2022). Two, it is, from a global perspective, economically insane (Pritchett 2020). Google,
Amazon and Elon Musk are all devoting resources to self-driving vehicles. That scarce resources (entrepreneurial and technical super-stars) are devoting themselves to displacing abundant resources (people who will do these jobs) is, from an economic efficiency point of view, sheer madness (Pritchett 2017). And no, this is not a “Luddite” or anti-technology sentiment, it is the standard economic analysis of the dangers of endogenous technological progress responding to distorted prices. Three, many of the currently most pressing political and social problems in advanced countries are the result of the inverted U-shape polarization in the labor market, combined with the challenges to pushing youth, particularly from disadvantaged households and ethnicities, up the right side of the U to higher paying work. It requires some considerable imagination to think that a desirable response to those current economic, political, and social challenges is to proceed to lower the left side of the U—reduce the demand for labor--through technological “innovation.”

3. Third lever: Allowing for more legal options for labor mobility to meet the variety of host country policy targets

The third lever on the Overton window is that the above two forces: the massive inversion of the demographic pyramid and the need to fill essential but lower-wage jobs allows the political and policy discourse to make a clearer (but not complete) separation of “migration” and “labor mobility” and then have a political discourse about how much of each of those two very different concepts for allowing people to cross borders each host country is going to allow. This lever is less inevitable and will depend on people actively designing and making the case for a variety of modalities for legal presence for labor services.

There are two big questions about how the legal processes of a country treats non-citizens: “who will be allowed to be physical present on our sovereign territory, for what purposes and for how long?” and “what is the legal process for a non-citizen to become a citizen of our country?” What keeps the Overton window about “migration” firmly closed is when all debates about “labor mobility” are forced to be debates “migration”—that is, who are the future citizens of our country?

While there is resistance to “migration” (Table 1) there is little to no controversy about people moving across borders for many reasons. There is little to no controversy about people coming for tourism, coming to study in universities (undergraduate and graduate), international cultural exchange, medical treatment. There is also little controversy that people who need to be in country temporarily as part of their work: sea vessel and airline crewmembers, diplomats or foreign officials, employees of international organizations, performing athletes, artists, entertainers. All of these have distinct visa categories in US law.

The resistance starts with work, even for short-term presence as countries often have visa categories to allow, but still strict limits on seasonal or temporary workers: temporary agricultural worker (H-2A), specialty occupations in fields requiring highly specialized knowledge (H-1B), summer work (J1). The concerns get larger as the allowed stay gets longer and the array of jobs allowed gets larger. But the main concerns about migration are not economic but rather social, cultural, and political.
Many people believe that there is something unique and valuable and worth protecting about their nation and national identity, their culture, their “way of life.” One can agree with Benedict Anderson that nations are “imagined communities” (Anderson 1991) and one can believe that restrictive borders are philosophically indefensible for a committed liberal (Carens 2013) but one cannot deny that the feeling of many rich country citizens that migration is a threat to deeply held values is a powerful force, from both the political “right” (e.g. Collier 2013) and communitarian political “left” perspectives (e.g. Walzer 1983). Some reviews of the empirical/survey literature about rich country citizen political and policy attitudes towards immigration find that standard economic self-interest considerations play some, but little, role in shaping attitudes towards immigration. Hainmueller and Hopkins 2014 argue that “sociotropic” concerns—individual concerns about the impact at the national rather than personal level--play a much larger role. Moreover, the major concerns are “cultural” rather than “economic.” Dempster, Leach, and Hargrave 2020 review of the literature argues that, broadly taken, “cultural” or “compositional” issues at the social level rather than “economic” issues of self-interest dominate attitudes towards immigration.

But the empirical literature is concentrated on the USA and Europe ignores the obvious key fact from Table 1: the Gulf states, with a complete separation of the question of immigration (“who is a future citizen?”) and labor mobility (“who will be allowed to work on our sovereign territory?”) have allowed an order of magnitude larger percent of their population as workers from poor regions than does, say, Europe. And, by the way, this labor mobility liberalty does more to reduce global inequality per capita than what West does, Weyl 2018).

We actually know next to nothing about rich country citizen’s attitudes towards labor mobility, which would have to be disentangled from their sociotropic and primarily “cultural” attitudes towards immigration and their, often unexamined, view that immigration and labor mobility are the same phenomena.

I argue that the combination of the demographic shift and the need for essential workers with essential skills will force the separation of the “migration” and “labor mobility” questions. One, the magnitudes of labor force needs are so huge that the political/social/cultural/identity issues around meeting those needs with immigration that leads to citizenship are overwhelming. Calculations (like those in Figure 1) show that for many European countries keeping the labor force support ratio constant at 2020 levels through permanent, citizen only, flows would imply that by 2050 the majority of the labor force was foreign born. Many argue that at those levels of migration the existing citizens will have completely lost control of their national destiny and hence, working backwards, argue that migration today must continue to be tightly constrained today (Collier 2013).

Two, if a developed country is going to maintain a policy that each and every person allowed to work in the country arrives on an immediate path to citizenship (even if these paths take some years) I argue almost inevitably leads to a host country selectivity of migrants that favors those that are already rich and/or already highly educated. The first generation “points systems”—like that in Canada reward higher education and “cultural similarity”—speaking a Canadian language
and hence tend to attract the elite of the poorer countries. This has two downsides. One, it deliberately uses the higher productivity of the host country to in the battles of the “global war for talent” to attract the “best and brightest” (Kapur and McHale 2005) from their native countries. Two, it ultimately doesn’t address the needs of rich countries for labor supply for the essential skill, non-offshorable jobs.

Once countries admit that they will need a variety of different pathways for labor mobility, at scale, to reconcile the various needs of the social contract and essential jobs in the economy with the political constraints this will lead to hard questions, questions to which countries will come to different answers, but at least questions that can be researched, analyzed, discussed, and debated within the Overton window. Countries can have a political discussion about migration and labor mobility with a realization that these need not be completely one and the same—and nor can they be completely separate. This raises tough and complex issues for countries to address—as does climate change or any other policy domain—but the question of “who should be allowed to work in our country and under what terms and conditions (including under what path to permanence/citizenship)?” can only be addressed in its needed granularity once it comes within the Overton window of public dialogue.

4. Fourth lever: A good global industry of people who move people

A fourth lever that can make large scale time-limited (with conditional path to citizenship) for essential skill workers is the creation of a good global industry of labor mobility. An open Overton window for much higher levels of labor mobility in rich industrial countries requires a persuasive case for two propositions.

One, that higher levels of labor mobility are consistent with, and perhaps even enhances, control of the border. Particularly for time-limited modalities for labor to be on the table it has to be the case that on-time return of time-limited movers is routine and enforcement costs low (and not publicly borne).

Two, it is politically essential that rich country citizens feel that neither they—nor firms or individuals inside their borders—are abusing or exploiting vulnerable people, but rather that mobility is seen as an opportunity for the movers. Many see migration as incompatible with the “modern liberal order” and certainly have a permanent body of workers with zero path to citizenship is widely opposed. But, on the other hand, as pointed out above, there is no threat to the “modern liberal order” of having people live in a country for years and years while studying without any firm path to citizenship and so it is not obvious why the fetish about labor is so strong.

Enabling large flows of labor mobility requires firms and organizations that carry out the needed functions of moving very large numbers of people each year back and forth across national borders for employment, an industry and infrastructure for mobility (Smith and Cepla 2022). For this industry to be a positive force for good, norms and practices have to emerge such that people

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6 Recently during COVID Canada changed the points systems precisely because I recognized the need to attract non-elite but essential workers.
are treated fairly at each stage of the time-limited labor mobility cycle: they are recruited fairly, they are placed into jobs appropriately, safely and supportively, they are protected diligently while working outside their home country, and they are returned reliably. These are not impossible desiderata, with supportive and facilitating host country laws the norms and practices of a good labor mobility industry can be an enormous force for good. But this lever is perhaps the most contingent and less inevitable of them all and it will require enormous effort to bring about a good global mobility industry.

The four functions of a global labor mobility industry are to:

*Recruit transparently.* Potential movers are able to make clear and informed choices about the actual total costs and total benefits of various available country/visa/employment opportunities. Potential movers must have an effective and informed choice from various agencies, with full and reliable (enforceable) information about true total costs.

*Place appropriately (right skills/training).* The labor mobility firms will often take on the responsibility of certifying that those who move are ready to take up the employment in the host country. Training is going to be much cheaper in the sending than host country. Failed labor market match is very costly to migrants and hiring firms.

*Protect diligently.* The function of protecting the workers from potential abuse and exploitation during their employment is a core function that needs to be part of the mobility industry. Obviously mobility firms and employers have incentives to collude against workers as, once they have moved they are often at a massive disadvantage, so how to build this protection of the rights and conditions and contractual enforcement into the mobility industry in a reliable and cost effective way is a key challenge.

*Return reliably.* A mobility industry based on relationships between sending countries and host countries makes it feasible to ensure return as the firms (and countries) can have an interest in cooperating in ensuring return without it being (exclusively) a high cost, domestic country legal enforcement issue exclusively.

All of this requires an industry infrastructure to carry out the functions of labor mobility as mere legal bilateral agreements about the possibility of mobility require organizations and firms to carry out the functions. This requires that the legal and regulatory apparatus in the host countries allow for this industry to emerge—and allow it to be both good at its core functions and profitable.

In a career as a development economist one of my key input industries has been global air travel. However grumpy one might be about the amenities of modern air travel, it is truly a marvel. When one considers the complexity of all that must happen for airplanes to carry passengers from country to country: the need for trained staff as pilots and air hosts, the equipment of the wide-body aircraft need to be produced, the planes need to be maintained in safe and working conditions, there is a need to guide them as they take-off and land and in flight, the need for airports as places where passengers, luggage, fuel, food, and staff get on and off planes smoothly and reliably. In 1930 when air travel was dangerous and unreliable one might
have easily pointed to the overwhelming challenges of creating a safe, reliable, convenient, and affordable airline industry. And it did take a couple of decades of concerted, dedicated, (and government supported) effort to create all of the necessary infrastructures.

**Figure 4: Fatalities per passenger miles flown and total revenue passenger miles, USA**

![Graph showing fatalities per passenger miles flown and total revenue passenger miles, USA](image)

*Source: US Historical Statistics from Colonial Times to the Present.*

The same can be said for major industries we know take for granted but which required massive efforts, public and private, to create the legal framework in which the challenges of creating an industry could be addressed. Automobiles, electricity, modern medicine, all moved from being industries that were small, unreliable, unsafe to massive scale through the creation of industry infrastructure of effective regulation and responsible industries.

The US experience with Prohibition is an analogy to where we are today with global labor mobility. Given a lack of legal channels for workers to move and domestic employers to meet their employment needs and of mostly unilateral policies by rich countries and hence lack of cooperation from sending countries the “industry” of recruiters and smugglers is illegal. But gangsters dominated the sale of alcohol not because of any feature of alcohol but because it was made illegal. Once prohibition was lifted the taxation and sale of alcohol was still under very tight control. As long as people see the movement of people as dominated by human traffickers and smugglers and recruiters and employers who take advantage of those who move a massive opportunity for improving the human condition around the world will remain off the agenda.

5. **Fifth lever: The least you can do is the best you can do**

There is a strong normative case to be made for open borders (e.g. Carens 2013, Caplan and Weinersmith 2019). The potential economic gains to those allowed to move are in the trillions.
of dollars annually—not to mention the gains in political rights from “foot voting” (Somin 2020) and other improvements to wellbeing. There are also net economic gains to the host countries of a variety of types. The consensus is that wages of the average citizen from increased migration are generally very small and positive but with possibly (though not conclusively) small losses for less-educated migrants (National Academies of Science, Engineering and Medicine 2017)—but the estimates of these wage distributional losses are typically very small and easily mitigated (Pritchett 2017). The most recent arguments are that the gains to increased migration are wrong because “too much” migration would kill the golden goose by eroding institutions in the rich countries (Borjas 2015, Collier 2013) have been shown to lack empirical support (Clemens and Pritchett 2019, Nowrasteh and Powell 2021).

Moreover, decades of academic research and actual practice have generated increasing evidence that for addressing global poverty only country inclusive growth and labor mobility have really massive effects (Pritchett 2018, Pritchett 2020). Decades of study, including with rigorous methods like randomized control trials, have mostly been convincing that the world has people in poor places, not poor people, and hence that in situ targeted anti-poverty interventions have modest returns (at best)—the very best programs that attempt to raise incomes for individuals have roughly the same impact as an untied cash transfer.

The least you can do to help the world’s poor—letting them work in your country, willing employed by firms at a wage justified by their productivity—is orders of magnitude better than the best you can do without mobility.

While one can rightly point out that these moral and altruistic arguments for greater mobility of people have yet to take hold on the imaginations of rich country voters, one can argue the same was true for slavery in the 18th century, for women’s rights in the early 20th century, for civil rights for African-Americans in the USA in the mid-20th century, and for gay rights until quite recently. The liberal ideal that all people should be treated with equal dignity has seemed to, in the long arc of history, have had substantial power, and so there are good reasons for believing that it may also bend the shape of the future.

Conclusion

Ideas at times are like dams: huge, unmoving, impregnable, able to hold the water back forever. But a small strategically placed crack can cause a dam to be washed away overnight. The current system for movement of people, with the ubiquitous large restrictions on mobility, was created in a very short period in the 1920s and could easily substantially, if not radically, change in the coming decade of the 2020s. As the fundamental facts about demography, economic needs, policy possibilities, a global industry to management movement, and global equality shift, so too will the views of rich country voters. While the five levers I describe will bring new modalities of labor mobility into rich countries within the Overton window, there is nothing inevitable about good policy and practical outcomes, nor their timing. We should expect the huge gains to require a substantial intellectual and practical effort to make this happen—orders of magnitude larger than the current engagements and investments in this domain.
References


