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# EC297B: The Economics of Migration

Colby College

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## Course Overview

In 2010, the United Nations estimated that there were 213 million people working outside their country of birth. Migration has become a predominant labor market alternative for many individuals, especially those from developing countries. This course focuses on the economic underpinnings of the migration decision that culminates in individuals leaving their home country for work abroad. We will pay particular attention to economic implications on migrant-sending developing countries and on the developed countries these migrants move to. Through lectures, discussion, debates, and policy briefs, we will use economics as a toolbox for analyzing the complex issues of immigration policy.

## Learning Goals

1. You will develop analytical writing skills through four papers in the format of policy briefs. Additionally, you will be expected to include tables and figures within the briefs to support your written arguments.
2. You will improve oral debate skills. An important part of the debate will be to employ quantitative reasoning to justify your arguments in the structure of the debates. You will learn to critically analyze numerous points of view in the current debates on immigration.
3. You will develop and propose alternative migration policies for both developed and developing countries by synthesizing economic theory and current policy debates.
4. You will be able to clearly articulate the relationship between migration and development.

## Class Meetings

T, W, TH, F, 10am-12pm in Miller 14.

## Prerequisite

One semester of microeconomic principles (EC133 or equivalent).

## Assignments

### *Policy Briefs (10% each)*

Each week, for the first three weeks of the course, you will be responsible for writing a policy brief with a partner about an assigned bilateral migration channel. The first policy brief will address who migrates in this channel, why they migrate, and what they do in the destination country. The second brief will examine the effects of migration on the migrant-sending country, and the third brief will look at the effects of migration on the receiving

country. More detailed instructions will be provided a week before the due date of each policy brief. A final policy brief, due on the last day of class, will be solo authored and more substantial in content than the previous three.

Although a traditional policy brief would not include references, please include a reference list at the end of your brief. The Journal of Economic Perspectives provides good guidelines for a standard and consistent economics reference list. Please edit carefully; your policy briefs should be free of grammatical and typographical errors. The Farnham Writer's Center is a fantastic resource to assist you with content, style, and grammar. Further, Colby's guidelines outlined in the student handbook regarding academic honesty will be fully adhered to for all assignments in this course. A link can be found on the Moodle site for this course.

#### *Final Policy Brief (20%)*

The final policy brief will build on the research you have conducted for your first three policy briefs. It will be aimed at providing policy makers in either the migrant-sending or receiving country with a recommended migration policy. A number of resources are listed at the end of the syllabus to assist you with your research.

#### *Debates (15%)*

The news is filled daily with heated debates on immigration policy. These debates, however, are sadly often completely devoid of sound economic reasoning. During the course, we will hold two debates so that you can employ the economic toolbox we're building throughout the course to weigh in on these debates. In teams of 5, you will be assigned a debate question/statement three classes prior to your debate. You will participate actively as a debater in one of the two debates, and in the other debate, you must come prepared with questions for the debate teams. Rubrics will be provided to all students in order to peer review the debaters, and grades will be based on a weighted average of my assessment and that of your peers.

#### *Final Presentation (15%)*

On one of the last two days of class, you and your partner will present your recommended migration policies for the migrant sending and receiving countries that were the focus of your policy briefs. You must provide background information based on your earlier policy briefs. Each presentation will last 20 minutes. A PowerPoint presentation must be emailed to me by midnight on January 26<sup>th</sup>.

#### *Nightly Assignments (10%)*

Each night, you will be given a series of questions to answer. These questions may review mathematical methods or economic models learned during class that day or they might be questions about the reading for the next day's class. We will use these nightly assignments as a jumping off point for our class discussion, so it is important that you have thought about and written thorough answers when you come to class each day. I will randomly collect these assignments on 5 occasions throughout the class. It may be helpful to discuss these questions with a study group prior to class. Please limit your study group to 3 students and write the names of your study group on the assignment. All answers,

however, should be written individually and in your own words. Nightly assignments will be posted on Moodle at least 24 hours prior to class.

### *Class participation (10%)*

A substantial portion of the course will revolve around classroom discussions and informal debates, and all students are expected to contribute actively to this portion of the course. Further, I expect you to be on time and engaged for each class session. To facilitate an open and active discussion, use of laptops, cell phones, and other electronic devices will not be permitted during class.

### **Grading**

	<b>% of Final Grade</b>
Debates	15
First 3 Policy Briefs	10 each
Final Policy Brief	20
Final Presentation	15
Nightly Assignments	10
Class Participation	10

### **Course Outline**

Class	Date	Class Topic	Assignments Due
<u>Building a Migration Toolbox</u>			
1	Jan. 3	Migration and Development: "An Unsettled Relationship"	
2	Jan. 4	Who, What, and Where?	
3	Jan. 5	Barriers to Migration and Guest Speaker (Juan Perez-Febles) on Migrant Labor in Maine	
4	Jan.6	Roy Model and Selection	
<u>The Migrant Sending Country</u>			
5	Jan. 10	Natural Disasters and Economic Shocks	<b>Policy Brief #1</b>
6	Jan. 11	Brain Drain and Brain Gain	
7	Jan. 12	Remittances	
8	Jan. 13	<b>Debate #1</b> and Discussion on Family Left Behind	
<u>The Migrant Receiving Country</u>			
9	Jan. 17	Effects on Native Wages	<b>Policy Brief #2</b>
10	Jan. 18	Undocumented Migration	
11	Jan. 19	<b>Debate #2</b> and Guest Speaker: Jorge Acero on Rules and Regulations	
12	Jan. 20	Assimilation	<b>Policy Brief #3</b>
<u>Other Implications from Migration</u>			
13	Jan. 24	Children	
14	Jan. 25	Diaspora	<b>Presentation slides due at midnight</b>
15	Jan. 26	<b>Final Presentations</b>	
16	Jan. 27	<b>Final Presentations</b>	<b>Final Paper</b>

## Readings

All readings can be found on the course Moodle site (or through eReserves when indicated by \* or ebrary when indicated by # under course EC297j). Please complete all readings and the corresponding questions prior to class time. Readings are subject to change to accommodate topics or issues that arise during the course that are not addressed below.

Jan. 3	<p>Migration and Development: "An Unsettled Relationship"</p> <ul style="list-style-type: none"> <li>• Terrazas, A. 2011. "Migration and Development: Policy Perspectives from the United States." <i>Migration Policy Institute</i>.</li> <li>• Cave, D. 2011. "Better Lives for Mexicans Cut Allure of Going North." <i>New York Times</i>, July 6.</li> </ul>
Jan. 4	<p>Who, What, and Where?</p> <ul style="list-style-type: none"> <li>• Bennhold, K. 2011. "From Afar: Moneymaker and Mother." <i>New York Times</i>, March 11.</li> <li>• Gallup Poll Results</li> <li>• "Moving Out, On, and Back." <i>Economist</i>, August 27<sup>th</sup>, 2011.</li> <li>• DeParle, J. 2007. "A Global Trek from Poor Nations, to Poorer Ones." <i>New York Times</i>, December 27.</li> <li>• #Martin, P., M. Abella, and C. Kuptsch. "Global Migration Patterns and Issues." <i>In Managing Labor Migration in the Twenty-first Century.</i> Yale University Press: New Haven, pp. 14-54.</li> </ul>
Jan. 5	<p>Barriers to Migration and Guest Speaker (Juan Perez-Febles): Migrant Labor in Maine</p> <p><b>For the speaker</b></p> <ul style="list-style-type: none"> <li>○ Laskas, J.M. 2011. "Hecho en America." <i>GQ</i>, September.</li> <li>○ Perez-Febles, J. 2011. "Migrant and Seasonal Farmworkers in Maine." <i>Maine Policy Review</i>, 20, 1: 195.</li> </ul> <p><b>For Class</b></p> <ul style="list-style-type: none"> <li>○ TBD (depending on timing)</li> </ul>
Jan.6	<p>Roy Model and Selection</p> <ul style="list-style-type: none"> <li>• Borjas, G. 2008. "The Decision to Migrate." <i>Labor Economics</i>, pg. 340-345.</li> <li>• McKenzie, D. and D. Yang. 2010. "Experimental Approaches in Migration Studies." <i>IZA Discussion Paper No. 5125</i>.</li> </ul>
Jan. 10	<p>Natural Disasters and Economic Shocks</p> <ul style="list-style-type: none"> <li>• Donadio, R. and S. Daley. 2011. "Revolts Raise Fear of Migration in Europe." <i>New York Times</i>, March 9.</li> <li>• Yang, D. 2006. "Why Do Migrants Return to Poor Countries? Evidence from Philippine Migrants' Responses to Exchange Rate Shocks." <i>Review of Economics and Statistics</i>, 88(4): 715-735.</li> </ul>

Jan. 11	<p>Brain Drain and Brain Gain</p> <ul style="list-style-type: none"> <li>• Gibson, J. and D. McKenzie. 2011. "Eight Questions about Brain Drain." <i>Journal of Economic Perspectives</i>, 25(3): 107-28.</li> <li>• Mills, E. et al. 2011. "The Financial Cost of Doctors Emigrating from Sub-Saharan Africa: Human Capital Analysis." <i>British Medical Journal</i>, 343: 1-13.</li> <li>• Dugger, C. 2006. "U.S. Plan to Lure Nurses May Hurt Poor Nations" <i>New York Times</i>, May 24.</li> <li>• Shretha, Slesh. 2011. "Human Capital Investment Responses to Skilled Migration Prospects: Evidence from a Natural Experiment in Nepal." Working Paper.</li> </ul>
Jan. 12	<p>Remittances</p> <ul style="list-style-type: none"> <li>• Yang, D. 2011. "Migrant Remittances." <i>Journal of Economic Perspectives</i>, 25(3): 129-52.</li> <li>• DeParle, J. 2007. "Western Union Empire Moves Migrant Cash Home." <i>New York Times</i>, November 22,</li> <li>• Ashraf, N., D. Aycinera, C. Martinez, and D. Yang. 2011. "Remittances and the Problem of Control: A Field Experiment Among Salvadoran Migrants." Working Paper.</li> </ul>
Jan. 13	<p>Debate #1: Brain Drain and Remittances</p>
Jan. 17	<p>Effects on Native Wages</p> <ul style="list-style-type: none"> <li>• Lowenstein, R. 2006. "The Immigration Equation." <i>New York Times</i>, July 9.</li> <li>• "The House that Saud Built." <i>The Economist</i>, July 21, 2011.</li> <li>• *Anderson, S. 2010. "The Economic Debate over Immigration." <i>Immigration</i>, Chapter 8, 169-188.</li> </ul>
Jan. 18	<p>Assimilation</p> <ul style="list-style-type: none"> <li>• *Anderson, S. 2010. "Assimilation." <i>Immigration</i>, Chapter 8, 189-201.</li> <li>• Akbulut, M., H. Bleakley, and A. Chin. 2011. "The Effects of English Proficiency among Childhood Immigrants: Are Hispanics Different?" In <i>Latinos and the Economy</i>, D.L. Leal and S.J. Trejo (editors), pg: 255-283.</li> <li>• Oreopoulos, P. 2009. "Why do skilled immigrants struggle in the labor market? A Field Experiment with Six Thousand Resumes." Working Paper.</li> </ul>
Jan. 19	<p>Debate #2 and Undocumented Migration</p> <ul style="list-style-type: none"> <li>• Vargas, J.A. 2011. "My Life as an Undocumented Immigrant." <i>New York Times</i>, June 22.</li> <li>• Hanson, G. 2006. "Illegal Migration from Mexico to the United States." <i>Journal of Economic Literature</i>, 44(4): 869-924. (Skip Section 2 and Section 3.3)</li> <li>• Gardella, A. 2011. "As Immigration Audits Increase, Some Employers Pay a High Price." <i>New York Times</i>, July 13.</li> <li>• Hoefer, M. N. Rytina, and B.C. Baker. 2011. "Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2010." Office of</li> </ul>

	Immigration Statistics Policy Directorate.
Jan. 20	Jorge Acero as Guest Speaker: Rules and Regulations and Undocumented Migration <ul style="list-style-type: none"> <li>• Readings from speaker TBD</li> </ul>
Jan. 24	Children <ul style="list-style-type: none"> <li>• <i>Preston, J. 2011. "Risks seen for Children of Illegal Immigrants." New York Times, September 20.</i></li> <li>• <i>Batalova, J. and M. McHugh. 2010. "Dream vs. Reality: An Analysis of Potential DREAM Act Beneficiaries." Migration Policy Institute, July.</i></li> <li>• <i>Tienda, M. and R. Haskins. 2011. "Immigrant Children: Introducing the Issue." The Future of Children, 21(1): 3-15.</i></li> <li>• <i>*Parrenas, R.S. 2006. "The Care Crisis in the Philippines: Children and Transnational Families in the New Global Economy." In Global Women, ed B. Ehrenreich and A.R. Hochschild. Metropolitan Books: New York, pg. 39-54.</i></li> </ul>
Jan. 25	Diaspora <ul style="list-style-type: none"> <li>• <i>"Weaving the World Together." The Economist, November 19, 2011.</i></li> <li>• <i>Editorial. 2011. "The Magic of Diasporas." The Economist, November 19.</i></li> <li>• <i>Okonjo-Iweala, B. and D. Ratha. 2011. "A bond for the Homeland" Foreign Policy, May 24.</i></li> <li>• <i>Ratha, D. and S. Plaza. 2011. "Harnessing Diasporas." Finance and Development, 48(3).</i></li> </ul>
Jan. 26	Final Presentations
Jan. 27	Final Presentations

## Resources for Policy Briefs and Debates

I will periodically update this list on the Moodle site for the course.

### Data Resources

- Migration and Remittances Factbook
  - <http://siteresources.worldbank.org/INTLAC/Resources/Factbook2011-Ebook.pdf>
- Remittances Prices Worldwide Databases
  - <http://remittanceprices.worldbank.org/>
- International Migrant Stock: The 2008 Revision Population Database
  - <http://esa.un.org/migration/>
- Trends in International Migrant Stock: Migrants by Age and Sex
  - <http://esa.un.org/MigAge/>
- International Labor Migration Statistics
  - [http://www.ilo.org/public/english/protection/migrant/info/ilm\\_dbase.htm](http://www.ilo.org/public/english/protection/migrant/info/ilm_dbase.htm)
- Migration Policy Institute Data Hub
  - <http://www.migrationinformation.org/datahub/>

- Global Migrant Origin Database
  - [http://www.migrationdrc.org/research/typesofmigration/global\\_migrant\\_origin\\_database.html](http://www.migrationdrc.org/research/typesofmigration/global_migrant_origin_database.html)

*Other Resources*

- People Move Blog
  - <http://blogs.worldbank.org/peplemove/>
- Glossary of Migration Related Terms
  - <http://www.unesco.org/new/en/social-and-human-sciences/themes/social-transformations/international-migration/glossary/>
- United Nations Population Division: check out all their resources!
  - <http://www.un.org/esa/population/migration/index.html>
- Center for Global Development
- International Organization for Migration (IOM)
- International Labor Organization (ILO)
- Migration Policy Institute (MPI)
- Scalabrini Migration Center
  - Lots of good information on migration in Asia

*Book: The following books are available electronically or in hard copy in Miller library. Some have general information on migration and some have specific chapters on sending and receiving countries. I also have personal copies of many of these books in my office that you can look at as well. If you use a book in the library, please do not check it out so that everyone can take advantage of them.*

- Martin, P., M. Abella, and C. Kuptsch. 2006. *Managing Labor Migration in the Twenty-first Century*. Yale University Press: New Haven.
- Bodvarsson, O.B. and H. Van den Berg. 2009. *The Economics of Immigration*. Springer.
- Bhagwati, J. and G. Hanson. 2009. *Skilled Immigration Today*. Oxford University Press.