Globalization, history and international migration: a view from Latin America

Working Paper No. 37

Andrés Solimano

Policy Integration Department Word Commission on the Social Dimension of Globalization International Labour Office Geneva

July 2004

Working papers are preliminary documents circulated to stimulate discussion and obtain comments

Copyright © International Labour Organization 2004

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to the Publications Bureau (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland. The International Labour Office welcomes such applications.

Libraries, institutions and other users registered in the United Kingdom with the Copyright Licensing Agency, 90 Tottenham Court Road, London W1T 4LP [Fax: (+44) (0)20 7631 5500; email: cla@cla.co.uk], in the United States with the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923 [Fax: (+1) (978) 750 4470; email: info@copyright.com] or in other countries with associated Reproduction Rights Organizations, may make photocopies in accordance with the licences issued to them for this purpose.

ISBN 92-2-116318-0 (printed version) 92-2-116319-9 (web version)

First published 2004

Cover:

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: pubvente@ilo.org Visit our website: www.ilo.org/publns

Printed by the International Labour Office, Geneva, Switzerland

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

Globalization, history and international migration: a view from Latin America

Contents

		0
Forev	word	iii
Prefa	ce	v
1.	Introduction	1
2.	International migration to and from Latin America: A brief historical overview	2
	First wave of globalization and the age of mass migration (circa 1870-1913)	2
	War, instability, depression and de-globalization (1913-1945)	3
	The post-1950 period: The second wave of globalization and constrained international labour markets	3
	Intra-Latin American migration	4
	Remittances	5
3.	Determinants of international migration	6
	Economic determinants of international migration	6
	Political regimes and international migration	7
4.	From a net immigration to a net emigration country: Argentina in the 20th century	8
	Interpretation	10
5.	Final remarks	11
Bibli	ography	13
Table	es	17

Page

Foreword

In February 2002, the ILO established an independent World Commission on the Social Dimension of Globalization, co-chaired by President Tarja Halonen of Finland and President Benjamin Mkapa of Tanzania and comprising 26 eminent commissioners from a wide range of walks of life and different parts of the world, each serving in their individual capacity. Its broad goals were: to identify policies for globalization that reduce poverty, foster growth and development in open economies, and widen opportunities for decent work; to explore ways to make globalization inclusive, so that the process can be seen to be fair for all, both between and within countries; to promote a more focused international dialogue on the social dimension of globalization; to build consensus among key actors and stakeholders on appropriate policy responses; and to assist the international community forge greater policy coherence in order to advance both economic and social goals in the global economy.

The report of the World Commission, *A fair globalization: Creating opportunities for all*, was released on 24 February 2004. It is available on the Commission's website www.ilo.org/public/english/wcsdg/index.htm.

A secretariat was established by the ILO to support the Commission. Among other tasks, it compiled information and commissioned papers on different aspects of the social dimension of globalization. The aim was to provide the Commission with documentation and data on a wide range of options and opinions concerning subjects within its mandate, without committing the Commission or individual Commissioners to any particular position on the issues or policies concerned.

Material from this background work is being made available as working papers, as national and regional reports on meetings and dialogues, and in other forms. Responsibility for the content of these papers and publications rests fully with their authors and their publication does not constitute an endorsement by the World Commission or the ILO of the opinions expressed in them.

Gerry Rodgers Director Policy Integration Department

Preface

The Technical Secretariat to support the World Commission on the Social Dimension of Globalization first prepared a synthesis of ILO activities on the Social Dimension of Globalization (published as Working Paper No. 1 in this series). Documentation on the work and outcomes of other major commissions, an ideas bank, a database and knowledge networks of experts and social actors were subsequently developed. These networks have dealt with several topics, including: inclusion at the national level for the benefits of globalization to reach more people; local markets and policies; cross-border networks of production to promote decent work, growth and development; international migration as part of the Global Policy Agenda; international governance (including trade and finance); the relationship between culture and globalization; and values and goals in globalization. Gender and employment aspects were addressed throughout this work. The Reports on the Secretariat's Knowledge Network Meetings are available on the Commission's web site or in a special publication from the ILO (ISBN 92-2-115711-1).

During the course of these activities, a number of substantive background papers were prepared, which are now made available for wider circulation in the Policy Integration Department's Working Paper series (Nos. 16 to 38), as well as on the Commission's website.

In this paper André Solimano, currently a Senior Advisor to the UN Economic Commission for Latin America, with previous director positions in the World Bank and the Inter American Development Bank, shows that international migration in Latin America was largely unrestricted during the first wave of globalization (circa 1870-1913), in line with increasingly integrated capital and goods markets under the monetary arrangements of the gold standard. This migration came to an end during the de-globalization period from 1914 to the mid- to late 1940s. The second wave of globalization in the late 20th century saw a substantial increase in the level of capital mobility and international trade. However, international labour markets have remained segmented, with international migration remaining constrained for unskilled labour and the poor. However, people with scarce skills and high educational levels have become more internationally mobile with the increasing globalization of capital and goods markets.

International migration patterns to and from Latin America have been driven mainly by the differences in per capita income between the region and the rest of the world. Intraregional migration also reflects disparities in income per capita within Latin America. South-North migration has been dominated by Mexico and other Central American and Caribbean countries, which have become the main source of migrants to the United States. Empirical analysis also shows the negative impact of authoritarian regimes on net immigration. For example, the military regimes in Argentina led to the substantial emigration of professionals, scientists and other educated people, thereby de-capitalizing the most highly qualified human resource base of the country.

Rolph van der Hoeven Manager, Technical Secretariat World Commission on the Social Dimension of Globalization

July 2004

1. Introduction

International labour markets are an important part of the process of globalization and economic interdependence across countries and regions. Historically, the first wave of globalization during the period between 1870 and 1913 involved substantial international mobility of people, reflecting the openness to goods and capital under the policy regime of the gold standard and low tariffs. This process was interrupted during the de-globalization period between 1914 and 1945, which was characterized by war, high inflation in the 1920s, economic depression in the 1930s and political instability. These events cut the economic links that had been developed in the world economy and inaugurated a long era of more restrictive migration policies. The second wave of globalization in the late 20th century saw a substantial increase in the level of capital mobility and international trade. However, international labour markets have remained segmented, with international migration remaining constrained for unskilled labour and the poor. In contrast, we are living in a world of high international mobility for individuals with a high level of human and financial capital, such as information experts, executives and international investors.¹

Patterns of international migration as they relate to Latin America are linked to the interaction between the changing cycles and policy regimes of the global economy and the economic performance of the region. Large Latin American economies, such as Argentina (and to some extent Brazil), received significant flows of migrants in the age of mass migration which characterized late 19th and early 20th century globalization. Foreign capital and labour moved in tandem to countries such as Argentina to capture the economic opportunities that were opening up there at the time. Subsequently, as economic development came to falter in Argentina and Latin America failed to develop to its full potential, international migration from Europe slowed down very significantly and virtually stopped in the late 1950s and early 1960s.

Intra-Latin American migration developed in response to significant differentials in per capita income between countries sharing common borders. At the same time, Latin America became the main source region (Mexico being the main sending nation) of emigrants heading to the United States, a trend that accelerated in the 1980s and 1990s.

This paper investigates the interaction between globalization regimes, income differentials and international migration, with emphasis on the Latin American experience. The second section provides an overview of the different phases of globalization and de-globalization in the global economy and the patterns of international migration to and from Latin America over the past 130 years or so. The third section examines the case of Argentina, historically the main receptor of migrants in Latin America, and which in the 20th century turned into a country of net emigration due to development failures, compounded by cycles of authoritarianism and political instability. The final section offers some conclusions.

¹ For an analysis of the migration of human capital, see Solimano (2002a), Carrington and Detraigiache (1998) and Haque and Kim (1994). An early treatment of the subject is found in Adams (1968).

2. International migration to and from Latin America: A brief historical overview

The main events in the global economy that have affected migration flows in significant ways at the global level, and in relation to Latin America in particular, are the two waves of globalization in the late 19th and late 20th centuries, as well as the de-globalization period of 1913-1945. This section assesses and interprets these trends.

First wave of globalization and the age of mass migration (circa 1870-1913)

The period of free trade, free capital mobility and the gold standard² from around 1870 to 1913 has been described by economic historians as the "first wave of globalization". This period was also accompanied by major flows of international migration, known as the "age of mass migration" (see Hatton and Williamson, 1998). It is estimated that during this period around 60 million people migrated from resource-scarce labour-abundant Europe to the resource-abundant labour-scarce countries of the "New World", including Argentina, Australia, Brazil, Canada, New Zealand and the United States. Migrants came from both "core Europe" (France, Germany, United Kingdom) and "peripheral Europe" (the Scandinavian countries, Spain, Italy and Portugal, Poland, Russia, Romania and the former nations of the Austro-Hungarian Empire). In Latin America, the main destination country for migrants from Europe was Argentina, which received almost 7 million immigrants (of whom some 4 million subsequently returned to Europe). Other countries which received a relatively large number of European migrants were Chile, Cuba, Mexico and Uruguay.

Immigration policies in the countries of the New World during the first wave of globalization were, on the whole, liberal.³ Several New World countries, such as Argentina, set up immigration agencies in European countries to attract and facilitate immigration flows with a view to increasing labour supply and supporting rapid economic expansion. However, these policies became gradually more restrictive, particularly in the 1910s and 1920s. Ethnic discrimination against migrants from Asia, and particularly from China, was common in several receiving countries.

As shown in Table 1, per capita income differentials between "peripheral" Europe and the United States, Canada, Australia and other countries of the New World during the period 1870-1913 were significantly in favour of the countries of the New World, thereby encouraging widespread transatlantic migration. Argentina had a per capita income that was around 30 per cent higher than Spain and Italy in 1913. These income gaps created strong economic incentives for international migration to Argentina. Uruguay also had higher per capita income than Spain and Italy in 1913, while Chile was barely at the same level as those European nations.

² See Eichengreen (1996) for an analysis of the gold standard in this and subsequent periods.

³ The main reference on immigration policies in New World countries during the first wave of globalization is Timmer and Williamson (1996). More direct sources are Holloway (1997) for Brazil and Solberg (1970) for Argentina and Chile.

War, instability, depression and de-globalization (1913-1945)

The outbreak of the First World War interrupted the process of growing economic interdependence and labour market integration across countries which characterized the first wave of globalization. The year 1914 inaugurated nearly 30 years of economic instability and political turbulence, characterized by the First World War, high inflation in Europe in the 1920s, economic depression in the 1930s and the Second World War in the first half of the 1940s. All this turbulence led to increasingly restrictive policies on international migration in some countries, such as the United States, which enacted immigration quotas in 1921 and 1924, reducing the flow of immigrants from Europe. Migrants then switched to Brazil and Argentina. The latter received around 3 million immigrants from Europe in the 1920s, although as many as 2 million returned (Chiswick and Hatton, 2002). At the same time, restrictions on *emigration* were enacted in the Soviet Union, thus reducing the Russian share of global migration flows to the Americas.

The post-1950 period: The second wave of globalization and constrained international labour markets

The end of the Second World War, the economic reconstruction of Europe and the rebuilding of trade and investment relations between nations in the second half of the 1940s and early 1950s gave rise to a new period of economic prosperity in the global economy. The prevailing policy regime was a system of fixed exchange rates, controlled international capital markets and constrained international migration. This cycle of prosperity and stability lasted until the early 1970s, when industrial countries were faced with the combination of oil price shocks and the collapse of the Bretton Woods parities. These two shocks led to a new period of adjustment in the global economy, along with other structural transformations. Economic internationalization received renewed impetus with the emergence of an active international capital market in the 1970s, which gained full force in the 1990s. However, the demise of Communism and growing liberalization reinforced the momentum of the "second wave of globalization".

The increasing global integration of goods and capital markets during the second wave of globalization has not, however, been followed by an equal degree of integration of international labour markets,⁴ which operate under a more constrained immigration policy framework than that existing up to 1913. From a Latin American perspective, immigration flows to Argentina (the main receiving country for foreign migrants) resumed in the mid-1940s following the Second World War, and lasted until the mid- to late 1950s, when Europe once again started to grow on a sustained basis and Argentine's economic dynamism began to falter, reducing employment and business opportunities for both migrants and nationals. In 1950, the per capita income of Argentina, Uruguay and Venezuela was still higher than that of Italy, Spain and other "peripheral" European countries, although the differential was steadily and persistently shrinking. By the 1970s, there had been a reversal in the per capita income gap between Italy and Spain, on the one hand, and Argentina and Venezuela, on the other. As will be shown below, when analysing the case of Argentina in greater detail, the main economic incentives for emigration from Europe to Argentina virtually disappeared in the 1970s. Indeed, reverse migration from Argentina to Italy and Spain has become the norm since the 1970s (Solimano, 2002b).

⁴ See Abella (1997), Stalker (2000) and Solimano (2001).

The configuration of economic incentives for international migration in relation to Latin America during the course of the 20th century was such that inflows from Europe (until the 1950s) coexisted with outflows (emigration) from various Latin America countries to the United States, Canada and other developed nations. An increase in international migration (from the world over) to the United States occurred in the 1980s and 1990s (see Table 2). There were about 1 million migrants to the United States during the decade of the 1940s and 2.5 million migrants in the 1950s, rising to nearly 7.5 million migrants per decade in the 1980s and 1990s. It is interesting to note that although, during the 19th century, most of the migrants to the United States were Europeans (around 88 per cent of the total migration to the United States during the period 1820-1920), this percentage declined to around 14 per cent during the period 1971-1998. During this latter period, the main source of immigration to the United States was from Latin America (46 per cent of the total), followed by Asia (34 per cent). In terms of individual countries, for a very long period of 179 years (1820-1998), as shown in Table 2, Mexico, Cuba and the Dominican Republic were the main Latin American source countries of immigrants to the United States. The main Asian sending countries were the Philippines, China, Republic of Korea and India, and the main European sending countries were Germany, Italy, United Kingdom and Ireland.5

Intra-Latin American migration

The importance of international differences in per capita income and living standards, in the context of a specific set of immigration policies, have been singled out in driving international migration flows. Table 3 shows significant differences in per capita GDP between Latin American countries during the period 1950-2000. For example, the per capita income of Argentina was, on average, over twice as high as that of Bolivia and Paraguay. As a consequence of these income gaps, Paraguay and Bolivia (in addition to Chile) became the two main source countries of migrants coming to Argentina (see Table 4). Per capita income in Chile is on average 65 per cent higher than that of Peru (and 80 per cent higher than that of Ecuador), with the gap widening in the 1990s, mainly because of the rapid growth of the Chilean economy during most of that decade. Large income per capita differentials may be observed between Venezuela and Colombia, although the gap has declined since the 1980s with the sharp worsening of Venezuela's economic performance over the past two decades. Significant income per capita differentials also exist between Costa Rica and Nicaragua, which have widened further since the 1980s due to the collapse of the Nicaraguan economy during its internal war in the 1980s and its weak performance subsequently. The gap between the Dominican Republic and Haiti started exploding during the 1980s and throughout the 1990s. The important point here is that divergent economic performance between Latin American countries, particularly between countries sharing common borders, appears to have led to significant migration flows between them. Table 5 shows, for various census years, the stocks of foreign nationals born within and outside the region and residing in other Latin American countries. The Table shows that Argentina has been the main recipient of people born in other Latin American countries (both in absolute numbers and as a share of its total population), although this is a declining trend. Indeed, the absolute number of foreign nationals living in Argentina has declined steadily from around 2.5 million in 1960

⁵ Immigration flows represented, on average, around 7 per cent of the total population of the United States during the period 1871-1920; this percentage later declined to 2.5 percent in the last third of the 20th century. On the other hand, there was an important increase in estimated illegal migration to the United States during the 1990s, from 3.3 million a year in 1992 to 5 million in 1996. In recent decades, Latin American countries have been the principal source of illegal immigrants to the United States, with the largest contingents coming from Mexico. Other important sending countries for illegal immigrants are El Salvador, Guatemala, Haiti, Honduras, Canada and the Philippines.

(12.7 per cent of the total population) to around 1.6 million in 1991 (4.9 per cent of the total population).⁶ Another country in which the population of foreign nationals is significant is Venezuela, where their numbers rose from nearly 600,000 in 1970 to over one million in 1990. The other Latin American countries covered by Table 5 have a relatively low percentage of recorded foreign nationals living in their territories. It will nevertheless be interesting to know more about the evolution of these trends in the 1990s as more recent census figures become available.

Remittances

The counterpart of the physical movement of people abroad (emigration) is the remittance of income from labour or profits back home. This underlines the fact that net emigration is not per se a pure cost for the sending country. The accrual of remittances is a benefit of migration that has to be weighed against its costs. The quantitative significance of remittances for Latin America is high. It has been estimated that total remittances for the 14 Latin American countries representing over 75 per cent of regional GDP were nearly US\$23 billion in 2001 (Orozco, 2001). To put this figure in perspective, it should be borne in mind that total capital inflows into Latin America in 2001 amounted to nearly US\$70 billion and official grants to the region to nearly US\$3 billion (ECLAC, 2002). The average proportion of GDP accounted for by remittances in the 14 Latin American countries was 8.5 per cent, although with wide variations between countries. Remittances represent 24.5 per cent of GDP in Haiti, 17 per cent in El Salvador, 15 per cent in Jamaica and 9 per cent in Ecuador. In contrast, remittances account for less than 3 per cent of GDP in Peru, Colombia, Mexico, Brazil and Colombia. As a proportion of total exports, remittances represent over 150 per cent in Haiti, 80 per cent in Nicaragua, 60 per cent in El Salvador and 20 per cent in Ecuador. It is worth noting that figures for remittances may be somewhat understated, as they often transit through unrecorded informal channels (such as personal transportation by friends or relatives and other unrecorded transactions). Remittances are bound to have a significant macroeconomic impact in some countries in complementing domestic savings and investment.

⁶ The last year for published census figures is 1991.

3. Determinants of international migration

Following this review of the main trends of global and regional migration in relation to Latin America over the varous historical periods, it is now necessary to turn to the main economic determinants of migration and related topics.

Economic determinants of international migration

The economics of migration focus on the expectation of a higher income abroad as a chief cause of decisions to emigrate. There are also other variables that exert an important influence on decisions to migrate, including non-economic reasons, such as war, ethnic discrimination and political persecution at home. The choice of country of destination is also often influenced by the existence of a network of family and friends who have migrated previously to a specific country.⁷ More systematically, the magnitude and direction of international migration flows are often influenced by the following factors, some of which are of a long-term nature, while others are more cyclical:

- (a) *Per capita income or real wage differentials* between sending and receiving countries for a given skill level: net immigration flows (immigration minus emigration) are positively correlated to the ratio between the real per capita income (or real wage) in the destination country and that of the recipient country.⁸ Taking into account uncertainty and a long-term horizon in reaching the decision to emigrate, what is more relevant is the expected wage in the place of destination compared with that of the source country. Moreover, in a dynamic perspective, the current value of expected relative wage streams would be the relevant variable.
- (b) The state of the business cycle and economic prospects in both sending and receiving countries. Rapid economic growth and labour shortages in receiving countries tend to increase the probability of immigrants finding a job. In contrast, in periods of sluggish growth and higher unemployment, this probability is lower. While the decision to emigrate depends largely on real income differentials between countries, the timing of migration seems to be correlated with the state of the business cycle in both sending and receiving countries.
- (c) Network effects. Empirical analysis of migration flows (Hatton and Williamson, 1998; Borjas, 2001) shows that migrants tend to attach a high value to the existence of friends and relatives in their selection of the country of destination. Indeed, family, friends and ethnic/national networks constitute an important support factor for migrants. They can help them obtain information about jobs and other relevant national characteristics of the host nation, thereby assisting in the adjustment of individuals and families following migration.

⁷ Migration equations usually include as determinants the following variables: the ratio between the real wage (or real per capita income) in the home country relative to that of the country of destination; a lagged migration variable capturing persistent effects and the effects of friends and relatives (social network considerations); a two-decade lagged demographic variable representing population growth; and a variable denoting the degree of industrialization of the home country. See O'Rourke and Williamson (1999).

⁸ See Hatton and Williamson (1998: Chapters 3 and 4) for a detailed discussion of the impact of wage gaps on emigration flows from Europe to New World countries in the late 19th and early 20th centuries.

- (d) *Immigration policies*. Policies in host countries that are unfavourable to immigration deter migrants, although not completely, as there still remains the possibility of illegal migration to some countries (for an interesting analysis of the political economy of migration policies in receiving countries, see Chiswick and Hatton, 2002).
- (e) *Costs of migrating.* Emigration entails several costs, including travel costs, such as air tickets and shipping costs, and living expenses in the host country, as well as the cost of searching for a job. Unskilled and poor migrants are often affected by these costs, which may in practice be an important inhibiting factor on the international migration of the poor.
- (f) *Cultural differences between countries.* Features such as language, traditions and family relationships affect migration patterns. As these cultural traits often differ between the host country and the sending nation, they tend to act as dampening factors upon international migration.
- (g) *Geographical distance and proximity*. In general, migration to border countries (or countries of proximity) tends to be more common than to countries located far away. Geography therefore matters in relation to the direction and size of migration flows.

Political regimes and international migration

Outflows and inflows of migrants do not only depend on the economic conditions in sending and receiving countries. The political regimes prevailing in host and source countries (democracy or authoritarianism) also matter in the decision to emigrate. Individuals prefer to live in countries in which civic freedoms and individual rights (such as freedom of speech and association, access to a fair trial, religious freedom and the right to elect public authorities) are respected and economic rights (property rights, contract enforcement) are protected. This tends to occur more often in democracies than in dictatorships, which curtail individual rights and engage in repressive activities.⁹ Albert Hirschman, in his classic book Exit, voice and loyalty (1972), draws a distinction between purely economic choices and collective action which is useful in understanding the economic and political causes of migration decisions. While the decision to leave a country is often an economic choice, voice belongs to the realm of collective or political action. This framework suggests that individuals who are dissatisfied or discontent with current political and economic conditions in their home countries, where "voice" has become an ineffective expedient for change, may choose to leave their countries (that is to emigrate). Thus (voluntary) migration (which differs from the situation of refugees and asylumseekers, which are instances of forced migration) as a decision is also affected by political conditions that are considered to be inadequate by nationals and foreign residents. This suggests a direct relationship between the emigration of nationals (or the repatriation of foreigners) and the existence of authoritarian regimes which suppress political rights and civil liberties. There are several examples of this in Latin America: the onset of military regimes in Argentina in the 1960s and 1970s, which curtailed civil liberties and intervened in universities (suppressing academic freedoms), was followed by a massive outflow of professionals and scientists, with serious consequences for the country in terms of the brain drain. A similar situation occurred in Brazil in the 1960s and 1970s, and subsequently in Chile in the 1970s and 1980s. In these cases, emigration (very often of individuals with a high stock of human capital) becomes an individual response to non-democratic political regimes which fail to respect civic rights.

⁹ See Olson (2000) for an insightful analysis of the economic consequences of democracies and autocracies.

4. From a net immigration to a net emigration country: Argentina in the 20th century¹⁰

During the course of the 20th century, Argentina declined from being among the six most developed economies in the world in the late 1920s to an economy in the middle income range of the developing world in the last quarter of the century. As a consequence, it switched from being a country of net immigration from 1870 to the 1950s to a net emigration country, often of highly educated citizens, in the last decades of the 20th century.

The process of economic development in Argentina went through different phases and cycles, which over time started to diverge from the best performers in the world economy. The period beween 1870 and 1914, labelled by economic historians as Argentina's *belle époque*,¹¹ was characterized by rapid economic growth, large inflows of foreign capital and, as noted above, massive immigration from Europe, mainly from Italy and Spain, two countries which accounted for nearly 80 per cent of total immigration into the country (Bunge and Garcia-Mata, 1969). Argentina's *belle époque* coincided with the period of the "first wave of globalization",¹² when it was one of the most prosperous economies of the period. Indeed, between 1870 and 1914, the Argentine economy grew at an annual rate of close to 6 per cent a year, one of the highest in the world economy at the time, and the level of income per capita in Argentina was between 33 and 38 per cent *higher* than the per capita income of Spain and Italy, respectively (see Table 7).

Migration policy in Argentina was to seek actively to recruit migrants abroad. By the mid-19th century, Argentina had opened recruitment offices in Italy and Spain and granted land to facilitate the settlement of immigrants. The Government also financed the costs of moving and provided housing for immigrants. These measures helped to attract massive international migration to Argentina during the period 1870-1914.

During this period, the average annual net immigration into Argentina amounted to nearly 57,000 persons a year over a 45-year period (the rate of net migration per 1,000 inhabitants was over 15 per cent; see Table 7). Net immigration fell sharply in the early interwar years (1914-1929) to around 40,000 net immigrants a year (nearly half the number during the period 1900-1914). The early interwar years were highly disruptive for the world economy and Argentina was not immune to the international situation. Its access to external financing was restricted by the continued disorganization of world capital markets and suffered from the disruption of European export markets.¹³ Migration flows reflected the combination of diminished economic opportunities in Spain and Italy, in contrast with the abundance of land, scarcity of labour and dynamic export industry in grain and meat (mainly to the British market) in Argentina. Foreign capital provided resources to build (and upgrade) infrastructure, such as railways, ports and roads, with foreign immigration providing the labour and entrepreneurial capacities required to seize the available opportunities.

¹⁰ See Diaz-Alejandro (1970), Bunge and Garcia-Mata (1969), Cortes Conde (1994) and Taylor (1994a).

¹¹ See Diaz-Alejandro (1970), Bunge and Garcia-Mata (1969), Cortes Conde (1994) and Taylor (1994a).

¹² See Della Paolera (1994).

¹³ See Della Paolera and Taylor (1998).

The 1930s were bad for the Argentine economy: GDP growth declined to an annual rate of 1.5 per cent between 1930 and 1940.¹⁴ In the same way as other Latin American economies at the time, Argentina adopted an inward-looking development strategy in the early 1930s and raised tariffs on imports of intermediate and capital goods.¹⁵ The economic decline in Argentine sharply reduced net immigration flows into the country, which fell to nearly 22,000 immigrants a year between 1930 and 1940. After the Second World War, there was a resumption of European migration to Argentina until the mid-1950s. The human and economic devastation brought about by the Second World War compelled Europeans to leave their home countries and Argentina was a natural destination in view of the earlier ties and knowledge of the country acquired during the major migration waves of the late 19th and early 20th centuries. However, the combination of rapid economic recovery in Europe in the late 1940s and 1950s and sluggish economic performance in Argentina in the 1940s and 1950s steadily reduced incentives for migration to the country, as gaps in income per capita closed between Argentina and European countries. Immigration from Europe to Argentina declined sharply in the 1960s (see Table 6) and almost ceased in the 1970s and 1980s.¹⁶

Coinciding with the decline in immigration from Europe since in the 1950s, there has been an increase in international migration to Argentina from neighbouring countries, rather than from overseas. As noted above, there were considerable flows of migrants, mainly consisting of rural workers and unskilled urban labour from Bolivia, Chile and Paraguay.¹ In addition to this change in the countries of origin of migrants coming to Argentina, there has also been an important phenomenon since the 1930s of internal migration from rural areas to the cities in Argentina associated with import-substitution industrialization, the growth of government and deepening urbanization. Immigrants from neighbouring countries therefore tended to take jobs in rural areas that were no longer wanted by rural Argentinean workers, who had migrated to the cities. Another important trend in the 1950s, 1960s and 1970s was the emigration of Argentine nationals, particularly professionals, highly skilled workers, scientists and intellectuals.¹⁸ An important reason for the emigration of scientists and highly qualified persons during this period, in addition to the disincentive of economic decline, lay in the policies of both the Peron administration in the 1950s, which excluded non-peronist intellectuals and professionals, and the open hostility of the military regimes of the 1960s to dissidence in the universities. This situation reached a dramatic peak in 1967 under the government of General Juan Carlos Onganía. A total of 1,305 faculty members were expelled from the University of Buenos Aires alone as a result of the intervention of the Onganía government (Lattes, Oteíza and Gracierena, 1986). In addition to directly expelling professors from universities, a "brain drain" dynamic subsequently developed as intellectuals started to leave Argentina because of the risk of being dismissed (and possibly imprisoned), combined with the adverse

¹⁴ See Della Paolera and Taylor (1998) and Diaz-Alejandro (1970) for an analysis of the impact of the external shocks of the 1930s and Argentina's policy response.

¹⁵ Diaz-Alejandro (1970) and Taylor (1994a) have shown that the import substitution policies adopted in the 1930s in Argentina contributed significantly to the increase in the relative price of capital goods on the domestic market, thereby discouraging capital formation and growth.

¹⁶ As a consequence of this reversal, Argentina's GDP per capita was on average, during the period 1975-2000, below that of Spain (72 per cent) and Italy (55 per cent) (see Table 7).

¹⁷ Paraguayans and Bolivians mostly migrated to the northern areas of Argentina. However, migrants from Chile often went to work on southern farms and the oil fields of Patagonia.

¹⁸ See Lattes, Oteíza and Graciarena (1986) for statistics of the emigration of medical doctors, engineers, scientists and "technicians" from Argentina to the United States between 1950 and 1970.

incentive of sustained budget cuts in the universities, which retarded the development of research and teaching in the country.¹⁹ After an interlude of democratic governments in the early 1970s, the situation worsened once again following the military coup in 1976, when the massive repression of scientists, professionals and students was part of an overall strategy to weaken any potential opposition to the military regimes which were endeavouring to consolidate in the country at the time.²⁰

Interpretation

In the last quarter of the 20th century, the combination of sluggish economic performance and political cycles of authoritarianism turned Argentina into a country of net emigration. Volatile growth and macroeconomic instability since the 1950s (although partially reversed for a short period in the 1990s) clearly reversed the strong economic incentives for immigration that had existed in Argentina in the late 19th and early 20th centuries. Moreover, populist-nationalist governments and repressive military regimes also acted as a disincentive to immigration from Europe.²¹ Worse still, these regimes forced the best qualified, and therefore the most mobile citizens, to emigrate in significant numbers at different times during the second half of the 20th century.²²

An econometric estimate of net migration in Argentina during the 20th century, including the various sub-periods (see Tables 8-11), is provided in Solimano (2002b). The main results of this study can be summarized as follows:

- (a) There is a positive and significant effect on net migration flows (migration minus emigration) to and from Argentina of the gap between the per capita income in Argentina (the recipient country) and that of sending countries (chiefly European until the mid-1950s, and thereafter Bolivia, Chile and Paraguay). The results show that the gap in income per capita between Argentina and sending countries is a robust determinant of net immigration throughout the various sub-periods of the 20th century. This also confirms the important role of relative income differentials in driving international migration, as indicated in Section 3.
- (b) The econometric results also show a statistically significant negative effect of authoritarian regimes on immigration flows to Argentina (and, conversely, a positive effect on emigration flows from Argentina), confirming the importance of political regimes on decisions to migrate (based on the suppressing effect of authoritarian regimes on civic liberties, academic freedoms and human rights). However, this effect seems to be more important for the emigration of skilled workers and those with a

¹⁹ The case of Cesar Milstein is illustrative. This outstanding scientist emigrated from Argentina and went to work in the University of Cambridge, where he received a Nobel Prize a few years later.

²⁰ A practical complication in understanding the effect of this period on migration flows lies in the fact that during the period 1976-1981 the military regimes largely stopped recording outflows of Argentine nationals.

²¹ These political characteristics of Argentina apparently did not deter immigration from Bolivia or Paraguay, which also had their share of authoritarian regimes.

²² Argentina experienced considerable political instability and frequent changes between democratic and authoritarian regimes from the early 1930s and throughout the early 1980s. The cycle of replacing democratically elected governments with authoritarian regimes started with Jose Uriburu in 1930, following the last government of Hipolito Irigoyen, and ended with the military regime of General Galtieri in 1983. The democratic election of President Raul Alfonsín then inaugurated an almost 20-year cycle of uninterrupted democracy in Argentina. high level of human capital, who are more mobile and can afford to migrate to other countries.

5. Final remarks

This paper shows that international migration was largely unrestricted during the first wave of globalization (circa 1870-1913), in line with increasingly integrated capital and goods markets under the monetary arrangements of the gold standard. This reality came to an end during the de-globalization period from 1914 to the mid- to late 1940s, which comprised two World Wars, macroeconomic instability in the 1920s, economic depression in the 1930s and recurrent political turbulence. This created a climate that was conducive to a more restricted regime of international migration.

International labour markets have remained constrained, in the sense of the restrictive immigration policies adopted in advanced economies, particularly for unskilled labour, during the second wave of globalization which started in the 1970s. However, people with scarce skills and high educational levels (professionals, information experts, international investors) have become more internationally mobile with the increasing globalization of capital and goods markets.

International migration patterns to and from Latin America have been driven mainly by the differences in per capita income between the region and the rest of the world. Intraregional migration also reflects disparities in income per capita within Latin America. South-North migration has been dominated by Mexico and other Central American and Caribbean countries, which have become the main source of migrants to the United States. Historically, Argentina was a very significant recipient country of labour migrants from Europe during the age of mass migration in the late 19th and early 20th centuries. However, as economic growth in Argentina slowed down and became more unstable from the 1930s onwards, opportunities for migrants from Europe declined and this source of migration virtually disappeared in the late 1950s, to be replaced by migration from lower income per capita countries, such as Bolivia and Paraguay. In addition, the second half of the 20th century saw Argentina become a net emigration country (mainly of professionals and highly qualified people), coinciding with the persistent economic decline and instability of the country, compounded by the political authoritarianism of the 1960s and 1970s. A time series econometric analysis of Argentina shows the importance for net immigration rates of income gaps between Argentina and sending nations. This finding is robust for the various sub-periods of the 20th century. Empirical analysis also shows the negative impact of authoritarian regimes on net immigration. Indeed, the military regimes in Argentina led to the substantial emigration of professionals, scientists and other educated people, thereby de-capitalizing the most highly qualified human resource base of the country.

Bibliography

- Abella, M. 1997. Sending workers abroad: A manual for low- and middle-income countries. Geneva, ILO.
- Adams, W. (ed.) 1968. The brain drain. New York and London, Macmillan.
- Borjas, G.J. 2001 *Heaven's door: Immigration policy and the American economy*. Princeton University Press.
- Bunge, A. and Garcia-Mata, C. 1969. "Argentina", in Willcox, W., *International migrations* (Vol.2): Interpretations. New York, National Bureau of Economic Research.
- Carrington, W. and Detraigiache, E. 1998. *How big is the brain drain?* Working Paper 98/102. IMF.
- Chiswick, B. and Hatton, T. 2002. *International migration and the integration of labor markets*. IZA Discussion Paper No. 559. Bonn, Institute for the Study of Labour.
- Cortes Conde, R. 1979. El progreso argentino. Buenos Aires, Editorial Sudamericana.
- ----. 1994. *Estimaciones del producto bruto interno de Argentina, 1875-1935*. Working Paper No. 3. University of San Andrés.
- Della Paolera, G. 1994. "Experimentos monetarios y bancarios en Argentina: 1861-1930", in *Revista de Historia Económica*. 3.
- Della Paollera and Taylor A. 1997. *Finance and development in an emerging market: Argentina and the interwar period*. NBER Working Paper No. 6236. Cambridge MA.
- ----. 1999. "Economic recovery from the Argentine great depression: Institutions, expectations and the change of macroeconomic regime", in *Journal of Economic History*. 59(3): 567-599.
- Diaz-Alejandro, C. F. 1970. *Essays on the economic history of the Argentine Republic*. New Haven, Yale University Press.
- Di Tella, G. and Zymelman M. 1973. Los ciclos económicos argentinos. Buenos Aires, Editorial Piadós.
- ECLAC. 2002. Globalization and development. Santiago de Chile.
- Eichengreen, B. 1996. *Globalizing capital: A history of the international monetary system*. Princeton University Press.
- Ferenczi, I. and Wilcox, W. 1929. International migration (Vol. I): Statistics. National Bureau of Economic Research.
- Haque, N. and. Kim, S. 1994. *Human capital flight: Impact of migration on income and growth*. IMF Working Paper 94/155.
- Hatton, T.J. and Williamson, J.G. 1998. *The age of mass migration. Causes and economic impact*. Oxford University Press.
- Hirschman, A. 1972. *Exit, voice and loyalty: Responses to decline in firms, organizations and States.* Harvard University Press.
- ----. 1995. "Exit, voice and the fate of the German Democratic Republic", Chapter 1 in Hirschman, A., *A propensity to self-subversion*. Harvard University Press.
- Holloway, T.H. 1977. "Immigration and abolition: The transition from slave to free labor in the Sao Paulo coffee zone", in Alden, D. and Dean W. (eds), *Essays concerning the socioeconomic history of Brazil and Portuguese India*. Gainsville, University Presses of Florida.

- ILO. 2002. ILO activities on the social dimensions of globalization: Synthesis report. Geneva.
- Lattes, A.E., Oteíza, E. and Graciarena, J. 1986. Dinámica migratoria argentina (1955-1984): Democratización y retorno de expatriados. UNRISD.
- Lindert, P. and Williamson, J. 2001. *Does globalization make the world more unequal?* Paper presented at the NBER Conference on Globalization in Historical Perspective, Santa Barbara.
- Maddison, A. 1995. Monitoring the world economy, 1820-1992. Paris, OECD.
- OECD. 2001. *International mobility of the highly skilled*. Proceedings of the seminar on this subject held in Paris (June).
- Olson, M. 2000. *Power and prosperity: Outgrowing communist and capitalist dictatorships*. New York, Basic Books.
- Orozco, M. 2001. *Globalization and migration: The impact of family remittances in Latin America.* Inter-American Dialogue (mimeo).
- O'Rourke, K. and Williamson, J. 1999. *Globalization and history: The evolution of a nineteenth-century Atlantic economy*. Cambridge MA, MIT Press.
- Oteíza, E. 1997. "Emigración de profesionales, técnicos y obreros calificados argentinos a los Estados Unidos: Análisis de las fluctuaciones, junio de 1950 a junio de 1970", in *Desarrollo Económico*. 39-40.
- Pellegrino, A. and Martínez Pizarro, J. 2001. Una aproximación al diseño de políticas sobre la migración internacional calificada en América Latina. Serie Población y Desarrollo. Santiago de Chile, ECLAC.
- Solberg, C.E. 1970. *Immigration and nationalism: Argentina and Chile, 1890-1914.* Austin and London, University of Texas Press.
- ----. 1978. "Mass migrations in Argentina, 1870-1970", in McNeill, W.H. and Adams, R.S (eds.), *Human migration: Patterns and policies*. Bloomington, Indiana University Press.
- Solimano, A. 2001. International migration and the global economic order: An overview. Working Paper – International Economics, Trade, Capital Flows, No. 2720. Washington DC, World Bank.
- ----. 2002a. *Globalizing talent and human capital: Implications for developing countries*. Macroeconomics of Development Series, No 15. Santiago de Chile, ECLAC.
- ----. 2002b. Development cycles, political regimes and international migration: Argentina in the 20th century. Paper presented at the WIDER Conference "Poverty, International Migration and Asylum", September, Helsinki.
- Solimano, A., Aninat, E. and Birdsall, N. (eds.). 2000. *Distributive justice and economic development: the case of Chile and developing countries*. University of Michigan Press.
- Stalker, P. 2000. Workers without frontiers: The impact of globalization on international migration. Boulder, Lynne Rienner, and Geneva, ILO.
- Taylor, A. 1994a. *Three phases of Argentine economic growth*. NBER Working Paper No. H0060. Cambridge MA.
- ----. 1994b. "Mass migration to distant southern shores: Argentina and Australia, 1870-1939", in Hatton, T. and Williamson, J. (eds.), *Migration and the international labor market*, *1850-1939*. London and New York, Routledge.
- ----. 1995. Peopling the Pampa: On the economic impact of mass migration to the River Plate: 1870-1914. NBER Working Paper No. H0068. Cambridge MA.

Timmer, A. and Williamson, J. 1996. *Racism, xenophobia or markets? The political economy of immigration policy prior to the thirties.* NBER Working Paper No. 5867. Cambridge MA.

Tables

	First wave of G	lobalization,		Se	cond wave o	f globalizati	on,	
	Age of mass mi	igration		Co	nstrained m	igration		
	1820	1870	1913	1950	1973	1990	1998	2000
Europe								
Italy	1117	1499	2564	3502	10643	16320	17759	19223
Spain	1063	1376	2255	2387	8739	12210	14227	17392
Portugal	963	997	1244	2069	7343	10852	12929	15296
Norway	1104	1432	2501	5463	11246	18470	23660	29523
Sweden	1198	1664	3096	6738	13493	17680	18685	20532
Average	1089	1394	2332	4032	10293	15106	17452	20393
Latin America								
Argentina		1311	3797	4987	7973	6512	9219	8645
Brasil	646	713	811	1672	3882	4924	5459	5594
Chile			2653	3821	5093	6401	9756	9957
Colombia			1236	2153	3499	4822	5317	5044
Mexico	759	674	1732	2365	4845	6097	6655	7087
Peru			1037	2263	3952	2955	3666	3684
Uruguay		2005	3309	4660	4975	6473	8314	7790
Venezuela		569	1104	7462	10625	8313	8965	8440
Average	703	1054	1960	3673	5606	5812	7169	7030
Other OECD countries								
Australia	517	3645	5715	7493	12759	17043	20390	22462
Canada	893	1695	4447	7437	13838	18933	20559	23683
New Zealand	400	2704	5152	8453	12513	13825	14779	16068
United States	1257	2445	5301	9561	16689	23214	27331	29513
Average	767	2622	5154	8236	13950	18254	20765	22931

Table 1: GDP per capita of selected countries (1820-2000, in 1990 Geary-Khamis Dollars).)

Note: in 1990 Geary-Khamis Dollars –values in monetary units of each country converted into dollars at the purchasing power parity rates by Geary and Khamis expressed in 1990 US dollars

Source: Maddison (OECD) and International Financial Statistics (IMF).

Table 2: Immigration to the United States, by region and selected country of last residence, fiscal years 1820-1998

Region / Country of last residence	1820-1870*	1871-80	1881-90	1891-1900	1901-10	1911-20	1921-30	1931-40	1941-50	1951-60	1961-70	1971-80	1981-90	1991-98	Tot. 179 yrs 1820-1998**
Immigrants from all countries	7'377'238	2'812'191	5'246'613	3'687'564	8'795'386	5'735'811	4'107'209	528'431	1'035'039	2'515'479	3'321'677	4'493'314	7'338'062	7'605'068	64'599'082
US population (mid- decade)	23'352'000	45'245'000	56'879'000	69'851'000	84'147'000	100'941'000	116'284'000	127'859'000	140'474'000	165'931'000	194'303'000	215'973'000	239'279'000	263'044'000	270'561'000
Total immigrants / US pop.	31.6%	6.2%	9.2%	5.3%	10.5%	5.7%	3.5%	0.40%	0.70%	1.50%	1.70%	2.10%	3.10%	2.90%	23.90%
Europe	6'717'328	2'271'925	4'735'484	3'555'352	8'056'040	4'321'887	2'463'194	347'566	621'147	1'325'727	1'123'492	800'368	761'550	1'132'002	38'233'062
Austria (a)	7'124	63'009	226'038	234'081	668'209	453'649	32'868	3'563	24'860	67'106	20'621	9'478	18'340	13'776	1'842'722
France	244'049	72'206	50'464	30'770	73'379	61'897	49'610	12'623	38'809	51'121	45'237	25'069	32'353	29'063	816'650
Germany (b)	2'333'944	718'182	1'452'970	505'152	341'498	143'945	412'202	114'058	226'578	477'765	190'796	74'414	91'961	72'792	7'156'257
Hungary	484	9'960	127'681	181'288	808'511	442'693	30'680	7'861	3'469	36'637	5'401	6'550	6'545	7'564	1'675'324
Ireland (c)	2'392'335	436'871	655'482	388'416	339'065	146'181	211'234	10'973	19'789	48'362	32'966	11'490	31'969	54'865	4'779'998
Italy	25'518	55'759	307'309	651'893	2'045'877	1'109'524	455'315	68'028	57'661	185'491	214'111	129'368	67'254	58'346	5'431'454
Soviet Union (d)	3'886	39'284	213'282	505'290	1'597'306	921'201	61'742	1'370	571	671	2'465	38'961	57'677	386'327	3'830'033
Sweden	na	115'922	391'776	226'266	249'534	95'074	97'249	3'960	10'665	21'697	17'116	6'531	11'018	10'325	1'257'133
United Kingdom (e)	1'401'213	548'043	807'357	271'538	525'950	341'408	339'570	31'572	139'306	202'824	213'822	137'374	159'173	128'671	5'247'821
Asia	106'529	124'160	69'942	74'862	323'543	247'236	112'059	16'595	37'028	153'249	427'642	1'588'178	2'738'157	2'346'751	8'365'931
China (f)	105'744	123'201	61'711	14'799	20'605	21'278	29'907	4'928	16'709	9'657	34'764	124'326	346'747	347'674	1'262'050
Hong Kong (g)	na	na	na	na	na	na	na	na	na	15'541	75'007	113'467	98'215	96'047	398'277
India	196	163	269	68	4'713	2'082	1'886	496	1'761	1'973	27'189	164'134	250'786	295'633	751'349
Japan	186	149	2'270	25'942	129'797	83'837	33'462	1'948	1'555	46'250	39'988	49'775	47'085	55'442	517'686
Korea (h)	na	na	na	na	na	na	na	na	107	6'231	34'526	267'638	333'746	136'651	778'899
Philippines (i)	na	na	na	na	na	na	na	528	4'691	19'307	98'376	354'987	548'764	433'768	1'460'421

Region / Country of last residence	1820-1870*	1871-80	1881-90	1891-1900	1901-10	1911-20	1921-30	1931-40	1941-50	1951-60	1961-70	1971-80	1981-90	1991-98	Tot. 179 yrs 1820-1998**
Turkey	301	404	3'782	30'425	157'369	134'066	33'824	1'065	798	3'519	10'142	13'399	23'233	33'027	445'354
Vietnam (g)	na	na	na	na	na	na	na	na	na	335	4'340	172'820	280'782	241'641	699'918
America	349'171	404'044	426'967	38'972	361'888	1'143'671	1'516'716	160'037	354'804	996'944	1'716'374	1'982'735	3'615'225	3'777'281	16'844'829
Central Am. & Caribbean	50'596	14'114	29'446	33'615	115'740	140'583	90'668	21'363	71'390	167'842	571'543	875'766	1'340'139	1'245'292	4'768'097
Cuba (j)	na	na	na	na	na	na	15'901	9'571	26'313	78'948	208'536	264'863	144'578	136'711	885'421
Dominican Rep. (k)	na	na	na	na	na	na	na	1'150	5'627	9'897	93'292	148'135	252'035	300'065	810'201
El Salvador (k)	na	na	na	na	na	na	na	673	5'132	5'895	14'992	34'436	213'539	179'050	453'717
Haiti (k)	na	na	na	na	na	na	na	191	911	4'442	34'499	56'335	138'379	141'181	375'938
Jamaica (I)	na	na	na	na	na	na	na	na	na	8'869	74'906	137'577	208'148	139'124	568'624
North America	290'977	388'802	395'217	4'282	228'868	961'189	1'383'802	130'846	232'307	677'763	867'247	810'233	1'812'781	2'088'801	10'273'115
Canada and Newf. (m)	271'020	383'640	393'304	3'311	179'226	742'185	924'515	108'527	171'718	377'952	413'310	169'939	156'938	157'564	4'453'149
Mexico (n)	19'957	5'162	1'913	971	49'642	219'004	459'287	22'319	60'589	299'811	453'937	640'294	1'655'843	1'931'237	5'819'966
South America	7'598	1'128	2'304	1'075	17'280	41'899	42'215	7'803	21'831	91'628	257'940	295'741	461'847	443'152	1'693'441
Argentina (k)	na	na	na	na	na	na	na	1'349	3'338	19'486	49'721	29'897	27'327	22'581	153'699
Colombia (k)	na	na	na	na	na	na	na	1'223	3'858	18'048	72'028	77'347	122'849	104'539	399'892
Ecuador (k)	na	na	na	na	na	na	na	337	2'417	9'841	36'780	50'077	56'315	60'031	215'798
Africa	648	358	857	350	7'368	8'443	6'286	1'750	7'367	14'092	28'954	80'779	176'893	280'230	614'375
Oceania	413	10'914	12'574	3'965	13'024	13'427	8'726	2'483	14'551	12'976	25'122	41'242	45'205	45'584	250'206

Source: 1998 Statistical Yearbook of the Immigration and Naturalization Service and A, Madisson (1995) for the US population. (*) The US population number shown in the period 1820-1870 correspond to 1850. (**) The population for the period 1820-1998 (last column) correspond to 1998. Notes: (a) From 1938-45, data for Austria included in Germany. (b) From 1899-1919, Germany also included data for Poland. (c) Prior to 1926, data for Northern Ireland included in Ireland. (d) From 1899-1919, the Soviet Union included data for Poland. (e) Since 1926, data for United Kingdom refers to England, Scotland, Wales, and Northern Ireland. (f) China includes Taiwan since 1957. (g) Data not reported separately until 1952. (h) Data not reported separately until 1948. (i) Prior to 1934, Philippines recorded as insular travel. (j) Data not reported separately until 1953 (previously, consolidated under British West Indices). (m) Correspond to Canada and Newfoundland. Prior to 1920, Canada and Newfounland recorded as British North America. From 1871-98, figures include all British North America possesions. Land arrivals not completely enumerated until 1908. (n) No data available for Mexico for 1886-1894. na: not available.

Years						Cou	intries						
	Argentina	a Bolivia	Chile (Colombia	Costa Rica	Dominican Rep.	Ecuado	rHaiti	Mexico	Nicaragua	Paragua	yPeru	Venezuela
1950- 1954	4920	1912	3998	2230	2134	1139	1990	1066	2478	1816	1533	2459	7898
1955- 1959	5384	1673	4135	2404	2474	1292	2162	1053	2918	2052	1571	2754	9549
1960- 1964	5696	1669	4529	2581	2821	1409	2319	1003	3295	2245	1629	3261	9280
1965- 1969	6541	1972	5049	2815	3371	1390	2596	888	3939	2793	1765	3675	9990
1970- 1974	7760	2283	5318	3352	4102	1840	3027	984	4626	2942	1980	3935	10499
1975- 1979	8112	2628	4790	3873	4691	2208	3705	1124	5433	2988	2543	4133	10947
1980- 1984	7621	2393	5349	4233	4483	2413	3958	1224	6342	2167	3258	3971	9341
1985- 1989	7058	2098	5682	4540	4524	2436	3874	1099	5926	1758	3147	3695	8645
1990- 1994	7515	2264	7255	4953	4962	2566	4000	913	6295	1400	3270	3009	8881
1995- 2000	8670	2405	9436	5262	5348	3124	4006	809	6550	1451	3182	3623	8752
1950- 2000	6962	2135	5630	3656	3920	2004	3180	1012	4815	2147	2403	3455	9366
	90 Geary-Kh Maddison (O			ional Finan	cial Statistics ((IMF).							

Table 3: Countries of Latin America: Level of per capita GDP, Period 1950-2000

Recipient country:		Argentin	a		Chile	Venezuela	Costa Rica	Dominican Rep
Sending country:	Bolivia	Chile	Paraguay	Peru	Ecuador	Colombia	Nicaragua	Haiti
1950-1954	2.58	1.23	3.21	1.63	2.01	3.54	1.18	1.07
1955-1959	3.23	1.30	3.43	1.50	1.91	3.97	1.21	1.23
1960-1964	3.42	1.26	3.50	1.39	1.95	3.60	1.26	1.41
1965-1969	3.32	1.30	3.71	1.37	1.94	3.55	1.21	1.57
1970-1974	3.40	1.46	3.92	1.35	1.77	3.14	1.39	1.87
1975-1979	3.09	1.71	3.22	1.16	1.29	2.83	1.62	1.97
1980-1984	3.19	1.43	2.34	1.35	1.35	2.21	2.07	1.97
1985-1989	3.37	1.25	2.25	1.56	1.47	1.91	2.61	2.22
1990-1994	3.31	1.04	2.30	2.41	1.81	1.79	3.55	2.86
1995-2000	3.60	0.92	2.73	2.60	2.36	1.66	3.69	3.86
1950-2000	3.26	1.28	3.05	1.65	1.80	2.80	2.01	2.04

Table 4: ratio of per capita GDP of recipient countries to sending countries*, selected Latin America and Caribbean countries

Note: * Ratio based in GDP per capita in 1990 Geary-Khamis Dollars.

Source: Maddison (OECD) and International Financial Statistics (IMF).

			Total fore popula							Co	ountry o	of Birth					
Country of residence	Year	Total* populati on	[a] as % of total population	[b] Level	Argentina	Bolivia	Chile	Colombia	Costa Rica	Ecuador	Haiti	Nicaragua	aParaguay	Peru	Dominican Republic	ı Venezuela	Rest of the world
Argentina	1960	20'010'539	12.7	2'540'226		88'830	116'840	1'138	209	617	30	53	153'844	5'164	76	991	2'172'434
	1970	23'390'050	9.4	2'193'330		101'000	142'150	N.A.	N.A.	N.A.	N.A.	N.A.	230'050	N.A.	N.A.	N.A.	1'720'130
	1980	27'947'446	6.6	1'857'703		115'616	207'176	1'864	N.A.	771	N.A.	N.A.	259'449	8'002	N.A.	1'401	1'263'424
	1991	32'615'528	4.9	1'605'871		143'735	218'217	2'638	451	975	73	142	251'130	15'977	259	1'934	970'340
Bolivia	1976	4'613'486	1.3	58'070	14'669		7'508	412	40	183	16	18	972	4'730	12	144	29'366
	1992	6'420'792	0.9	59'807	17'829		3'909	529	83	243	5	54	955	5'805	36	300	30'059
Chile	1970	8'884'768	1.0	88'881	13'270	7'563		800	101	967	52	56	290	3'804	80	388	61'510
	1982	11'329'736	0.7	84'345	19'733	6'298		1'069	191	1'215	36	99	284	4'308	73	942	50'097
	1992	13'348'401	0.9	114'597	34'415	7'729		1'666	448	2'267	37	168	683	7'649	126	2'397	57'012
Colombia	1964*	17'484'508	0.4	74'055	1'190	N.A.	1'130		400	10'126	N.A.	272	N.A.	1'455	N.A.	16'224	43'258
	1985*	27'837'932	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	1993	33'109'840	0.3	106'162	1'953	390	1'496		452	9'040	64	307	137	3'182	47	43'285	45'809
Costa Rica	1963	1'336'274	2.6	34'981	144	N.A.	89	658		135	N.A.	18'368	N.A.	N.A.	N.A.	320	15'267
	1973	1'871'780	2.5	46'077	347	87	670	1'014		272	25	23'331	31	315	55	435	19'495
	1984	2'416'809	3.7	88'954	697	189	1'277	1'678		318	30	45'918	39	1'016	134	748	36'910
Ecuador	1982	8'060'712	0.9	75'404	1'691	381	5'747	39'443	280		22	142	85	1'887	102	1'674	23'950
	1990	9'648'189	0.8	73'179	1'558	424	4'948	37'553	313		22	161	90	2'396	78	2'379	23'257
Haiti	1971	4'329'991	0.1	6'000	9	4	12	23	1	9		8	2	10	1'659	7	4'256
	1982*	5'053'189	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Table 5: Foreign population residing in Latin American countries (census years).

			Total forei popula							C	country o	of Birth					
Country of residence	Year	Total* populati on	[a] as % of total population	[b] Level	Argentina	Bolivia	Chile	Colombia	Costa Rica	Ecuador	Haiti	Nicaragua	Paragua	yPeru	Dominican Republic	Venezue	la Rest of the world
Nicaragua	1971	1'877'952	1.1	21'174	107	N.A.	100	304	4'693	N.A.	N.A.		N.A.	N.A.	N.A.	87	15'883
	1995	4'357'099	0.6	26'043	147	38	115	237	4'727	78	20		10	176	52	116	20'327
Paraguay	1972	2'357'955	3.4	79'686	27'389	364	359	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.	N.A.	51'574
	1982	3'029'830	5.5	166'879	43'336	500	1'715	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.	N.A.	121'328
	1992	4'152'588	4.5	187'372	47'846	766	2'264	189	45	72	13	24		1'432	14	91	134'616
Peru	1972*	13'538'208	0.5	67'186	4'286	4'115	7'525	1'528		2'399	N.A.	N.A.	N.A.		N.A.	N.A.	47'333
	1981	17'005'210	0.4	66'925	5'025	3'210	5'976	1'985	190	1'739	N.A.	N.A.	N.A.		N.A.	812	47'988
	1993	22'048'356	0.2	52'725	4'165	3'216	4'652	2'374	215	1'801	15	135	194		104	1'489	34'365
Dominican	1970	4'009'458	0.8	32'419	213	21	47	120	40	57	19'065	15	4	345		114	12'378
Republic	1981*	5'545'741	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.
	1993*	7'293'390	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.		N.A.	N.A.
Venezuela	1971	10'721'522	5.4	582'560	4'481	1'166	2'999	177'973	1'314	5'292	353	866	186	2'168	1'886		383'876
	1981	14'516'735	7.2	1'048'159	11'371	2'301	24'703	494'494	1'795	21'091	1'238	2'187	456	19'956	15'745		452'822
	1990	18'105'265	5.7	1'024'121	9'070	1'936	20'787	528'893	1'494	23'370	1'593	2'033	494	27'748	17'140		389'563

Source: Data base IMILA-International Migration in Latin America (ECLAC).

Notes: N.A. : Information not available in CELADE * Figures from census publications

Origin	1945-49	1950-54	1955-59	1960-64
Italians and Spaniards	256.3	276.1	73.9	3.9
Neighboring Countries				
Paraguayans	16.1	41.1	104.2	87.1
Bolivians	1.0	6.6	31.9	62.6
Chileans	8.3	23.5	9.6	39.0
Brazilians	4.7	9.5	1.4	6.7
Uruguayans	-33.8	9.0	19.3	6.0
(Sub-totals)	-3.7	89.7	166.4	201.4
Other Countries	76.3	52.8	10.1	13.0
Totals	329.0	418.4	250.4	218.3

Table 6: Origins of Argentine immigration (five-year totals in thousands per person).

Source: "Immigration into Argentina from Neighboring Countries", Migration Facts and Figures, No 74 (May-June 1970), p.2

Table 7 : Argentina – Economic periods and international migration, 1870-2000.	
--	--

	Net migr	ation [a]	Total Population	GDP growth			GDI	o per cap	ita of Arge	ntina		
Period	Annual average	Rate [b]	(Annual average,	Argentina	Argentina			Ra	tio to GDP	per capita		
	(Thousands of population)	(per thousand population)	Thousands	(Annual average)	(index 1990=100)	USA [c]	Spain [c]	Italy [c]	OECD [c]	Bolivia [d]	Chile [d]	Paraguay [d
Global integration and rapid growth												
(Belle Epoque)												
1870-1900	33962.0	11.5	3037.8	6.2 [e]	35.4 [e]	0.58	1.17	1.28	0.78	N.A.	N.A.	N.A.
1900-1914	103786.7	17.0	6183.6	4.3	52.0	0.68	1.65	1.62	1.06	N.A.	N.A.	N.A.
1870-1914	56957.9	15.1	4049.6	5.9 [e]	41.6 [e]	0.61	1.33	1.38	0.87	N.A.	N.A.	N.A.
Early inter-war years												
1914-1929	40436.5	4.4	9479.9	3.8	55.7	0.59	1.53	1.32	0.99	N.A.	N.A.	N.A.
mport substitution												
development strategy												
1930-1940	21945.0	1.7	13053.9	1.5	60.1	0.64	1.66	1.30	0.93	N.A.	N.A.	N.A.
1940-1950	47752.1	3.1	15490.5	3.7	70.9	0.47	2.01	1.65	0.94	N.A.	N.A.	N.A.
1950-1960	60158.2	3.2	18891.8	2.9	79.6	0.46	1.76	1.17	0.80	2.96	1.27	3.34
960-1970	32969.3	1.5	22277.1	4.7	95.4	0.45	1.27	0.83	0.68	3.37	1.29	3.63
970-1975	57986.1	2.8	26030.9	4.2	119.7	0.47	0.97	0.78	0.66	3.37	1.53	3.88

	Net migr	ation [a]	Total population	GDP growth			GD	P per cap	oita of Arge	ntina		
Period	Annual average	Rate [b]	Annual average	Argentina	Argentina			Ra	tion to GDF	P per capita		
	Thousand of population	(per thousand population)	thousands	Annual average	(index 1990=100)	USA [c]	Spain [c]	Italy [c]	OECD [c]	Bolivia [d]	Chile [d]	Paraguay [d]
1930-1975	41268.5	2.3	18280.7	3.3	81.4	0.50	1.58	1.19	0.82	3.19 [f]	1.33 [f]	3.56 [f]
Early economic liberalization												
1975-1990	-1387.5	-0.05	29244.75	0.1	115.6	0.38	0.78	0.58	0.52	3.21	1.43	2.57
Intense economic reform and liberalization												
1990-2000	-2155.3	-0.1	34732.1	3.6	122.2	0.32	0.62	0.48	0.44	3.47	0.97	2.53
1975-2000	-1683	-0.05	31439.35	1.6	119.0	0.36	0.72	0.55	0.49	3.33	1.25	2.57
1870-2000 (average)	9685	6.4	18503.3	3.9 [e]	44.5 [e]	0.50	1.37	1.11	0.80	3.26 [f]	1.28 [f]	3.05 [f]

Source: Andrés Solimano (2002), "Development Cycles, Political Regimes and International Migration: Argentina in the 20th Century". Paper presented at WIDER conference, "Poverty, International Migration and Asylum", September 27-28, 2002, Helsinki.

Notes: N.A.: Non-Available. [a] Net migration = Immigration - emigration. [b] Net migration Average / population of middle year of period. [c] in 1990 Geary-Khamis Dollars. [d] in constant 1995 dollars. [e] Since 1875. [f] Since 1950

Source: Argentine Government's National Direction of Migration, 1970 Census Argentina, Demographic Bulletin 69 (ECLAC), International Monetary Fund, Maddison (2001), Roberto Cortés (1994), Solberg (1978), Bunge and Garcia Mata (1969) and Ferenczi and Wilcox (1929)

	[1]	[2]	[3]
Constant	3.89	-14.86	-16.81
	[2.46]	[-3.96]	[-2.97]
Lagged	0.63	0.20	0.20
Net Migration (-1)	[6.20]	[1.74]	[1.43]
Log Argentina's GDP per capita		79.96	86.68
over Europe's GDP per capita [a, i)]		[5.08]	[4.02]
Log Cyclical Output Index			-11.16
in Argentina [b]			[-0.46]
R-Squared	0.40	0.76	0.76
h of (D-W)	0.62	1.10	1.71
Number of			
Observations	30	30	30

Table 8: Argentina – Dependent variable: Rate of net migration, per 1000 population, 1900-1929.

Notes: net migration = Immigration minus emigration per one-thousand population. Method of estimation: OLS. Values under parenthesis correspond to t-student. [a] and [b] see Box 1 for definitions of these variables. Source: Solimano (2002b)

	[1]	[2]	[3]	[4]
Constant	0.55	0.07	0.64	0.90
	[1.33]	[0.16]	[1.83]	[2.43]
Lagged	0.74	0.73	0.65	0.63
Net Migration (-1)	[6.91]	[7.50]	[8.31]	[8.23]
Log Argentina's GDP per capita		5.58	2.74	2.97
over Europe's GDP per capita [a,ii)]		[2.69]	[1.59]	[1.77]
			22.86	21.32
Log Cyclical Output Index				
n Argentina [b]			[4.51]	[4.27]
ndex of Political Regime [c]				-0.75
				[-1.70]
R-Squared	0.61	0.69	0.82	0.83
h of (D-W)	2.91	2.48	1.32	1.18
Number of				
Observations	32	32	32	32

Table 9: Argentina – Dependent variable: Rate of net migration, per 1000 population, 1929-1960.

correspond to t-student. [a], [b] and [c] see Box 1 for definitions t Source: Solimano (2002b)

	[1]	[2]	[3]	[4]	[5]	[6]
Constant	-20.51	-21.15	-25.31	-40.52	-58.85	-56.08
	[-3.20]	[-3.44]	[-3.50]	[-4.98]	[-1.50]	[-1.36]
_og Argentina's GDP per capita	9.19	9.60	11.51	18.24	25.24	24.07
over GDP per capita neighborgh	[3.13]	[3.41]	[3.51]	[5.01]	[1.67]	[1.52]
countries of Argentina [a]						
Log Cyclical Output Index		27.46	27.51	34.12	41.68	41.27
n Argentina [b]		[1.81]	[1.85]	[2.36]	[1.92]	[1.85]
_agged			-0.27	-0.34	-0.34	-0.34
Net Migration (-1)			[-1.38]	[-1.83]	[-1.80]	[-1.76]
_agged				-0.54	-0.49	0.50
Net Migration (-2)				[-2.79]	[-2.23]	[-2.20]
og Argentina's GDP per capita					-6.49	-5.78
over Europe's GDP per capita [c]					[-0.47]	[-0.41]
ndex of Political Regime [d]						0.60
						[0.38]
R-Squared	0.29	0.37	0.43	0.64	0.64	0.64
D-W)	2.51	2.71	1.57 [e]	(-1) [f]	(-0.87) [f]	0.40 [f]
Number of						
Observations	32	32	30	28	28	28

Table 10: Argentina – Dependent variable: Rate of net migration, per 1000 population, 1960-1999.

Notes: Rate of net migration = Immigration minus emigration per one-thousand population. Method of estimation: OLS. Values under parenthesis correspond to t-student. [a], [b], [c] and [d] see Box 1 for definitions of these variables.. [e] h of Durbin – Watson. [f] t-student of lagged resid(-1) (resid ecuation with respect to your original ecuation + resid(-1))

Source: Solimano (2002b)

	[4]	[2]	[3]	[/]
	[1]	[2]	[3]	[4]
Constant	3.76	5.55	6.41	6.27
	[3.30]	[7.33]	[8.11]	[5.52]
Log Argentina's GDP per capita	9.53	10.46	10.67	10.36
over Europe's GDP per capita [a]	[3.20]	[5.63]	[6.18]	[4.68]
Log Cyclical Output Index		55.43	54.24	53.48
in Argentina [b]		[6.81]	[7.18]	[5.67]
Index of Political Regime [c]			-3.55	-3.39
			[-2.37]	[-2.00]
Lagged				0.02
Net Migration (-1)				[0.18]
R-Squared	0.26	0.72	0.77	0.76
(D-W)	0.92	1.64	1.99	0.16 [d]
Number of				
Observations	31	31	31	30

Table 11: Argentina – Dependent variable: Rate of net migration, per 1000 population 1900-1999 (3 year average).

Rate net migration = Immigration minus emigration per one-thousand population. Method of estimation: OLS. Values under parenthesis correspond to t-student. [a], [b] and [c] see Box 1 for definitions these variables..[d] h of Durbin - Watson Source: Solimano (2002b)

Construction of variables

- **Rates of net migration**: Immigration minus emigration per 1,000 population.
- Argentina's per capita GDP: GDP of Argentina in millions of international 1990 Geary-Khamis dollars/Population of Argentina in 1,000s at mid-year.
- **Europe's per capita GDP**: per capita GDP is measured in millions of international 1990 Geary-Khamis dollars/Population in 1,000s at mid-year.
 - Europe's per capita GDP (1990-1929 = 1/3 (1/6 per capita of GDP of Austria + per capita GDP of Belgium + per capita GDP of France + per capita GDP of Germany + per capita GDP of Switzerland + per capita GDP of UK + per capita GDP of Spain + 1/3 of per capita of Italy (the change in weights reflects the decline in importance of Italy and Spain as a source of immigration to Argentina).
 - 2. Europe's per capita GDP (1929-1960, 1960-1999) = 1/8 (per capita GDP of Austria + per capita GDP of Belgium + per capita GDP of France + per capita GDP of Germany + per capita GDP of Switzerland + per capita GDP of UK + per capita GDP of Spain + per capita GDP of Italy).
- Per capita GDP of Argentina's neighboring countries: per capita GDP is measured in millions of 1995 dollars/Population in 1,000s at mid-year.
 - Per capita GDP (1950-2000) of neighboring countries of Argentina = 1/3 (per capita GDP of Bolivia + per capita GDP of Chile + per capita GDP of Paraguay).
- **Cyclical output index**: Ratio of Argentina's GDP in millions in 1990 international Geary-Khamis dollars divided by GDP trend of Argentina in millions of international 1990 Geary-Khamis dollars.
 - The GDP trend of Argentina was constructed using the Hodrick-Prescott filter.
- Index of political regime: Dummy variable with 1 = Authoritarian and 0 = Democratic.

Policy Integration Department Working Papers prepared for the World Commission on the Social Dimension of Globalization

No. 16	International finance: Meeting the needs of people in developing countries, José Guilherme Almeida dos Reis
No. 17	The gender dimensions of globalisation of production, Stephanie Barrientos, Naila Kabeer and Naomi Hossain
No. 18	Social exclusion in the context of globalization, Jan Breman
No. 19	Gender and globalization: A macroeconomic perspective, Çağatay Nilüfer and Ertük Korkurt
No. 20	Globalization, social exclusion, and work: With special reference to informal employment and gender, Marilyn Carr and Martha Chen
No. 21	Resources for social development, Antony Clunies Ross
No. 22	Does the new international trade regime leave room for industrialization policies in the middle-income countries?, Alisa DiCaprio and Alice Amsden
No. 23	Social dimension of globalisation in Latin America: Lessons from Bolivia and Chile, Alvaro García Hurtado
No. 24	Globalization: Social impact and policy actions: A partly annotated bibliography, Bernhard Gunter and Rolph van der Hoeven
No. 25	The social dimension of global production systems, Susan Hayter
No. 26	Reforming global economic and social governance: a critical review of recent programmatic thinking, Jeremy Heimans
No. 27	Corporate social responsibility: An issues paper, Michael Hopkins
No. 28	Upgrading in global value chains, John Humphrey
No. 29	Implications of globalization and economic restructuring for skills development in Sub-Sahara Africa, Richard K. Johanson
No. 30	The outcome and impact of the main international commissions on development issues, Frédéric Lapeyre
No. 31	Globalization and structural adjustment as a development tool, Frédéric Lapeyre
No. 32	Globalization and perceptions of social inequality, Malte Luebker
No. 33	The changing structure of trade linked to global production systems: what are the policy implications?, William Milberg
No. 34	Corporate social responsibility: An overview of principles and practice, Jill Murray
No. 35	Inclusive development strategy in an era of globalization, Ignacy Sachs
No. 36	Social consequences of the globalization of the media and communications sector: Some strategic considerations, Seán Ó. Siochrú
No. 37	Globalization, history and international migration - A view from Latin America, Andrés Solimano
No. 38	Towards a different kind of globalization, or how the anti-globalizers view the world, Gijsbert van Liemt