“Political Economy of the MENA regime of Emigration
An increasing mismatch with the EU regimes of immigration “

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Analyzing regimes of emigration and immigration => huge divide /mismatch between MENA and European Union

• Past 50 years: integration of the MENA region to the world economy through 2 channels (Diwan and Mouhoud 2016): the sale of oil, and labor migration.
  • Labor migration => The main way to redistribute oil revenues (Middle East)
  • Migration (unskilled workers) from the Maghreb to Europe ("Trente Glorieuses"): similar role.

• Push factors and abnormally high expatriation rate of tertiary educated people
Regime of EMIGRATION of MENA

• Very restrictive ordinary immigration policies in EU despite their labor market and demography increasing needs
  • The extraordinary immigration since the 2015 (refugees) has increased populism
  • => Problems for integration of immigrants and their descendants on the EU labor market
Introduction (cont.)

• A model to characterize the regimes of emigration regarding the economic and non economic determinants of emigration and the countries of destination.

• A regime of immigration can be defined “as a coherent interaction between long term immigration rates, labor markets structures, the structural nature of international specialization and competitiveness of different economies and lastly demographic institutional, historical and geographical specificities as amenities, or other attractiveness considerations” (Mouhoud & Oudinet 2014)
Outline

1. Introduction

2. Emigration regimes in MENA: rentier state regimes, « harragas » and Brain-Drain

3. Immigration regimes in Europe facing the rise of populism

4. Concluding remarks: consequences of uprisings on emigration
2. Emigration regimes in MENA: rentier state regimes, « harragas » and Brain-Drain

5 common flaws characterization of the rentier state regimes of growth

1. Very polarized economy, crony capitalism and corruption

2. Very low employment rates: the importance of the demand side

3. Huge increase in tertiary education enrolment but a crisis of the tertiary education system and high level of unemployment

4. Subsidies to buy social peace?

5. Exit: emigration and high expatriation rates of the skilled
1. Very polarized economy, crony capitalism and corruption

The private sector has remained dormant

IMF 2019

WB, various recent years
Corruption and cronyism

**Firms identifying corruption as a major constraint**

- Algeria
- Egypt
- Jordan
- Morocco
- Syria
- Yemen
- East Asia
- South Asia
- Sub-Saharan Africa
- Latin America

**Individuals view on corruption**

- BHR
- DZA
- EGY
- MAR
- LBN
- TUN
- PSE
- SAU
- YEM
- QAT

World Bank Enterprise surveys

Gallup
Female Labor Force participation (%) from WB database
Youth Unemployment Rate
(Percent of labor force)

Sources: International Labour Organization: Key Indicators of the Labour Market, and IMF staff calculations.
Note: EMDE = emerging market and developing economies. MENAP OI = Middle East, North Africa, Afghanistan, and Pakistan oil importers.
High level of education but a huge crisis of the tertiary education system

Unemployment rate by level of education and gender in 2014 (en %)

Education levels rose fast, but labor market outcomes frustrating: return to education low for most youth (but not all) as the more connected get the better jobs.
Very stable regular emigration flows from MENA to OECD Countries since the “Arab spring” because of the EU restrictive policies

source: Mouhoud (2019) calculations, OECD international Migration data base
But huge increase of irregular emigration (harragas) before the recent Algerian uprising.
3. Regimes of immigration in EU facing increasing populism

• Changing regimes of immigration: from ordinary to extra-ordinary flows
• Recent trends of refugees
• A migration crisis or an institutional crisis for EU?
E. M. Mouhoud

L’immigration en France

MYTHES ET RÉALITÉ

fayard
The divide between ordinary and extraordinary migrations

- **Ordinary migrations** = constant flows
  - Under international Human Rights conventions other than asylum
    - the right to marry whom you want
      (marriage migration to join a national)
    - the right to live in a family
      (family reunification with immigrant)
  - and/or regular flows of workers within the local “migration system”
  - Students? More and more a *de facto* right:
    the right to study abroad in a good university

- **Extraordinary migration**
  = sudden and massive flows due to exceptional events
  - asylum seekers (another kind of Human Right)
  - but also economic exiles (e.g. Ecuadorians in 1999-2000)
Immigrants tend to be overrepresented among both ends of the qualification scale

Notes: Percentages of 15- to 64 year-olds, 2017.

source: OECD Data base
Not a crisis for all countries

Inflows of asylum seekers in 2015/16 into European OECD countries, per 1000 population

Source: OECD
Percentage of population *mit Migrationshintergrund* (1st + 2nd generations)

German Census 2011, F. Héran Collège de France

- Source: Statistik der Bundesagentur für Arbeit,
- Migrations-Monitor: Personen im Kontext von Fluchtmigration; estimation by OECD
4. Concluding remarks

Push factors regime of emigration

- Still a regime pro-emigration of the youth in MENA countries
- "Brain drain" more pronounced in MENA than in other regions comparable in terms of per capita income.
- But a stabilization of the regular flows because of the restrictive policies of immigration in European countries
- Tunisian and recent Algerian uprisings show that the anti-democratic rentier state regimes encourage massive emigration and aspirations for democracy makes young people stay or diasporas come back
- But more and more difficult to emigrate to EU

Destination countries regimes of immigration

- The refugees crisis has changed the policies of immigration beyond rationality
- But not a crisis for all EU countries
- Even if the flows have been dramatically reduced, populism and anti-immigrants policies increases in EU specifically against migrants for the southern Mediterranean rive.
- It has crowded out all the EU rational policies of immigration.
- Labour market integration in Europe still feels the aftermath of the 2007/08 economic crisis
- Relative to their native-born peers, it is the high-educated who are less often employee

Scenarios for MENA uprisings impact on emigration