

Globalization, Demographic trends, and Human Mobility

Globalizzazione, dinamiche demografiche e migrazioni

Antonio Golini*

Università "La Sapienza" degli studi di Roma, Dipartimento di Scienze Demografiche,
Via Nomentana 41, 00161 Roma, e-mail: antonio.golini@uniroma1.it

Riassunto. Viviamo in un periodo in cui vanno dissolvendosi i vecchi equilibri consolidati. Ne è derivato, e non solo per questo, un processo di globalizzazione, che si è legato a una forte e differenziata dinamica demografica e ha causato, fra l'altro, una perdita di sovranità nazionale, diversa però per ogni singolo paese o regione del mondo. Mentre infatti alcune aree (ad esempio, Ue e Mercosur) si trovano in mezzo al guado del complesso equilibrio fra perdita di sovranità nazionale e acquisizione di sovranità sopranazionale in una dimensione regionale, alcuni paesi (Usa, Cina e India) godono sia di dimensione regionale sia di sovranità nazionale; e anche di una dimensione demografica consistente, senza la quale sembra difficile fronteggiare possibili effetti negativi del processo di globalizzazione, come è ad esempio per Canada e Australia.

Keywords: Globalisation, Population trends

1. Foreword

It is visible that humanity is experiencing nowadays an extraordinary age from all points of view: from finance to economy, from technological innovation to international relations, from global war (even though this is latent and 'asymmetrical') to demography. Our time is an age of difficult politic management due both to the crisis of great international institutions (as for UN), and to the dramatic changes that have established a complete brand new world – it has no comparable reference in bygone times and it has lost any continuity with the past.

The aim of this paper is developing some general observations on demographic trends, globalization and human mobility. Some of these observations will be mere speculations which cannot be proven empirically, or hints for new comparative and interdisciplinary reflections. Given also the enormous number of books written on the controversial subject of globalization in recent years, this paper would not be the proper space for treating extensively such a complex and wide topic.

2. Great transformations in populations and "demographic windows"

It is generally known that the first driving force of the huge growth of population and demographic transformation over the last and the present centuries is the successful control over premature death. This achievement was followed by the complementary

* Special thanks to Doctor Cristiano Marini for his help on the preparation of this paper.

action of widespread birth control. In short, the modernization process in every single country has been nourished by demographic evolution. In turn, demographic evolution has been nourished by modernization, creating a dynamic and complex relation whose intensity and orientation nobody has managed to grasp yet¹.

However, despite any conclusion drawn on this topic, from the points of view of geopolitics and peoples relations, in the field of population growth today great relevance should be given to:

- a. the extraordinary differential demographic growth of some countries compared to others, and the consequent extraordinary differences between size and structure of different populations in the world;
- b. the accumulation of a growth demographic potential (*positive momentum*) in the age structure of high fertility populations (which will keep growing for decades even though their fertility should rapidly reach the replacement level); or the accumulation of a decline potential (*negative momentum*) in the age structure of some very low fertility populations (as for Italy, a country that foresees a declining trend for the following decades even though fertility should rapidly reach the replacement level²);
- c. relative advantages and/or disadvantages, in a comparative way, of a population in its demographic-economic growth³ which can affect the economic-production system, the international trading and therefore also the migrations system.

In order to evaluate both advantages and disadvantages of demographic dynamics, the so-called "demographic windows" can be identified and analyzed. The term "demographic window" defines a time interval, more or less extended, in which the age structure of a population is such that the relation between demographically dependent age class (the sum of *under-15s* and *over-60s*) and the demographically independent age class (15-59) is lower than the level that results from a much longer time interval.

From a strictly demographic point of view, this period represents the "bridge" between a young and less developed population (high fertility and low life expectancy which witness an old demographic regime, and also socio-economic backwardness) and an older and more developed population (widespread and successful birth control and long life expectancy).

The same period can be perceived as a one-off opportunity from the point of view of economic growth and development in general: the absolute and relative number of potential income producers and savers should favor both wealth creation and accumulation. This would occur because greater resources would not be addressed to "unprofitable" investments, which are essential both in societies with a large number of

¹ On the evolution of world population and the complex relations between economic and demographic growth (and specific population policies) see Livi Bacci (2002) and Golini (2003).

² In modern populations with low or very low mortality, the level of replacement, which guarantees the mere replacement of parents' generation with children's generation, and therefore zero population growth, is 2,06 children per woman or couple.

³ By demographic and economic disadvantage I mean the disadvantage that can be caused by a total population growth, or decrease, which is "excessively" high or low for the economic system to withstand such growth or decrease; or the disadvantage caused by an age structure that deeply and rapidly affects the relation between working age population, between 15 and 59 years, and dependent (aged 0-14 and 60 or over) population. This issue will be tackled later on. By economic and productive disadvantage caused by an alteration in the demographic structure I mean a particular and continuous dramatic reduction of working age population and its intense ageing.

elderly people and partly in societies with a great number of youths. Hence, economic policies decisions are fundamental in order to employ the opportunity given by a demographic condition that cannot be extended in the medium-long term.

Therefore, the demographic window due to the demographic transition - which, in turn, as stated above is a consequence of the increasing control on unwilling births and on premature deaths - could be in the future a great opportunity for developing countries as it was for Western countries in the last decades. If we look, for instance, at the Italian experience we can “see” a window whose length lasted about 55 years from 1950 to 2005; in Tunisia it could be remained open from about 1997 to 2040 (Figure 1 and Table 1). To evaluate the windows length we just considered the “classic” dependency ratio, i.e. the ratio of population aged 0-14 plus 60 and over to the population aged 15 to 59. We chose the value of about 0.66, as threshold, which means 2 dependent people per 3 non dependent ones: above it, the demographic (and, indirectly, economic) burden is heavy, below it the burden is light.

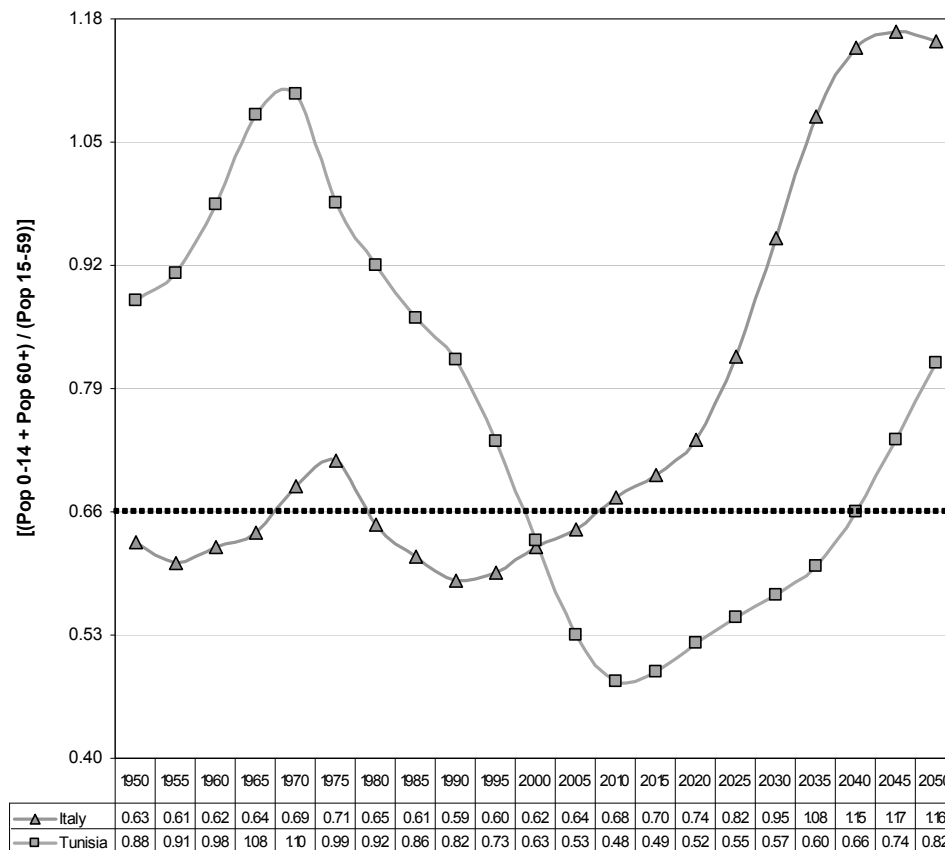
3. An international view from a demographic window

A better “economic” evaluation of the threshold can be made if we consider the inverse of the classic dependency ratio. In this case the meaning is: number of working age persons (aged 15-59) per one dependent person (0-14 plus 60 and over). The threshold is therefore the inverse of 0.66, i.e. 1.5; as in modern societies the activity rates of working age population is just about 0.6-0.7, this means that when the inverse ratio is about 1.5 to 1, we will find 1 active person per 1.5 non active person. In Italy a 1.5 ratio lasted from 1950 to 2010; after it should become lower and lower until an “unsustainable” level of 0.86 foreseen for 2045-50, which means, other things being equal, a ratio of 0.5-0.6 active person per 1.3 non active (i.e.: 1 to 2.3).

A low level of the population dependency ratio alone, or a high level of its inverse, of course does not necessarily mean development, if the demographic change does not run hand by hand with economic growth, welfare system and other opportunities as emigration, which can alleviate a possible temporary “excess” of adult population. In this paper the demographic-economic-migratory dynamic of Italy is seen in comparison with that of another western country USA, that of the two “billionaire” countries (China⁴ and India), whose windows will be opened starting from 1985 (China) or from 2005 (India); and in comparison with that of one Sub-Saharan Country (Nigeria) which will have a postponed demographic window, to be opened beginning from 2030. As it can easily be seen in Figure 2 and Table 2, one can find enormous differences in tempo and length of windows, which will undoubtedly affect, among others, the economic and migratory relations among countries.

⁴ Anyhow in many occasions it has been supported that the Chinese development has deep demographic roots. See for instance Rosen (2003).

Figure 1: *Dependency ratio (“dependent” population aged 0-14 and 60 or over divided working age population, aged 15 to 59) in Tunisia and in Italy at different stage of demographic transition, 1950-2000 and prospects up to 2050*



Source: own elaborations on UN data

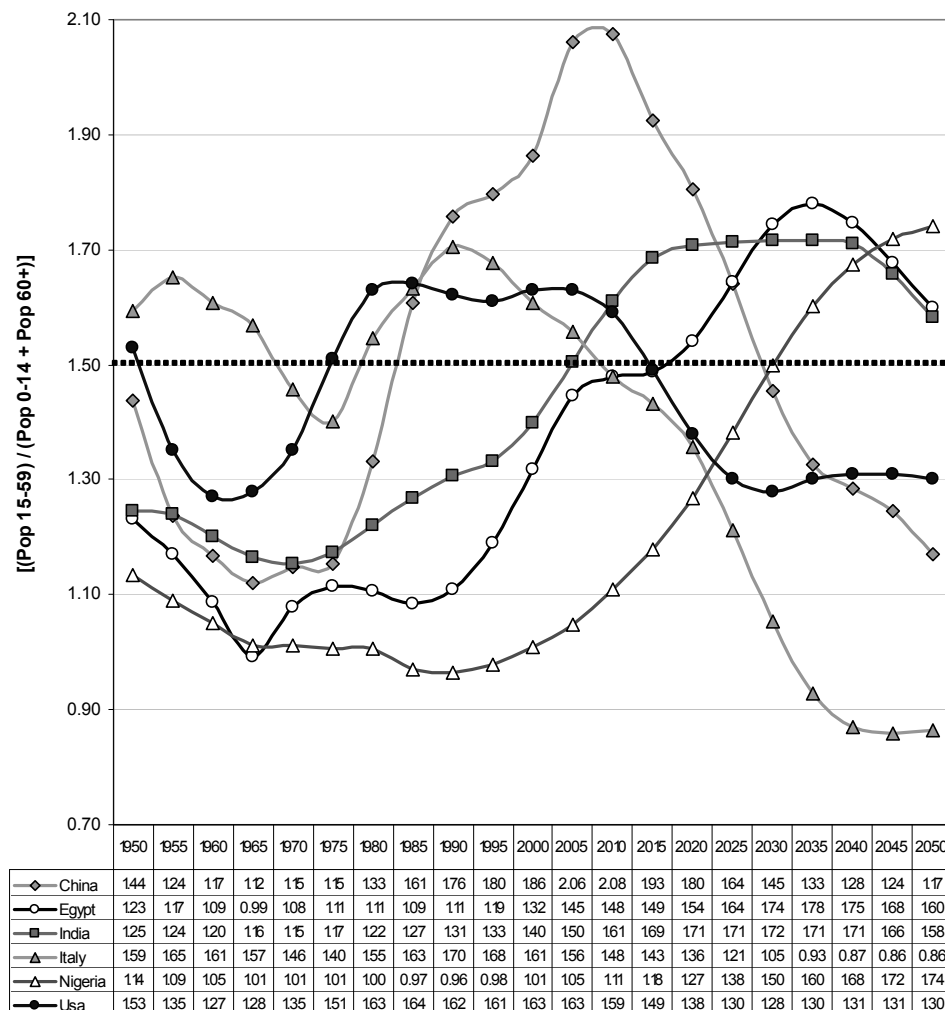
Table 1: *Period, length, and level of demographic windows, according to dependency ratio, Italy and Tunisia, 1950-2000 and prospects up to 2050*

Country	Period*	Length (years)	Level (average of the period)	Minimum (year)	Minimum value
Italy	1950-2005	55	0.63	1990	0.59
Tunisia	1997-2040	43	0.56	2010	0.48

* When dependency ratio is equal or less of a threshold value considered at about 0.66 (which means 2 dependent people for any 3 of working age population)

Source: own elaborations on UN data

Figure 2: Ratio between working age population (aged 15 to 59) and “dependent” population (aged 0-14 and 60 or over) in some countries at different stage of demographic transition, 1950-2000 and prospects up to 2050



Source: own elaborations on UN data

Table 2: Period, length, and level of demographic windows, according to the inverse of dependency ratio, several countries, 1950-2000 and prospects up to 2050

Country	Period*	Length (years)	Level (average of the period)	Maximum (year)	Maximum value
Italy	1950-2005	55	1.58	1990	1.70
China	1985-2030	45	1.80	2010	2.08
India	2005-2050	45 (50)	1.66	2030	1.72
Egypt	2005-2050	45 (50)	1.61	2035	1.78
Nigeria	2030-2050	20 (+)	1.65	2050	1.74
Usa	1975-2015	40	1.59	1985	1.64

* When inverse of dependency ratio is equal or less of a threshold value considered at about 1.5 (which means 1.5 working age people per any 1 dependent population)

Source: own elaborations on UN data

3. Globalization: a worldwide exchange of communication, information, goods, financial instruments and, just partially, exchanges of people

As mentioned above, the subject of globalization is rather controversial (among others: Bhagwati, 2004; Stiglitz, 2003) not only on the ideological-politic-economic point of view, but also from that of peoples and social groups contrasts ("Seattle people" ended up fighting against the police and forcing leaders to take to the mountains).

Important globalizations have been accomplished also in the past⁵. The second half of the nineteenth century and the beginning of the twentieth century were characterized by a real globalization in people mobility on one hand, and by goods protectionism on the other hand. Apparently today the situation is inverse⁶.

The advocates of contemporary globalization believed – and made people believe – that free trade would have necessarily spread wealth and democracy worldwide. The critics of globalization have tried and defended local communities and national specificities from global uniformity and from a marked North American hegemony (Pasquino, 2004b). A brand new interpretation of globalization effects appears in a recent analysis by Amy Chua (2004), a scholar of Chinese origin, who considers this global process in absolutely negative terms. Chua demonstrates that in many countries with a varied ethnic composition, the great economic opportunities created by globalization have been exploited by livelier minorities that were ready to progress (and get richer). In effect, globalization as well as technological innovation and the growing invasiveness of finance, which are in close relation, scatters the group of countries. Only the countries at the top (the leaders of the group) are able to fully exploit the opportunities; the rest are left behind, and the gap keeps widening. The same applies within any single country where more "organized" groups (or, in Chua's words, more well-trained ethnic minorities) can get easily adapted and exploit opportunities. This increases the socio-economic distance between more dynamic, ready and plastic groups, and weaker and more rigid ones within single countries (Golini and Lo Conte, 1999). The avant-garde minorities and the economically dominant ones are often also the most poorly stocked demographically. Therefore, these are attacked and often destroyed (even in the literal meaning) by dominant majorities that hold stronger political power due to their larger demographic dimension (Chua, 2004).

In terms of per capita income, the group of countries was scattered by the effect of the entire process that we call globalization. Looking at the evolution of pro capita income, purchasing power being equal, between 1950 and 1998 and between 1991-1998 (Maddison, 2001) (Figure 3 and Table 3), one can make very interesting comments⁷:

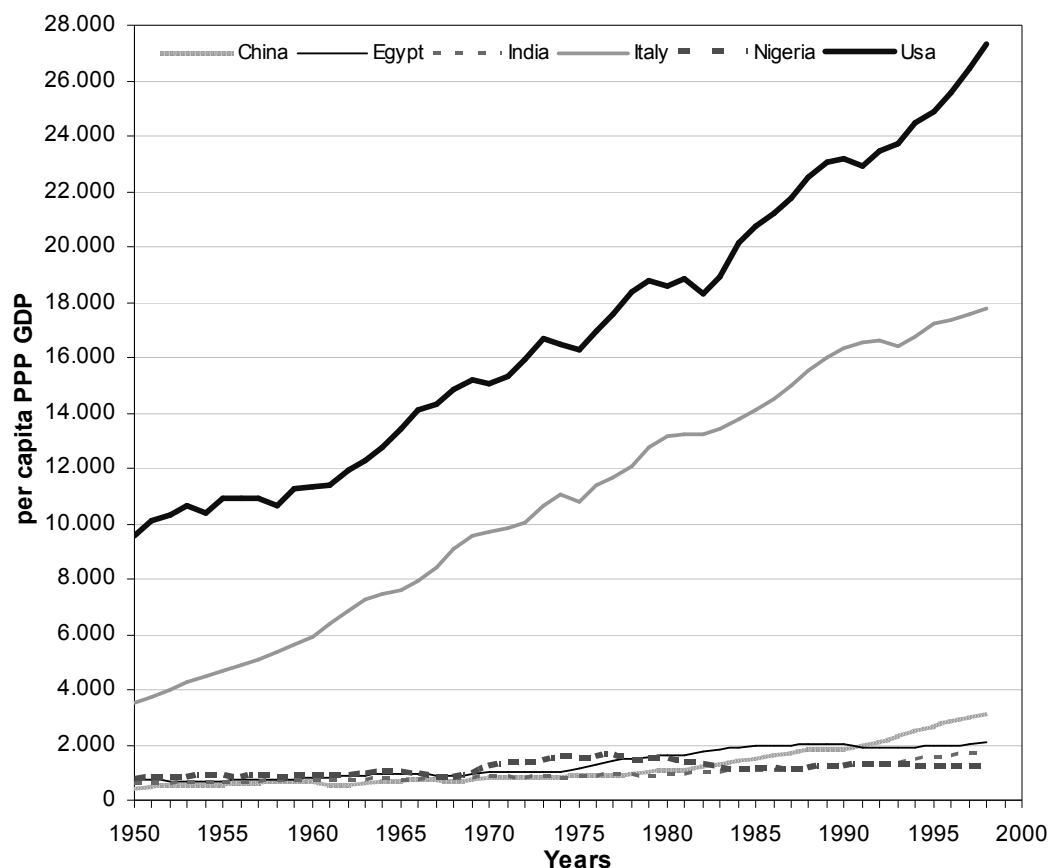
⁵ As awareness of the process of globalization grows, the need for historical understanding also increases (Bordo, Taylor, Williamson, 2003).

⁶ For example between 1870 and 1913, 15,8 million people emigrated to United States, 2,2 millions to Brazil, and 0,9 millions to Australia – 18,9 million people altogether in only these three countries who came from the rest of the world that was inhabited by about 1 billion people, using poor means of transportation. Between 1950 and 1998 (a longer period than the previous one), immigration in the same three countries respectively was as follows: USA - 25,0 million people; Brazil – an unclear and marginal amount; Australia – 4,2 million people. Immigrants totaled 29,2 millions and they came from all over the world that counted about 4,1 billion people, using more efficient means of transportation. (for data on migrants: Maddison, 2001).

⁷ This is limited to very few remarks, though the table (which is also largely self-explanatory) can inspire a large number of observations.

- a. Nigeria has multiplied by *1,64 times* its very poor pro capita income in 1950 with an increase of *10 dollars per year* over 48 years from 1950 to 1998; moreover between 1991 and 1998 Nigeria's pro capita income has decreased by 6 dollars per year;
- b. United States has multiplied by *2,86 times* its good 1950 pro capita income, reaching a *370 dollar per year* increase over 48 years; in the second period USA pro capita income has increased by 630 dollars per year;
- c. Italy has had a good growth over the entire period, with an increase of 297 dollars per year, which turned to an increase of 320 dollars between 1950 and 1990, and 174 in 1991-98; over this last period, income multiplier is lower than in any other country, except Nigeria. The recent crisis of the economic system in Italy is clear according to these figures;
- d. China *performance* has been extraordinary; in relative terms it results the best one among the analyzed countries; despite this, the difference between China's and USA's pro capita income has grown from 20.981 dollars in 1991 to 24.214 in 1998;

Figure 3: *Level of per capita Gross Domestic Product (1990 international dollars) in some countries, 1950-1998*



Source: Maddison, 2001

In 2001 according to the World Bank (2003) the *distance* between Italy's pro capita PPP (24,530\$) and Nigeria's (790\$) has reached 23,740\$ and that between USA (34,280) and Nigeria has reached an enormous value: 33,490\$

These figures seem to prove the opinions of globalization critics, who maintain that free trade has not affected positively the development of less developed countries. Globalization has actually increased the number of the poor and the unequal distribution of wealth. Capital markets liberalization and wild privatization, which some times have been fostered by international bodies (IMF first of all), have been devastating in those contexts which were not able to manage new trends.

What is the role of international financial institutions in the age of globalization? Which functions should the IMF - or should it not - carry out in this context? The debate on this issue has been opened years ago by US senate Melzer commission, which suggested a powerful redefinition of the role of IMF, and by Stiglitz's (2003) key work.

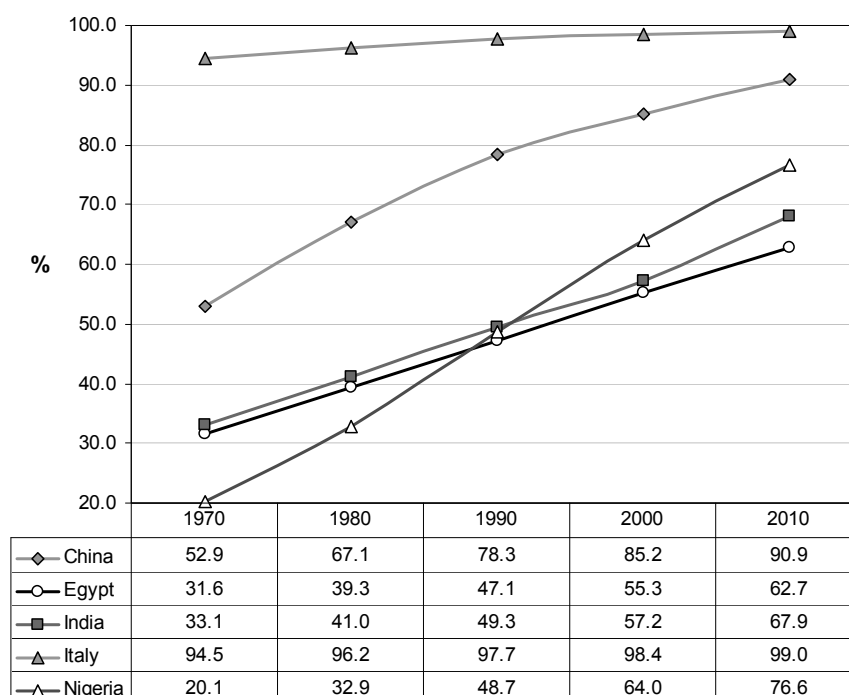
Table 3: *Dynamics of per capita Gross Domestic Product (1990 international dollars) in some countries, 1950-1998 and 1991-1998*

<i>Country</i>	<i>Annual average absolute change (in \$)</i>	<i>Per capita GDP multiplier</i>	<i>per capita PPP GDP at the beginning of the period</i>	<i>per capita PPP GDP at the end of the period</i>	<i>Gap from the United States at the beginning</i>	<i>Gap from the United States at the end</i>
1950-1998						
Nigeria	10	1.64	753	1,232	-8,808	-26,099
India	23	2.82	619	1,746	-8,942	-25,585
Egypt	29	2.96	718	2,128	-8,843	-25,203
China	56	7.10	439	3,117	-9,122	-24,214
Italy	297	5.07	3,502	17,759	-6,059	-10,172
Usa	370	2.86	9,561	27,331	0	0
1991-1998						
Nigeria	-6	0.97	1,276	1,232	- 21,645	-26,099
Egypt	33	1.12	1,900	2,128	- 21,021	-25,585
India	65	1.35	1,290	1,746	- 21,631	-25,203
China	168	1.61	1,940	3,117	- 20,981	-24,214
Italy	174	1.04	16,538	17,759	- 6,383	-10,172
Usa	630	1.19	22,921	27,331	0	0

Source: own elaborations on Maddison data

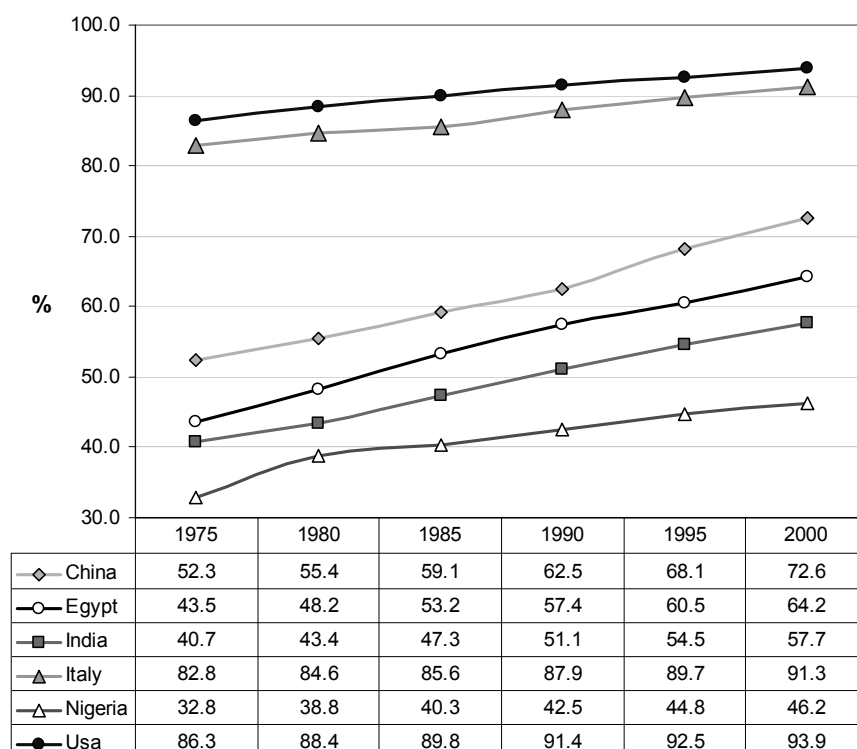
If we sustain that human capital is the necessary engine for globalization in order to produce positive effects, we should not be very optimistic about the future (Figure 4). As a matter of fact, if literacy indicators are improving everywhere, the distance between educationally developed and underdeveloped countries seem very important also for the near future. More or less the same distance separates countries also in respect to HDI (Human Development Index) (Figure 5) which gathers pro capita income, life expectancy and literacy: it is comforting to see the progress that has been reached by all countries, though it is discouraging to see how distances cannot be shortened in a reasonable period of time.

Figure 4: Literacy rate in population aged 15 years and older in some countries, 1970-2000 and projections up to 2010



Source: UNESCO, 2004

Figure 5: Human development index in some countries, 1975-2000



Source: UNDP, 2002

5. Demographic giants on the move and virtual demographic giants

Clearly identified demographic giants on the move have been transforming over the years into economic and production giants, as China and India. Other moving peoples are Mexico, Brazil, and, in perspective, Indonesia. In front of these giants there is a European "Union" which exists only for some aspects. At the same time, European national states still survive within this union, they are still largely sovereign, aged and rich – these states have relied on the individual and have favored single persons against family and collectivity. European states are in competition with each other and possibly in decline, and they keep the counter position with Islam and the fear of it as a possible and desirable bond.

In the first two pages of "Statistics Pocket Book" of European Central Bank, two "Overview of major economic areas" tables appear; an extract of these tables can be seen in Table 4. According to these indicators, the European Union area is clearly the second demo-economic power in the world. Nevertheless, in many ways it is also a virtual area, due to the large number of languages, to the 15 different individual economic policies, to the different industrial strategies, to the different attitudes in foreign policy, to the two single voices (UK and France) given to UN in the only important seat (Security Council), and so on.

Table 4: *Structural indicators and main recent economic developments in the major economic areas, 2002*

Indicators	EU	United States	Japan
Total population (millions)	382.2	288.6	127.4
Labour force participation rate (%)	68.0	76.8	75.7
Age dependency ratio	49.7	50.0	48.7
GDP (PPP) (EUR billions)	8,918	9,422	3,067
GDP per capita (PPP) (EUR thousands)	23.3	32.6	24.1
Labour productivity (PPP) (EU=100)	100.0	119.1	87.6
Labour income share (%)	69.6	71.9	-

Source: ECB, *Statistics Pocket Book*, February 2004

With the entrance of 12 countries by 2007, EU population will increase by 26% (reaching 482 millions), EU territorial area will increase by 34%, reaching a regional dimension according to population-area relation, but European GDP (to current exchange rate) will increase by 5% only, reducing average per capita GDP by 13 to 18%. In this situation the political model risks becoming the "filling-the-gap" more than ever, closing the income gap between social categories and regions, rather than investing for development. But in order to close the gap, Europe should invest an extraordinary amount of time: estimates show that no less than 82 years will be needed in order to bring new countries to 90% of current EU per capita income. So, due to poor resources, to the lack of radical reforms in community agricultural policies, and to the unbalanced geo-political perspective, also foreign aids policy is closer to "reducing the damage" than fostering Southern Mediterranean countries to economic wealth and political stability (Campanella, 2004).

Looking at giants, special attention should be paid to Chinese economics: Chinese economic growth has reached 8 to 9% per year and Chinese population is currently 1 billion and 272 millions⁸. One should wonder if Chinese expansion is sustainable and how will it affect other countries, included EU and USA. And also if there will be a return to protectionism and would it be useful. Certainly the recent significant depreciation of the US dollar against the euro, and the fact that Chinese yuan is still anchored to the US dollar, ended up in a disadvantage for the euro area and benefited Chinese exportations. Europeans are strongly concerned also about this issue, and consequently they are seeking for forms of protectionism and/or revaluation of Chinese yuan; that adds to American concerns which push for Chinese yuan revaluation as well.

The currency is pegged at about 8.28 yuan to the dollar, but international pressure has mounted for Beijing to either widen the currency's razor-thin trading band or repeg it at a higher value that would better reflect the country's strong economic growth. The IMF expects China's rapid economic expansion to continue, and is forecasting growth by around 8.5% in 2004. Some officials in the US, and also in the EU have blamed China for keeping the yuan artificially low, arguing that the yuan peg was costing America, and much more Europe, jobs by keeping the cost of Chinese exports down. But despite political pressure, China has so far resisted calls to allow the yuan to float. China's huge accumulation of foreign exchange reserves (China's foreign currency reserves stood at more than US\$400 billion at the end of January, the second highest in the world after Japan) cannot be sustained without inflationary consequences and that limited exchange rate flexibility would not pose significant risks to its economy. On one hand China's exchange rate policy at least partly reflects a desire for stability and continuity, but on the other hand one cannot buy the argument that China's reserve accumulation can be sustained indefinitely without inflationary consequences. China had a number of options, including widening the yuan's trading band against the dollar and the euro, pegging the yuan to a basket of currencies or possibly a combination of the two. There were already signs that inflation in China, the world's fourth largest trading nation, was picking up and one can presume that in the end, real exchange rates will adjust one way or another. But managing an orderly resolution of global current account imbalances, the transition to higher interest rates and a likely rise in spreads on emerging market debt all presented challenges. The Chinese economy is expected to achieve a soft landing, but a sharper slowdown remained a possibility⁹.

In any case we have to consider that due also to the exceptionality of its economic growth, China certainly presents some economic and social risks (Domenach J.-L., 2004), but in no case the international community can allow a bankrupt if it wants to avoid a domino effects all over the world¹⁰.

⁸ A monographic issue of journal *Aspenia* (2003) is devoted to many aspects of Chinese growth and challenge.

⁹ The content of this paragraph was stated by a representative of IMF on Tuesday, March 22nd 2004, during an investment conference in Hong Kong. I was informed of this speech by personal e-mail from Mr. Emanuele Baldacci (2004), an IMF officer in Washington.

¹⁰ To prove this statement it is sufficient to reflect on exports and imports of China with the rest of world (Pittiglio R. Pittiglio L., 2003). According to the World Bank, levels of Chinese imports in 2002 were 295,203 US\$ millions (19,285 in 1982); of exports: 325,565 (24,906 in 1982). The average annual growth rate of exports of goods and services was 5.9 in the period 1982-92, and 14.3 in 1992-02 (for imports, respectively: 9.7 and 12.8).

6. The specific problem of Italy and Italian economic and production system

From the point of view of the current economic situation, the tragic terrorist attacks in Spain of March 11, 2004 have coincided with a phase of fragility in Europe. Current conditions do not leave room for optimism, both because the economic recovery is less firm in Europe (and consequently weaker against negative shocks) than among competitors and because a new blow to consumers' confidence could occur, which would cause a further lack of dynamism in consumption expenditure. From the structural point of view, finally also newspapers in recent times have repeatedly tackled the problem of the decline of Europe and in particular of Italy. At the moment Italy is not only behind greatly industrialized countries as USA, as well as behind those countries, as China, which have a low cost of labor and march at a fast rhythm towards a sustained development¹¹.

The decline of the system in Italy has remote origins. In particular, it began when short-sighted politicians and managers gradually transformed the country into an industrial colony (Gallino, 2003). The ruling class has grown on the connection between political-administrative power and strong economic-financial powers, and it has favored individual interests damaging general ones, out of any strategic perspective. Such an alliance has been in fact a constant, which has had the economic power as its subject, and either center-right or center-left governments as its variable (Landolfi, 2004).

Gallino (2003) highlights the fact that Italy has lost or largely reduced its productive power in those industrial fields that used to be competitive. That is the case of information technology, and Olivetti a state-of-the-art company that has let itself die. Also audio-visual industry, which was a leading sector in Italy, could not win the competition based on fast innovation, despite the increase in the consumption of goods. The loss of leading production fields has been a strong blow; also missing the opportunity to succeed in potential fields that had the right technological and human resources was an unforgivable fault. One can legitimately wonder how all this could happen.

Italy suffers from competition in several economic and productive fields; the current economic situation shows a strong decrease in exportations and a stagnation that forecasts for 2004 a GDP growth by not more than 1%, against the expected 1,9% growth that Italian government estimated in the stability pact update shown in Brussels in December 2003. With regard to China, in 2004 the growth rate should reach 8,5%.

In this respect, a lively and intense debate has been recently sparked off, together with plenty of analysis, evaluations and suggestions, even completely heterodox ones¹². However, it is not easy to think that Italy can actually recover competitiveness and produce innovations, especially with such demographic dynamics:

¹¹ We cannot complain, even though no Western labor regulation is applied in China. At the end of the nineteenth century, when Italy was taking its first steps in economic development and Italian population was very young, workers would normally work for 48 hours per week and children would be largely employed in production activities; 32% of silk factories' workers in 1876 was represented by children (Romani, 2004, p. 484).

¹² On Sole-24 ore, economist Fiorella Kostoris (2004) noticed that between 1980 and 2000 Italy has probably exchanged free time with the product-income-expense triad, and she suggested sacrificing one week of vacation: this would create added value and an additional expense up to 3-4 tenths.

- a. the first decline of Italy is demographic in nature. The share of Italian population out of the world population was 1.27 per cent in 1980 and 0.98 in 2001. A decline of about 25 per cent (Faini R., 2003b)
- b. during the whole period 2000-30 we expect over-80 population to *increase by 69 thousand people per year* and the most productive and creative population (aged 20 to 40) *decrease by 231 thousand people per year* (almost 7 million on the whole, immigrants included).

7. The need and the advantage of migrations and their growing "unrestrainableness"

Immigration policy clearly has responded to globalization forces since the age of mass migration began in the middle of the nineteenth century. For the future the trend toward the integration and globalization of labor, product, and capital markets observed over the past few centuries is likely to continue. The decrease in the cost of information, communication, and transportation should encourage this development (Chiswick B.R., Hatton T.J., 2003). Therefore, we expect that international migrations will play an important role for the demographic-economic balance in many areas in the world. The question that is to tackle is what migration policies will be adopted by destination countries¹³ and by origin countries (Màrmora, 1999).

If we look at some fundamental development criteria and if we observe the huge differences in standard of living and improvement perspectives between rich and poor countries, it seems odd that so few people emigrate. The problem is that emigrating is a great expense, not only in human terms, but also in financial terms¹⁴. So when pro capita income is very low (up to 1000-1500 dollars), three conditions occur simultaneously and prevent people from emigrating or even considering emigration as a solution for their lives:

- a. extremely limited financial resources that cannot cover transfer expenses, especially illegal transfers;
- b. extremely limited professional resources drawn from a poor and underdeveloped agriculture industry which represents the only scarce livelihood;
- c. extremely limited human resources due to the high rate of illiteracy (80-90%).

Only when the income increases emigrations can occur, as proven by empirical evidence shown in Figures 6. When economic development pushes pro capita income up to 10-15 thousand dollars, emigration can be achieved. This is also due to a parallel demographic modernization that brings a strong birth reduction (see the case of Italy in Figure 7).

In the near future a strong increase in labor supply in the South of the world is expected due to:

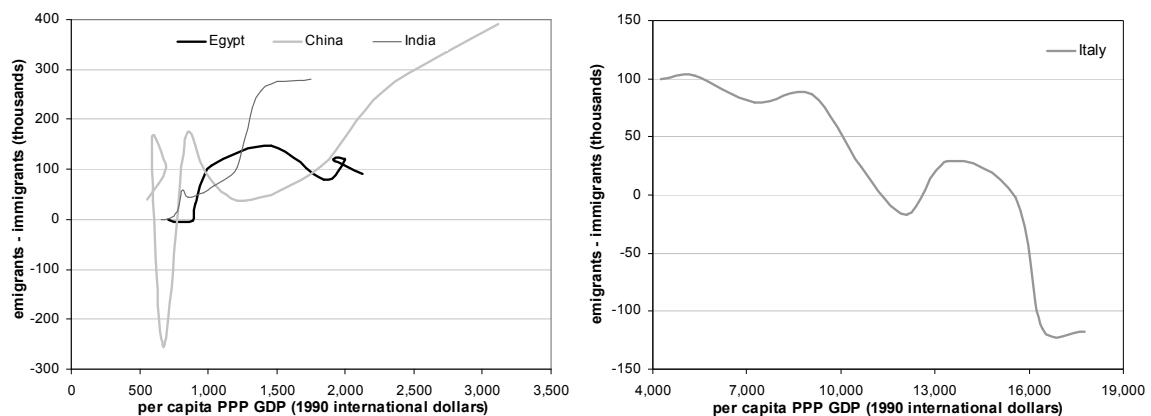
¹³ We can find also some psychological factor that may plausibly explain why the stance toward migration is more restrictive than that on trade: migration is likely to be significantly less reversible than good trade (Faini, 2003a).

¹⁴ On one hand we have to consider that certainly citizenship is now much harder to get and migration much more regulated, than was the case a century ago, but on the other hand, a much greater fraction of a far larger world population now has enough knowledge and resources to move to another country. So some costs of migration has risen, while others have fallen (Helliwell J. F., 1998).

- a. a demographic phase that will favor the increase of working age population by very high annual rate up to 1,5-2,5%;
- b. an income growth which will entail an increase in education and better conditions for women; these factors will both foster extra-agriculture work supply;
- c. an agriculture modernization that will cause an intense expulsion of workforce from the agriculture sector which will add to the workforce considered in point a. and b.

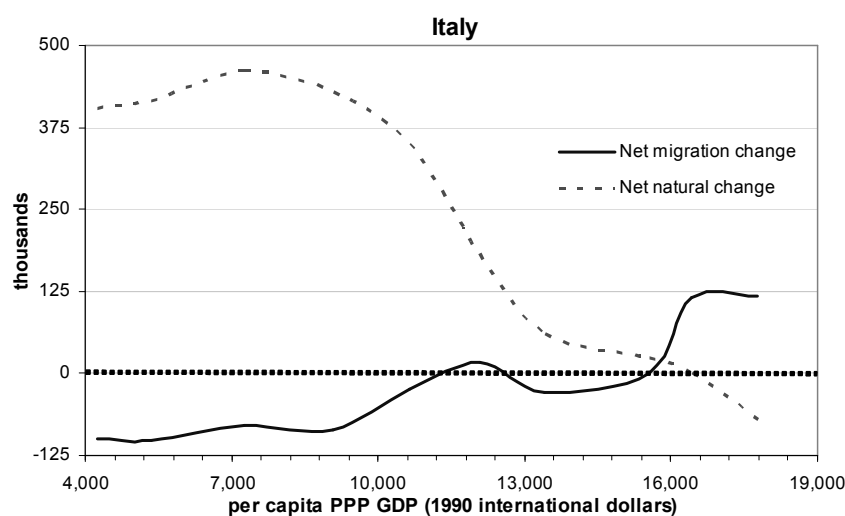
Figures 8 show clearly how important the stage in the economic-productive development is in relation to the structure of the workforce involved in the three production sectors. It is also evident that China is expected to further decrease largely the amount of workforce involved in the agriculture industry.

Figure 6: *Relationship between per capita PPP GDP and net out-migration change in some countries, 1950-1998*



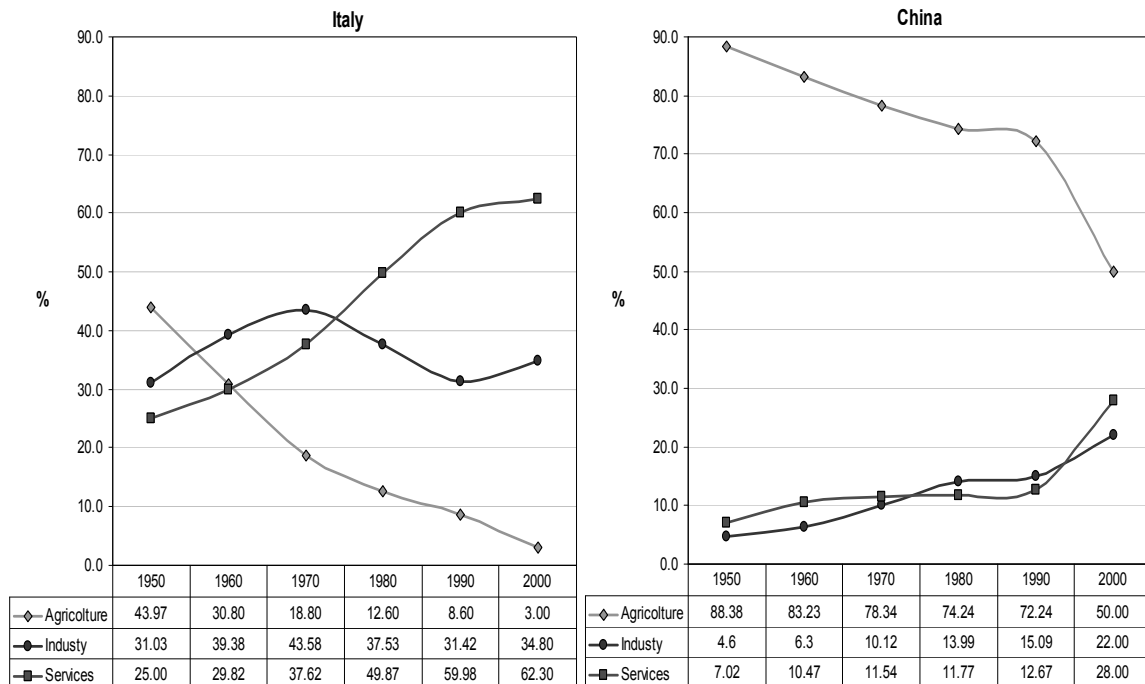
Sources: UN for net migration change; Maddison for GDP

Figure 7: *Per capita PPP GDP, net migration change and net natural change, Italy, 1950-1998*



Sources: UN for migration and natural change; Maddison for GDP

Figure 8: *Structure of labour force by sector of economic activity, Italy and China, 1950-2000*



Sources: ILO up to 1990; national sources for the year 2000

According to Chinese Government official estimates that date back to 2001, by 2005 200 millions farmers will have no work in China, and most probably due to these figures Chinese authorities will turn a blind eye to frontiers, where today *snakeheads* could not easily go in and out with a large number of emigrants without police officers obliging approval. So in the West many claim that China has adopted a "demographic aggression" strategy against industrialized countries (even Russia has complained about it) (Pagliaro, 2002). Such an "aggression" could become much more notable if Chinese authorities should need to adopt a more liberal policy for passports release, also as a consequence of extremely high values of working age population in the period 2000-15 of the longer "demographic window" (Figure 2); very unlikely China will be able to face this enormous supply of labor (coming from demography and from economic adjustments) just applying to the domestic labor market¹⁵.

In addition to this, many Chinese executives seem to be involved in drug traffic, goods smuggling, and illegal immigrations. However, illegal immigration is limited due to the geographic position of China, to the excessive prices of transfers, and to the cost of the entire operation of illegal emigrations from China, which would reach up to 60 million dollars, and consequently it would be limited to "rich" and sufficiently educated people (Pagliaro, 2002).

Europe and Italy in particular, already attempted to tackle the issue about whether is it proper to accept immigrants from Islamic countries, both for cultural and religious distance, and for the fear of terrorism. In my opinion, immigration from

¹⁵ Looking at data of Figure 2 it seems that after 2015 India could be in same situation; and starting from 2040 it could be the turn of Nigeria. These are just two examples if one refers to the "demographic windows" of countries considered in Figure 2.

Islamic countries can be convenient for the four main subjects involved: origin countries, origin families, destination countries, autochthonous families of destination countries. The links between these four advantages subjects are, of course, the immigrants, who need to find working in a foreign country *convenient*, as well as living there permanently. Given also the sense of uncertainty and uprooting experienced by immigrants, who do not feel full citizens in either their origin and their destination countries, it is clear that only by making immigrants "rich", financially and socially, and also their countries richer through remittance, can be completed the virtuous circle of necessary convenience for everybody. The strong relationship between Germany and Turkey, and between Spain and Morocco (also in the light of the cooperation between the two countries for the investigations on the horrible attacks to Madrid on March 11, 2004) backs up what I just claimed above.

Of course immigrant communities can count some agitators or even terrorists, but this matter belongs to the police, the secret services, the law and to the cooperation between states; it is not a matter of migration policy, which should rather deal with a more fruitful and dynamically positive coexistence between autochthonous population and immigrant population, which lays the foundation for the firm and positive process of convenience mentioned above. The real challenge is creating new and constructive forms of coexistence.

8. Some predictable discontinuities in demographic trends, globalization and human mobility

In this section more issues will be tackled and some more remarks will be made on current and future relations concerning demographic trends, globalization and human mobility. Some of the possible and predictable discontinuities from the present until 2030 (the span of one generation) will in addition be observed.

8.1. Also the recent revision of population projections indicates a worsening of the impact of HIV/AIDS epidemic in terms of increased morbidity, mortality, and population loss. Over the current decade, the UN estimates at 46 million the number of excess deaths because of AIDS among the 53 most affected countries, and this figure is projected to ascend to 278 million by 2050. For the seven most affected countries in Southern Africa, where current HIV prevalence is above 20 per cent, the population is projected to increase only very slightly, and outright reductions in population are projected for Botswana, Lesotho, South Africa and Swaziland (United Nations, 2003). This unsustainable situation will not have a much more solid and incisive globalized response from the world community (or rather, from the North of the world), compared to what has been done already so far.

8.2. There is an actual risk of a conflict between Western civilization and Islam. Such a conflict is certainly not sought for by the West, though it is advocated and pursued by terrorists linked to Al-Qaeda and by many supporters who hate the West, and in particular the USA, because of its modernity, prosperity, individual and collective democracy. All this requires being fully aware of the risk of terrorism, which has religious and ideological roots and seems to follow an actual plan. We should also

forget the idea of terrorists who are born and have grown up in poverty and hardships (Pasquino, 2004a).

Even though these conditions are real – and I believe so – the problem of poverty and hardships in developing countries exists and it must be faced up steadily: if hundreds of millions of people are left without any hope for themselves and their children, the most probable consequences are either massive illegal emigration and/or terrorism¹⁶. Both alternatives suit small percentages of total population, because in order to pursue them much courage and financial resources are necessary. However, small percentages of large numbers mean great quantities and large flows of population.

UN (2003) demographic projections between 2005 and 2030 estimate (I repeat, approximately the span of one generation):

- a. an increase of *33 million people* in the entire North of the world. In particular, a decrease in the working age population by 50 million people (and an increase in over-65s by 97 million people), including around 2 million immigrants per year;
- b. an increase of *1 billion and 643 million people* in the entire South of the world. In particular, an increase of the working age population by 1 billion and 189 millions of working population (the entire current stock of the working age population in the North of the world rises to 818 millions), including around 2 million emigrants per year;
- c. in the long term, the main net gainers of international migrants are projected to be United States (1.1 million annual net migrants), Germany (211 thousands), Canada (173 thousands), the United Kingdom (136 thousands), and Australia (83 thousands), whereas the net major senders are projected to be China (-303 thousands), Mexico (-267 thousands), India (-222 thousands), the Philippines (-184 thousands) and Indonesia (-180 thousands) (United Nations, 2003).

With such an extraordinarily differentiated increase it is not certain whether there will be a sufficient number of workers in the North of the world and whether there will be enough work in the South of the world. When in the South of the world such a sequence of huge demographic windows is opened, we will have to wonder if there will be enough economic development and migration opportunities, beyond those 2 million immigrants already numbered in the estimates above. What if there will not be any? The UN migration prospects could turn out to be too "reduced". It could underestimate the migration pressure from countries with massive demographic growth and underdeveloped economy; this would occur also with the increase of per capita income (which would provide the means for an easier access of immigration), or with agriculture industry modernization (so that expelled workforce would flow on the labor market and add to demographic workforce)¹⁷.

8.3. The fragmentation of the international system following Soviet Union fall has actually imposed the need of a new order that includes globalization (certainly not due

¹⁶ We must remind that development can be seen as a process of expanding the real freedoms that people enjoy. Growth of GNP or of individual incomes can be very important as means to expand the freedoms enjoyed by the members of the society. But freedoms depend also on other determinants, such as social and economic arrangements, as well as political and civil rights (Sen A., 1999).

¹⁷ The significance of relations among migrations, cultures and globalization is stressed in a book that is an important reading for anyone who thinks we have too many immigrants or too few, who favours affirmative action and multicultural programs or opposes them (Sowell T., 1996).

only to this factor); such a new order has to confront also the loss of the significance of national sovereignty (Parsi, 2003), which has not had the same value and scope in all countries. In my opinion, such a loss has been particularly significant for European, African and Latin-American states. As a matter of fact, these areas are actively seeking for regional unions. This process is nevertheless complex and painful because it implies the search for a new balance between the loss of national sovereignty and the acquisition of a supranational sovereignty in a regional dimension. Such a painstaking and slow process is exactly the element of weakness and crisis of European Union, and other troubled areas as Mercosur. In these areas, member states are still far from the target and they lack the strength to face the entire passage, though a definite push could be provided by the fear for terrorism; these countries also miss the chance to go back to nationalism which was their starting point. The weakness factor is totally absent in countries such as USA, China, India (and also the Russian Federation) which benefit from both regional dimension and national sovereignty. The occurrence of these two positive factors becomes a real strength when it is combined with a notable current as well as projected demographic dimension. Only the contemporary presence of the three elements give a state the necessary strength to face some negative aspects of globalization process. In fact, if the demographic factor is missing, on the world chessboard countries become limited prominent points, as for instance Canada and Australia which benefit from only the first two factors.

I believe that in this framework globalization, development, political organization, demography and migrations are clearly linked to each other. Prospects show also the inclusion of new great countries such as Indonesia, Nigeria, Brazil.

Certainly the “new world” will be more structured and complex, but hopefully it will be able to find the right formula to prevent international tensions, and reduce domestic and international economic inequalities.

References

- Aspenia, 2003, *Il tempo della Cina*, n. 23, p. 277
- Baldacci E., 2004, *Personal communication about sustainability of China's huge trading surplus and accumulation of foreign exchange reserves*
- Bhagwati J., 2004, *In Defence of Globalization*, New York, Oxford University Press, p. XII+308
- Bordo M.D., Taylor A.M., Williamson J. G. (eds), 2003, *Globalization in Historical Perspective*, Chicago and London, The University of Chicago Press, p. X+588
- Campanella M. L., 2004, “Allargamento, il rischio di crescere troppo poco”, *Il Sole-24 ore*, 23 marzo, p. 10
- Chiswick B.R., Hatton T.J., 2003, “International Migration and the Integration of Labor Markets”, in Bordo M.D., Taylor A.M., Williamson J. G. (eds), 2003, *Globalization in Historical Perspective*, Chicago and London, The University of Chicago Press, pp. 65-117
- Chua A., 2004, *L'età dell'oro. Esportare democrazia e libero mercato genera conflitti etnici?*, Roma, Carocci, p. 376
- Domenach J.-L., 2004, “La Cina è un enigma, ma il rischio catastrofe c'è”, *Vita e pensiero*, n.1, gennaio-febbraio, pp. 41-47

- Faini R., 2003a, "Comment", in Bordo M.D., Taylor A.M., Williamson J. G. (eds), 2003, *Globalization in Historical Perspective*, Chicago and London, The University of Chicago Press, pp. 118-120
- Faini R., 2003b, "Fu vero declino? L'Italia degli anni Novanta", *Il Mulino*, 410, novembre-dicembre, p. 1072-1083
- Gallino L., 2003, *La scomparsa dell'Italia industriale*, Torino, Giulio Einaudi editore, p. 106
- Golini A., 2003, *La popolazione del pianeta*, 2^a edizione, Bologna, Il Mulino, p. 141
- Golini A., Lo Conte M., 1999, "La percezione statistica di eterogeneità, disuguaglianza ed esclusione", in *Atti della XXXIX Riunione scientifica della società italiana di statistica*, Sorrento 14-17 aprile 1998, volume I, Istituto di statistica e matematica dell'Istituto universitario Navale, Napoli, pp. 55-78
- Helliwell J. F., 1998, *How Much Do National Borders Matter?*, Washington DC, Brookings Institution Press, p. XXV+155
- ILO, 2004, *Italy and China*,
<http://laborsta.ilo.org/cgi-bin/brokerv8.exe> (al 19 marzo 2004)
- Kostoris Padoa Schioppa F., 2004, "Una settimana di ferie in meno per provare a rilanciare il Pil?", *Il Sole-24 ore*, 19 marzo, p. 1
- Landolfi A., 2004, "Il modello Italia fra scandali e declino", *MondOperaio*, n. 2, marzo-aprile, pp. 26-33
- Livi Bacci M., 2002, *Storia minima della popolazione del mondo*, 2^a edizione, Bologna, Il Mulino, p. 301
- Maddison A., 2001, *The World Economy: A Millennial Perspective*, Paris, Development Centre of the Organisation for Economic Co-operation and Development, p. 383
- Màrmora, L., 1999, *International Migration Policies and Programmes*, United Nations, IOM-OIM, Geneva, p. 280
- Pagliaro V., 2002, "La giovane e vecchia Cina", *MondOperaio*, n. 6, novembre-dicembre, pp. 100-113
- Parsi V.E., 2003, *L'alleanza inevitabile. Europa e Stati Uniti oltre l'Iraq*, Milano, Università Bocconi Editore, p. 196
- Pasquino G., 2004a, "Gli annunci di Zapatero e la sbornia della sinistra", *Lettera al Corriere della Sera*, 17 marzo, p. 43
- Pasquino G., 2004b, "Come difendersi dal popolo", *Il Sole-24 ore*, 21 marzo, p. 38
- Pittiglio R., Pittiglio L., 2003, "La Cina nell'economia globale", *Economia italiana*, n. 2, maggio-agosto, 435-457
- Romani M., 2004, *Storia economica d'Italia nel secolo XIX, 1815-1882*, Milano, Il Giornale Biblioteca storica, p. 502
- Rosen D., 2003, "Transpacific watch: il risveglio del gigante", *Aspenia. Il tempo della Cina*, n. 23, pp. 9-22
- Sen A., 1999, *Development as Freedom*, New York, Anchor Books, p. XVI+366
- Sowell T., 1996, *Migrations and Cultures. A World View*, New York, Basic Books, p. XII+516
- Stiglitz J. E., 2003, *La globalizzazione e i suoi oppositori*, Torino, Giulio Einaudi editore, p. XXVI+274
- UNDP, 2002, *Rapporto 2002 su Lo sviluppo umano. 13. La qualità della democrazia*, Torino, Rosenberg & Sellier, p. 404
- UNESCO, 2004, *Estimated illiteracy rate and illiterate population aged 15 years and older, by country, 1970-2015*,

http://www.uis.unesco.org/TEMPLATE/html/Exceltables/education/View_Table_Literacy_Country_Age15+.xls (al 19 marzo 2004)
UN Population Division, 2003, *World Population Prospects. The 2002 Revision*, 2 voll., New York, United Nations, pp. LXXXIII+781 + LXXXIII+939
World Bank, 2003, *2003 World Bank Atlas*, Washington DC, p. 81