

# Foreword

The World Bank’s annual *World Development Reports*, or *WDRs*, are staples of the global community’s reservoir of knowledge and data about key development issues. This year’s Report discusses migration, one of the world’s most important and pressing challenges. There are 184 million migrants worldwide. Of them, 43 percent live in low- and middle-income countries. Migration issues are becoming even more widespread and urgent due to severe divergences between and within countries—in terms of real wages, labor market opportunities, demographic patterns, and climate costs.

Migration makes substantial contributions to economic development and poverty reduction but also involves difficulties and risks. Migrants often bring skills, dynamism, and resources that strengthen destination economies. In many cases, they also strengthen the country of origin, providing a vital support mechanism for communities by sending remittances as a lifeline for their families, especially during times of turmoil. This *World Development Report 2023* proposes policies to better manage migration in destination, transit, and origin countries. These policies can help harness economic opportunities and mitigate the difficulties and risks that migrants face.

The *WDR* discusses the migration trade-offs using a “Match-Motive Framework.” The “match” aspect is grounded in labor economics and focuses on how well migrants’ skills and related attributes match the needs of the destination countries. This determines the extent to which migrants, countries of origin, and countries of destination gain from migration: the stronger the match, the larger the gains. The “motive” refers to the circumstances under which a person moves in search of opportunity or due to fear of persecution, armed conflict, or violence. The latter may create international law obligations for the destination country: people who move because of a “well-founded fear” of harm at home are entitled to international protection. By combining “match” and “motive,” the framework identifies policy priorities for countries of origin, transit, and destination, and the international community. It also discusses how the policy response can be improved through bilateral, plurilateral, or multilateral initiatives and instruments. The way that policies are designed and implemented can help migrants move toward better opportunities and improved matches so that the benefits of migration for all are increased.

Origin countries can maximize the development impacts of labor migration on their own societies by providing ways to facilitate remittance inflows, for example, by lowering the costs of sending and receiving transfers. Origin countries can also improve educational opportunities often in collaboration with destination countries, including language skills. They can also incentivize investment by diasporas, and support returning migrants as they reenter the labor market.

Destination countries can harness the potential of migration to meet their long-term labor market needs, especially to meet labor shortages triggered by aging or a lack of particular skills. They can improve efforts to treat migrants humanely and address social and economic impacts on their own citizens. Transit countries need to coordinate with countries of destination to address distressed migration. International cooperation is critical in sharing the costs for hosting refugees.

Recognizing the challenges and complexities of migration, this *WDR* provides data-driven and evidence-based examples and assessment of trade-offs, showing how migration can work for development. The Report will contribute to a better understanding of migration and should provide a useful reference for policy makers and other stakeholders as they make informed choices and formulate effective strategies that contribute to better outcomes for communities and individuals.

A handwritten signature in cursive script that reads "David Malpass".

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