1. Introduction

The upsurge of migrations in recent years has brought to international attention the issue of the sensible allocation of people across countries. Should we stop people from moving countries or should we open up routes to make their journey easier? The answer hinges upon the net benefits which moving countries can bestow upon home and receiving countries. According to the UN Global Compact for Migration, to be signed by UN members next December, “migration has been part of the human experience throughout history, ….. it can be a source of prosperity, innovation and sustainable development in our globalized world”. Therefore the UN calls upon its members to take action “to optimize the overall benefits of migration”.

[The] Global Compact aims to mitigate the adverse drivers and structural factors that hinder people from building and maintaining sustainable livelihoods in their countries of origin, and so compel them to seek a future elsewhere. It intends to reduce the risks and vulnerabilities migrants face at different stages of migration by respecting, protecting and fulfilling their human rights and providing them with care and assistance. It seeks to address legitimate concerns of communities, while recognizing that societies are undergoing demographic, economic, social and environmental changes at different scales that may have implications for and result from migration. It strives to create conducive conditions that enable all migrants to enrich our societies through their human, economic and social capacities, and thus facilitate their contributions to sustainable development at the local, national, regional and global levels. (Final Draft, 11 July 2018, p. 3, bold added)
To achieve all this, a number (23) of objectives is specified for the UN members to fulfill. They encompass the whole migration cycle from leaving the country of origin to returning to the country of origin, including the actual journey, reception in the host country, integration and possibly repatriation. If member states fulfil those objectives, migrants will be granted provisions and opportunities designed to make them stay in their home country if they want to, to travel safely avoiding trafficking if they want to migrate, cross safely and with dignity borders once they get to a destination or a transit country, integrate effectively in the destination country if they decide to stay. All such provisions should not ignore the concerns of the receiving communities, often worried about the social, economic and cultural consequences of migration flows.

If member states commit themselves to do whatever necessary to fulfil those objectives, the international community can expect to extract the highest net benefit from migrations. Such benefits can be extracted if migrants and natives alike are equipped with new rights in each individual member state. Since in most cases those rights imply a command over resources, the question easily turns into a question of efficient allocation of resources. The paper is designed to discuss precisely that question: whether such institutional changes, as required by the Global Compact for Migrations, can generate net benefits to be shared among home and receiving countries and under what circumstances such gains are possible.

When people move countries they do so in search of better conditions. They do so if, once travel costs and the related risks are taken into account, what they can get in the receiving country is less expensive than the home country. Similarly, they move countries if the gains from the sale of their services in the receiving country are higher than the home country. Exchanges are more or less expensive according to the relevant institutional setting. It follows that rights, duties, entitlements, constrains make a difference as to whether a country is more attractive than another one, when it comes to buying and selling. By planning to change the institutional setting, the Global Compact for Migration could make a difference and redirect the migration flows on a more sensible route.

We shall use Ostrom’s notion of property rights to identify, classify and discuss the institutional changes suggested by the Global Compact. It might very well be the case that some of those changes are desirable; some need amending and some are undesirable.

The structure of the paper is as follows. First, Ostrom’s notion of property rights will be discussed and its specific adequacy questioned. Then a brief
illustration of the Global Compact for Migration will be offered. Finally some of the institutional changes of the GCM will be read through the lenses of that notion; some amendment will be also suggested.

2. Property rights

Public debate on the migration issue is often centred upon the conflicting use of economic resources, on the assumption that migrants and natives compete for the same ones: from the sheer use of public space to the fruition of public goods and services; from the labour market opportunities to whatever economic opportunity citizenship grants citizens. Any institutional setting assigns citizens (and maybe migrants) a number of rights (as well as a number of duties) that are expected to affect economic and social outcomes. Any extension or restriction of those rights (and duties) is, therefore, bound to change those outcomes, for the better or for the worse. The Global Compact recommends a new global institutional arrangement and the assignment of new rights to migrants. It is interesting to investigate whether this will imply overuse of some resources and whether inefficiencies may ensue.

Here follows a short list of definitions of property rights. ‘A property right is a socially enforced right to select uses of an economic good’, (Alchian, 1990). ‘An economic property right is one’s ability, without penalty, to exercise a choice over a good, service, or person’, (Allen, 1998). A property right is ‘a claim to a benefit stream that the state will agree to protect through the assignment of duties to others who may covet, or somehow interfere with, the benefit stream’, (Bromley, 1991). ‘A property right is an enforceable authority to undertake particular actions in a specific domain (Commons 1968). Property rights define actions that individuals can take in relation to other individuals regarding some “thing”, (Ostrom and Hess, 2000).

Property rights, therefore, for those who can claim them, imply the possibility to extract benefits from some resource, material or immaterial. Quite clearly, such a possibility needs to be enforceable through a corresponding duty falling upon the rest of the population not to interfere with that possibility. As forcefully noted in Cole and Grossmann (2002) no right can exist without a corresponding duty. If such a duty did non exist, that possibility would turn into a privilege, a power or an interest, but not into a right. This attribute of property rights, albeit with some exceptions, seems to go undisputed.
Conversely, what is disputed is the actual bundle of powers granted by property rights. Here we shall follow Schlager and Ostrom (1992) who develop

...a conceptual schema for arraying property-rights regimes that distinguishes among diverse bundles of rights that may be held by a the users of a resource system. [They] define a property-right schema ranging from authorized user, to claimant, to proprietor, and to owner. (p. 249)

Therefore, if an individual is entitled to a property right he does not need to enjoy a complete bundle of powers. Even if limited to simple access, he may be said to have a property right over that resource. Here follows a table illustrating the various bundles from the simplest to the fullest one. It moves from Schlager and Ostrom’s schema, but is taken from Mello (2016):

<table>
<thead>
<tr>
<th>Powers/facilities associated with the right</th>
<th>Owner</th>
<th>Proprietor</th>
<th>Claimant</th>
<th>User</th>
<th>Entrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Withdrawal</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Management*</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exclusion*</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alienation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Schlager and Ostrom distinguish between operational-level rights and collective-choice rights. While access and withdrawal rights are of the first kind, management, exclusion and alienation rights are of the second. ‘It is the difference between exercising a right and participating in the definition of future rights to be exercised’ (p. 251). While those entitled to access and withdrawal rights cannot rule on any aspect concerning the resource, as they must confine themselves to access it or to withdraw fruits from, those entitled to management, exclusion or alienation rights can rule over the ways to use that resource, over who is allowed in and who is not, and over the possibility of selling or leasing all those rights. It goes without saying that in all these cases we are talking about common-pool resources and not private ones. Property rights on common-pool
resources is precisely what is at stake in the set of commitments spelled out in the Global Compact for Migration.

3. The Global Compact for Safe, Orderly and Regular Migration

The final draft of the Global Compact for Migration was released in July 2018 ready to be discussed and adopted by all member states in Morocco, in December of the same year. It calls on member states to commit themselves ‘to facilitate and ensure safe, orderly and regular migration for the benefit of all’. To this end the signatories are expected to take actions and devise policies designed to establish a number of new rights, and a number of corresponding duties, for migrants and natives alike. Such a new institutional order is expected to turn migrations into a source of benefits for everybody.

This new order is intended to affect the whole migration cycle: from the country of origin, along the journey, to the transit or destination country, and back to the country of origin. Across the globe, people should be free to look for better life and working conditions. However, the search may be too costly for migrants and natives alike. This is why the Global Compact is designed, first of all, to reduce the factors that push people out of their home country. If people leave their country anyway, the Global Compact intends to make the journey as safe as possible. Once in the country of transit or destination, the Global Compact aims at making entry smooth and secure, avoiding detention wherever possible or any other dubious procedure. If migrants are intended to stay in the country, basic services should be provided and full inclusion realized. Finally, migrants who intend to return to their home country should be helped to do so in full security and dignity. By hopefully establishing this new institutional order, the Global Compact for Migration intends to maximize the benefits from migration. To check whether this is a sensible expectation or not, a more detailed analysis of the 23 objectives is required.

First, it must be noticed that if countries commit themselves to do whatever needed to achieve those objectives, economic resources must be spent. It is through the use of public space, infrastructure, government buildings, means of transportation and patrolling and the work of public officials and staff, that those expectations can be met. Should countries pass legislation in accord with the GCM, migrants would be entitled to access and withdrawal from a pool of mainly public resources. Since the GCM invites member states to a collective effort, it is both home and
destinations countries that are expected to enforce those rights. From such a collective effort the international community expects the best possible governance of migration.

A tentative taxonomy of objectives and related actions can be arranged. Prospective migrants can expect actions to be taken in their home country, as they make the journey, as they cross borders, as they attempt to integrate in the destination country, as they try to help those back home, as they try to return home. At any stage of the migration cycle prospective migrants can expect to receive supportive actions designed to make their decision to relocate as beneficial as possible. There might even be cases when those supportive actions are intended to make them change that decision and stay.

The first four (1 to 4) objectives mainly fall to the countries of origin. Those countries are expected to provide prospective migrants with 'proof of legal identity and adequate documentation'. They are also expected to invest in those programmes capable of undermining the push factors, that is, all those factors that push people out of the country. Alongside the countries of destination, countries of origin are expected to collect and provide whatever information is required for a safe and orderly migration. The next six objectives (5 to 10) are designed to make the journey as safe as possible; governments are expected to make all efforts to eradicate trafficking, to address vulnerabilities, and to help with missing migrants. The next four (11 to 14) concern border procedures and management. Migrants should be treated in accordance with international human rights law. Detention should be avoided whenever possible. Consular protection should be accorded in all cases. Objectives 15 through 19 concern life in the destination countries. Migrants can expect to be provided with basic services, like health and education, without discrimination and to be empowered with whatever necessary to reach full inclusion. Moreover, countries are expected to invest in skills development and facilitate mutual recognition of qualification and competences. Migrants therefore can draw on available resources to develop a productive and decent life in the destination country. Finally, objectives 20, 21 and 22 make sure that migrants can contribute to the welfare of their relatives back home through cheap transfer of remittances or return home safely if they intend to do so. Objective number 23 calls upon all countries to cooperate effectively to make sure that migration is safe, orderly and regular.

All along the migration cycle countries of origin, transit and destination are expected, through legislation and other policy measures and prescriptions, to make the lives and the behaviours of prospective
migrants as safe and regular as possible, the ultimate purpose being the maximization of the net benefits from migration. In this new institutional setting, as resulting from the upholding of the commitments included in the Global Compact for Migration, a number of new rights get established allowing migrants to access resources and withdraw benefits from them, in the field of documentation provision, health, education, justice, welfare, safety and security, training, housing, international protection and so on.

Therefore, it looks as if the notion of property rights previously mentioned could be employed in the discussion of the institutional innovation resulting from the upholding of the Global Compact for Migration. If all countries accepted the CGM and took measures to implement that innovation, migrants would be entitled to a new portfolio of rights, which they could not change in any way, let alone sell them.

However, it might make sense to ask whether that portfolio of rights (access and withdrawal) could be extended to the remaining ones listed in Schlager and Ostrom’s paper, i.e. management, exclusion and alienation. The next section will address the question and suggest possible amendments to the GCM.

4. Helping them return or stay home

Migrants are rational human beings who make decisions according to some sensible criteria. The decision to move countries is never a simple one. Leaving one’s home is costly not only for the travel expenses and the risks involved in the journey, but also for the opportunity cost of leaving one’s possessions and one’s loved ones behind. The prospect of a new life in a new country should be enticing enough to make that journey worthwhile.

It goes without saying that all migrants are different and that each of them, to make a final decision as whether to stay or leave, will evaluate differently what they leave behind and what they find at the other end of the journey. There might be cases when what is left behind, even accounting for the risks of the journey, is very little compared to what is found at the final destination. But there might be cases when the end result is not so obvious, and when minor changes in the incentive structure might make prospective migrants reassess their decision and stay in their home country or return, if they had already reached the destination country.

Similarly receiving countries will evaluate whether allowing more people
in brings more benefits than costs. Receiving countries will have to evaluate whether the resources migrants withdraw from the local economic system are paid back through their contribution to society. This kind of exchange may end up being beneficial to both sides: migrants 'pay' for their new life less than what they were prepared to pay; natives receive, from granting citizenship to migrants, more than what they were asking for. But it might also turn out to be beneficial just for one of the two sides. In such circumstances it is very unlikely that the exchange takes place. If the benefits accrued just to natives, migrants would stop moving countries. If the benefits accrued just to migrants, natives would put a halt to the influx.

Such an outcome, i.e. stop moving countries, is inefficient if the exchange is theoretically beneficial. Because of an unequal distribution of the exchange surplus, the exchange might fail. Although migration might produce benefits, the unfair distribution of the surplus prevents it from doing so. Hence, any sensible attempt to redistribute the surplus would reactivate the influx of migrants and generate the implied benefits. Beneficial redistribution can occur as a spontaneous outcome of the 'market' or induced by government intervention. Government intervention is what the Global Compact for Migration calls for. If government intervention succeeded, migrants would be entitled with rights of access and withdrawal that should reproduce the outcome of a spontaneous 'market'.

However, such an allocation of rights, as resulting from the implementation of the GCM may not be necessarily efficient. Since the new institutional setting will not discriminate among migrants, it cannot be ruled out that some of them will not attach that much importance to that set of rights. If they had to pay for those rights, they would not go a long way to acquire them. In case those rights were granted anyway, they would be happy with much less.

It follows that destination countries could offer migrants a compensation to return home or persuade prospective migrants not to leave their home country. Both parties could benefit from this kind of compensation: migrants could get more than the value they attached to that set of rights; natives could pay less than what they would have to spend to secure that set of rights. If such a scheme could be implemented overall efficiency would be enhanced, as those set of rights would be reallocated to those who value them most, i.e. natives.

A simple graphical representation can illustrate the argument. Imagine mimicking a market for citizenship. Let us assume that citizenship is
made up of all the rights granted by the acceptance of the GCM. We can put citizenship on the horizontal axis (as measured, for example, by the number of visas granted) and benefits and costs of that bundle of rights on the vertical axis. A downward-sloping curve could reflect the willingness to pay on the part of migrants; an upward-sloping curve could reflect the costs, on the part of natives, of granting those rights. If visas were allocated according to some mechanism that mimics the market, the optimal number of visas – and hence of migrants allowed in – would be easily determined at the point of intersection of the two curves. If visas were allocated according to some ‘political’ mechanism, it cannot be ruled out that more visas than what was desirable got allocated.

Suppose that Y visas are allocated by means of a political agreement. Y is higher than X, that is the optimal number of visas. Y-X visas are conceded despite the cost of granting those visas is higher than the benefit accrued to the migrants. It follows that those visas can be exchanged for a sum of money that is higher that the value attached to the visa by migrants, and lower that the cost incurred to make the rights associated to the visa easily available. For the marginal visa Y, any price within the interval BC will satisfy both requirements. Thus a number of migrants could be offered money to return home or stay home, that will make them better off. At the same time receiving countries will spend that money more efficiently.

Such compensation schemes are not unknown. As reported in an article published in the BBC World website (Migrants in Germany: Should they be paid to go home, by Rebecca Seales, 15 December 2017) Germany has offered migrants and asylum seekers financial incentives to leave the country. In fact, it is not just Germany that has offered such schemes.
Apparently, as reported in the article, other countries like Australia, Canada and the UK have extensively used them. They seem to work better than forced repatriation.

There is no doubt that the schemes might appear questionable on the ethical side. However, it is worth investigating whether everybody would be better off by means of them. There is scope to wonder whether the set of rights the GCM grants migrants could be extended to include alienation rights. Once the scheme is in place it should be easy to perform a favourable selection of migrants. By setting the compensation at a reasonable level it will be possible to keep in the country the migrants who attach a great importance to the set of rights and let the other ones go.

5. Concluding remarks

Migration has become in recent years a rather sensitive issue. Large economies like the US and the EU have turned more sceptical about the advantages of world trade and international capital markets. No wonder they have turned even more sceptical about the advantages of the free circulation of people. This means that the attitude towards migrants is turning towards reluctance to receive if not sheer hostility. This the cost natives perceive when it comes to secure social and economic inclusion to migrants is getting higher and higher. This should signal prospective migrants that moving countries is getting more and more expensive. However, ‘market forces’ may not produce the best possible allocation of people across the globe. This is why the UN have stepped in to reallocate rights in a more sensible way. The paper was designed to evaluate such an institutional innovation and discuss some possible amendments.

References


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