



## ENDING THE ECONOMIC EXCLUSION OF PEOPLE ON THE MOVE

### CONSIDER THE FOLLOWING SEEMINGLY UNRELATED FACTS:

- Nurses in New York are [striking because of staffing shortages](#) leading to exhaustion and putting patients at risk.
- This past summer in the UK, approximately £60 million of [fresh produce rotted in the fields](#) because no one was available to harvest it.
- Large political movements in Europe and North America are calling for their governments to get illegal border crossings under control, while their immigration policies date from a bygone era.
- The estimated number of people in forced labor worldwide continues to rise, now reaching [28 million](#).
- [12 million refugees have waited in exile](#) for 5 years or more, most of whom are barred from legal employment anywhere.
- In Sub-Saharan Africa, 3x more young people enter the job market every year than the number of jobs created, leaving an estimated [140 million people aged 15 to 35 unemployed](#).

**All these phenomena are closely linked to the systemic economic exclusion of people on the move.** Exploding youth unemployment in low-income countries drives people to leave home for a better life in unprecedented numbers, in addition to those displaced due to war and violence. With most pathways to legal employment away from home blocked, especially for lower skilled workers, people on the move become susceptible to false promises from illicit recruiters, forced labor across borders or across the country, and dangerous, illegal border crossings. Meanwhile wealthier countries, whose policies largely bar foreigners from economic participation, suffer from crippling labor shortages, dangerously diminished services, and rampant inflation – even as they head towards large-scale population decline.

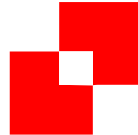
**i** The term “people on the move” is used here to collectively refer to the diverse, yet often overlapping groups of people who leave their place of origin under conditions of hardship and in search of a better life. This may include labor migrants, refugees, asylum seekers, irregular migrants, and trafficking victims, among others.

**Clearly, the global movement of people is and will be a defining issue of the 21st century.** However, it is an issue that has largely been passed over by funders, practitioners, and researchers relative to its scale and impact. At any given time, over 1 billion people are moving, have moved, or have declared a desire to move across borders,<sup>1</sup> including nearly 300 million current migrants and displaced people.<sup>2</sup> At least another 800 million<sup>3</sup> are internal migrants within their own countries. These people – nearly a quarter of the planet’s population – include some of the world’s most vulnerable, and their number will continue to grow dramatically with demographic trends and

climate change. However, economic inclusion for migrants has typically been treated as a niche issue (or in some cases a primarily political issue) addressed by a handful of dedicated problem-solvers, researchers, and activists, and supported by only a few specialist funders.

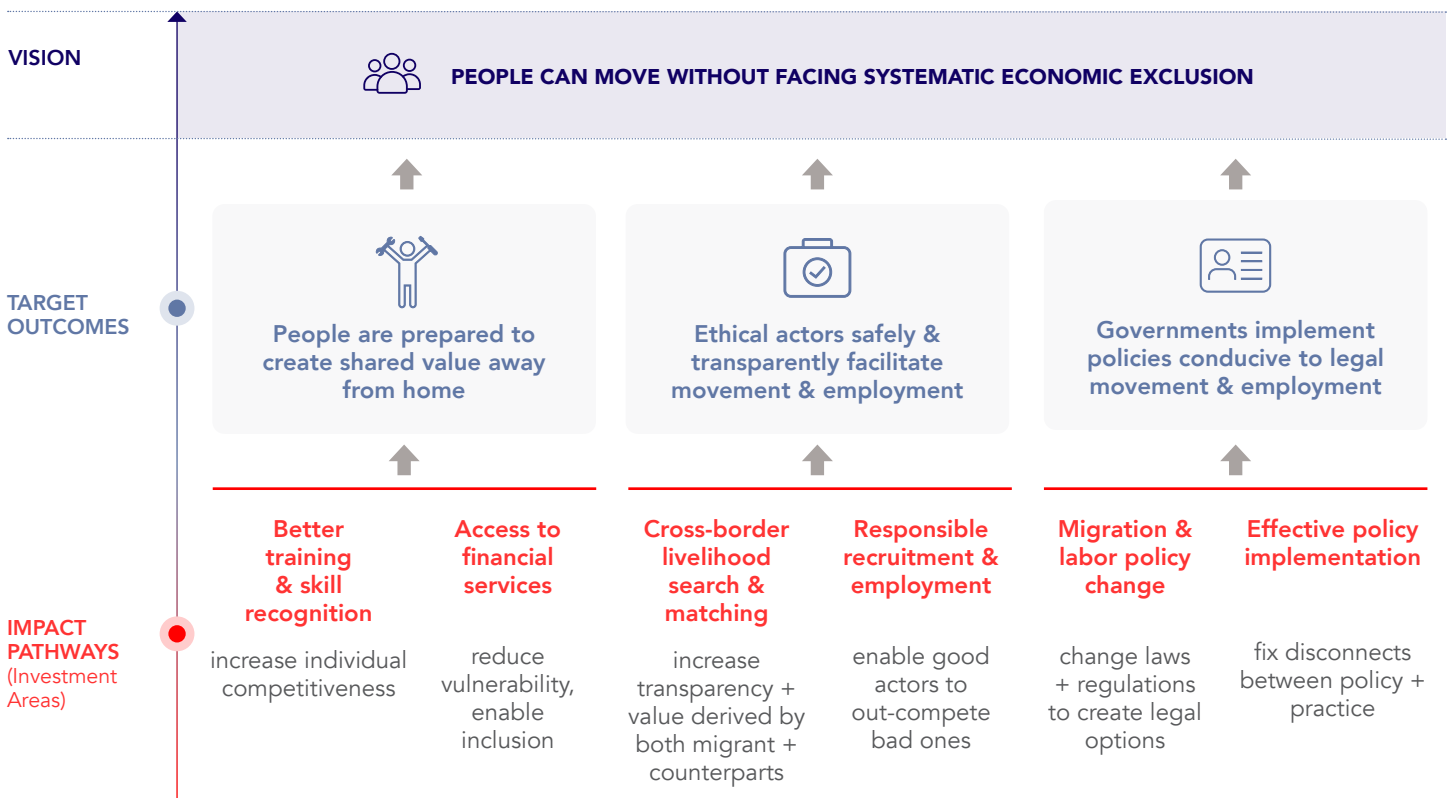
**We are looking to change this.** Through the Global Development Incubator’s (GDI) portfolio of work with labor migrants, trafficking victims, and displaced people,<sup>4</sup> we identified a macro need for greater global action, and launched an internal effort called People on the Move. We have spent over a year surveying the landscape of current initiatives and funders and listening to people on the move in every region of the world.<sup>5</sup> From these inputs we created a theory of change for a proposed new field dedicated to ending the economic exclusion of people on the move, as a primary means to supporting their human rights. We have also developed a human needs framework for practitioners, mapped major funding opportunities, and identified specific bright spots.

We are now issuing a call to action, and gathering funders, practitioners, and researchers to collectively answer this call.



## THEORY OF CHANGE FOR ECONOMIC INCLUSION OF PEOPLE ON THE MOVE

Our vision is a world where people can move without facing systematic economic exclusion. Such a world would be marked by greater prosperity, innovation, and resilience. The most disadvantaged migrants could see 10x income gains from this vision, though they are far from the only group to benefit. There are also tremendous gains to be had for both the countries receiving migrants to (e.g., economic growth, solving worker and skill shortages, better-managed borders) and countries of origin (e.g., more opportunities for trade, productive use of remittances, and human capital investment). We put forward a field-level theory of change for achieving this vision:



## **We identify three target outcomes to realize this vision, with several critical underlying areas for investment needed to achieve them:**

**1) People are prepared to create shared value away from home.** Equipping people with valuable skills and tools to thrive outside of their home region increases the opportunity for mutually beneficial economic participation and reduces their vulnerability to exploitation. Critical investment areas are:

- **Better training and skill recognition** – Investments in building skills, including language competencies relevant to global job markets, or meaningfully credentialing the existing skills someone may have, can unlock outsized value that people on the move can create for themselves, employers, and communities.
- **Access to financial services** – Education of both financial service providers and migrants can increase the usage of basic financial services critical to the economic participation of all. Developing and offering financial products for migrants can help them manage risk and prevent over-indebtedness.

**2) Ethical actors safely and transparently facilitate movement and employment.** Leaving home is never an easy decision, and people who do take this step typically lean on facilitators. Global migration should be managed by a well-regulated recruitment and employment industry, enabling people to make informed decisions that improve their lives and avoid danger and deception. Interventions include:

- **Better cross-border livelihood search and matching** – Increased availability of information about job opportunities, or the skills present within populations, can open new opportunities for both employers and workers alike. Increased transparency makes it harder for unethical actors to take advantage of desperate workers or use information monopolies for extortionary purposes.
- **Responsible recruitment and employment** – Investment combined with effective incentives can catalyze a shift in the recruitment market to one dominated by responsible businesses, who eliminate high up-front fees to workers and ensure that employment terms are clearly disclosed and respected.

**3) Governments implement policies conducive to legal movement and employment.** Transformative change will require widespread policy shifts, and better implementation to protect and include migrants. While small, vocal contingencies may strongly favor or oppose migrants, an uncertain majority could support economic inclusion of people on the move if their concerns are properly addressed,<sup>6</sup> enabling win-win coalitions that can transcend political binaries. Investment is needed for policy advocacy and technical assistance:

- **Migration and Labor Policy Change** – In place of bans and quotas, countries that receive migrants need policies that channel people through well-managed gateways to legal employment and economic integration. Countries where migrants originate will need policies to regulate recruitment, promote access to foreign labor markets, and incentivize local investments from their diaspora communities.
- **Effective policy implementation** – Governments in countries of origin will also need to improve their abilities to enforce regulations and deliver services to migrants. Governments of countries receiving migrants will need to improve communication and streamline their processes across departments and agencies, with greater accountability for outcomes to people on the move and their employers.



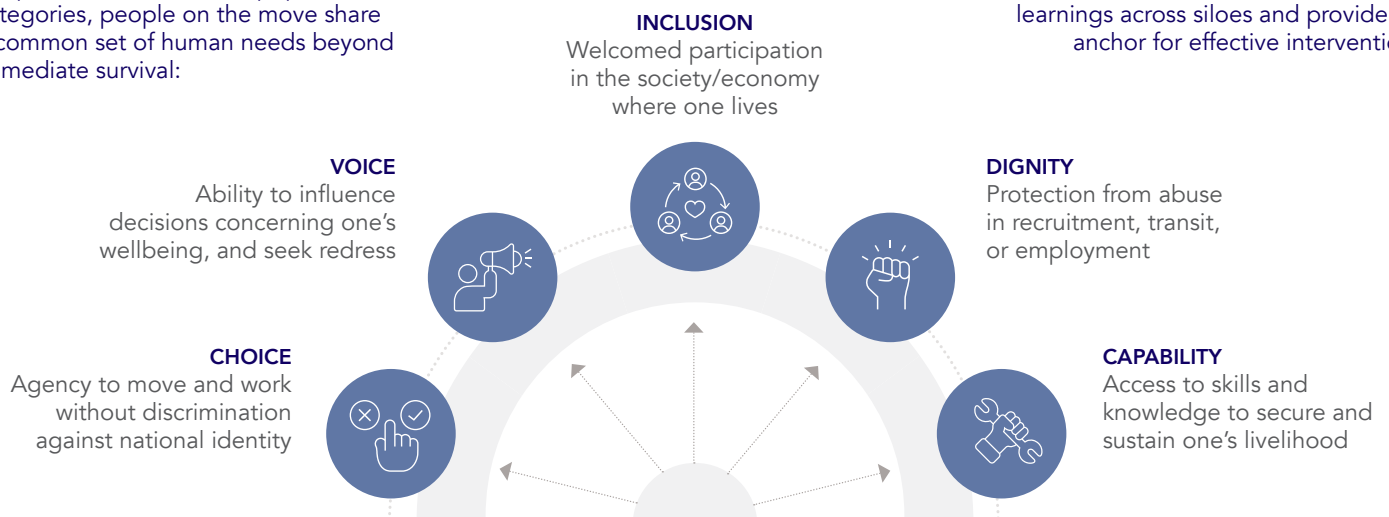
## CALL TO ACTION: PRACTITIONERS

We are calling for practitioners to take a human-centered, holistic approach to supporting people on the move, inspired by efforts to expand the range of potential interventions. Support for people on the move has been weighted towards emergency response. The following framework looks beyond immediate survival and reflects what people on the move have told us about what they need. This framework highlights five common, often interdependent, areas of human aspiration – choice, capability, dignity, voice, and inclusion.

### A human-centered way to think about supporting people on the move based on their needs.

Despite often-segmented population categories, people on the move share a common set of human needs beyond immediate survival:

Orientation around these needs can reveal learnings across siloes and provide an anchor for effective intervention.



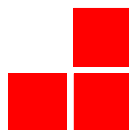
### Recommendations for practitioners targeting people on the move:

- Design interventions in view of the full range of needs of people on the move – While not every intervention is intended to fulfill each of these needs, it is important that the ecosystem as a whole does. Interventions are prone to failure when one or more vital needs are overlooked (**e.g., dignity without choice, or capability without voice**). New partnerships may need to be formed, even across traditional siloes of work, to be able to meet these needs.
- Invest in creating more agency for people on the move – Practitioners must recognize that people on the move greatly desire, and yet are often denied, even basic levels of agency in determining the course of their lives. Prioritizing voice and choice will require a more empowered perspective from those working towards advocacy goals - they should no longer view the existing policy restrictions on legal movement and employment as immovable barriers, but rather as opportunities for systems-level change.

### Recommendations for practitioners working with other populations that may intersect with people on the move:

- Understand and address the challenges unique to migrants when they are represented among vulnerable populations – Migrants make up a disproportionate share of trafficking victims, the urban poor, and youth seeking employment. Efforts in support of these vulnerable populations should consider how being on the move compounds the existing challenges these groups face.

- Include opportunities across borders in job-training, livelihood, or education efforts – Livelihood programming for people in poorer countries usually excludes those who want to work or learn in rich countries, and some “root causes” programs are explicitly designed to deter people from migrating. When practitioners (and funders) do not incorporate pathways for better livelihoods across borders, job seekers may either be denied access to life-changing opportunities or be left vulnerable to fraudulent and abusive offers for work abroad.



## CALL TO ACTION: FUNDERS

**Elevate people on the move as a funding and investment priority.** Given the unprecedented demographic changes underway, migration will rival climate change in its impact on the 21st century. However, it is a drastically under-funded issue, especially outside of short-term humanitarian aid for refugees. Only 0.4% of Official Development Assistance (ODA) and 0.5% of private foundation money for sustainable development plausibly goes towards economic inclusion for migrants or displaced people.<sup>7</sup> Issues like the expansion of safe and legal mobility channels, integration of displaced people, and ethical recruitment should be either standalone verticals or cross-cutting themes within existing portfolios such as climate and livelihoods; but they have been relatively ignored.

Our theory of change presented earlier identifies major investment areas for funders to prioritize. But for each investment area, different types and sources of funding are needed, including flexible funding, restricted funding, and recoverable investment.

### TYPES OF FUNDING NEEDED TO PURSUE THE VISION



#### Equipping individuals



#### Ethical facilitation



#### Policy shifts

**Better training & skill recognition**

**Access to financial services**

**Cross-border livelihood search & matching**

**Responsible recruitment & employment**

**Migration & labor policy change**

**Effective policy implementation**

<b>C</b> Impact investment/patient capital to support businesses who responsibly deliver services to people on the move	<b>A2</b> Flexible, private funding for advocacy, narrative change, and coalition-building efforts	<b>B2</b> Bilateral and multilateral development assistance for government capacity to implement inclusive policies
<b>B1</b> Foundation or aid agency programs to help people access existing opportunities (jobs, education, finance) across borders		
<b>A1</b> Innovation grants to design or scale new solutions and models		

**A** Flexible: results-based or unrestricted funds

**B** Restricted: grant/aid programs

**C** Recoverable investment

**A) Flexible private, philanthropic funding** should support the development of innovations, and policy advocacy efforts. Donors with a higher risk tolerance and/or the ability to provide flexible funding are needed to support research and development of new innovations across multiple investment areas, including skilling, financial services, job matching, and responsible recruitment. Flexible funding is also needed to support the operations of organizations who pursue systems change through activities like narrative shaping and coalition building for policy change. Proxy intermediaries – such as philanthropic collaborative funds – like this exist in other issue areas and could be models here (see “What’s Next?”).

**B) Restricted grant and aid program funding** should be expanded to equip people on the move and build government implementation capacity. There are a growing number of opportunities to help people access transformative, cross-border livelihood options including language training, skilling and certification, and educational finance. This funding can be unlocked by expanding the scope of existing livelihood generation, access-to-finance, and government capacity building activities to include people on the move.

**C) Recoverable investment** (impact investment/patient capital) should fuel the emergence of businesses to facilitate and sustain access to opportunities for people on the move. Impact investment has often targeted sectors like agriculture, health, and education while missing out on significant opportunities for impact and returns by supporting people on the move. Blended finance, high-risk debt, and/or venture funding are all useful vehicles for launching responsible recruiters, job matching platforms, financial service options, and critical skills training for people on the move.

## WHAT’S NEXT?

### Backbone Organization and Funder Table

GDI seeks to stand up People on the Move as a backbone organization that will convene a funder table, identify even more “bright spots” and solutions to be scaled, and highlight gaps in the space. As part of that work, we intend to launch a Global Mobility Fund to deliver transformative income gains across borders through individual education, ethical facilitation and policy shifts. The fund would be used to seed innovations, scale bright spots, and increase the evidence base on impact. These investments would help unlock other types of funding needed to pursue the vision of ending the economic exclusion of people on the move. We imagine working with donors and practitioners to identify opportunities to align funding beyond this pooled fund as well. Along the way, we will prioritize the voices of people most impacted by the need for an inclusive global economy. We welcome funding partners and ideas for collaboration, shared learning, and co-investment.

- Jason Wendle, Director, GDI

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## REFERENCES

1. Gallup. 2023. [‘Nearly 900 Million Worldwide Wanted to Migrate in 2021’](#)
2. Extrapolated from UNDESA estimate of 281 million international migrants in 2020
3. Conservative estimate from UNDP’s (2009) Human Development Report
4. Including [RIN](#), [LaMP](#), [Malengo](#), [GFEMS](#), [RSRI](#), and [MRC](#)
5. We spoke to over 300 people at 130 organizations, including over 100 people with lived experience.
6. Sunder Katwala and Will Somerville. 2016. ‘Engaging the Anxious Middle on Immigration Reform: Evidence from the UK Debate.’ Migration Policy Institute. <https://www.migrationpolicy.org/research/engaging-anxious-middle-immigration-reform-evidence-uk-debate>
7. GDI estimate based on data from OECD’s Common Reporting System data from 2018-2021. “Economic inclusion” includes livelihood trainings, secondary/post-secondary education assistance, labor protections, employment assistance, improved financial services, and safer migration.