

Migration is good for the Pacific

by Stephen Howes

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Cook Islands became rich in part through migration

Photo Credit: [Facebook/thecookislands](#)

The debate over whether migration is a positive or negative for the Pacific is a long-standing one. Bernard Poirine’s 1995 paper “[Should we love or hate MIRAB](#)” set out both sides of the argument, and why he thought both migration and foreign aid were positives for the Pacific.

Naren Prasad’s blog “[The Pacific’s remittance dependence: labour out, cash in](#)”, published on this site on 6 February, is the latest contribution to this debate. Prasad echoes many of the arguments summarised by Poirine and made more recently [on this blog](#) by David Abbott and Steve Pollard (based on their 2019 “[Mired in MIRAB](#)” paper). Prasad argues that the Pacific is at a worrying turning point and that its growing remittance dependence is bad because it threatens the viability of Pacific island economies and reduces the political urgency for reform.

I disagree with Prasad and in this rebuttal I argue that he ignores the facts, puts forward weak analysis and fails to provide useful migration policy guidance to Pacific governments.

First, the facts. There are only [four high-income Pacific countries](#) (excluding colonies) in the Pacific, and three of them have had massive out-migration: Cook Islands, Niue and Palau. If migration is so bad for you, how have these three countries been so successful?

At the same time, the poorest countries in the Pacific (Solomon Islands and Kiribati) are among the ones that have had the least out-migration.

Also, as I have shown in [my analysis with Rubayat Chowdhury](#), in the 2010s the Pacific island region was the fastest growing region in the world — in part because of growing remittances. So where is the worrying turning point that Prasad is talking about, and why does he paint such a bleak future?

Second, the analysis. Prasad focuses on remittances. The three high-income Pacific countries I mentioned above — Cook Islands, Palau and Niue — all got rich

by migration (as well as by tourism and rents), but not by remittances. None of them has a high ratio of remittances to GDP. Rather migration helped them get rich by increasing income for those left behind. Tourism cannot expand indefinitely in most Pacific countries and income sources such as fishing licence revenue and foreign aid are largely or completely independent of population. So, for these economies, a smaller population at home is a richer population.

Prasad argues that without migration Pacific economies would be more viable. But, of the Pacific island economies, only Nauru has managed to make it to high-income status without migration, and that is because of its extraordinary regional processing centre arrangement with Australia. Would middle-income countries such as Tonga and Samoa be more viable (richer) without migration? These small island economies are so isolated that they cannot industrialise and their potential to export services is limited as well. Stop or limit their peoples' ability to live and work overseas and you reduce not increase their viability.

Cook Islands, Niue and Palau not only are high-income countries, but they all have stable populations. They *are* viable. The question we should be considering is not whether Pacific economies can be viable with migration, but whether they can be without. I would suggest that Nauru is the exception that proves the rule.

Prasad's other purported negative feedback mechanism from migration to growth is that without migration there would be more pressure for reform and therefore better governance. It is very hard to know what might improve governance where it is weak, but if less migration was one way to do it, then we would expect to see better governance in places without much migration, such as Nauru and Solomon Islands. We don't. The basic problem with politics in the Pacific is that it is **clientelistic**. More or less migration is not going to change that.

Some of Prasad's lines sound compelling but do not survive closer scrutiny. No country has ever got rich from remittances, argues Prasad. Fair enough, but, as I've argued above, some Pacific countries have nevertheless got rich through migration. And, even if that wasn't true, so what? No country has ever got rich from agriculture (at least not since the era of decolonisation). Does that mean agriculture should be discouraged or deplored, or that we would write it off as a development strategy? Of course not.

A final problem with Prasad's paper is that it has very little guidance for Pacific countries as to what their migration policy should be. An implication of his analysis is that Pacific countries should limit migration opportunities for their citizens. But Prasad avoids this conclusion by falsely claiming that states cannot stop people leaving. But Pacific governments could, simply by not signing up to (or by

withdrawing from) the various New Zealand, American and Australian arrangements that provide out-migration opportunities for their citizens.

Does anyone really think a Pacific country would be better off by not taking part in Australia's PALM or PEV or New Zealand's RSE and PAC/SQ? I don't, and I'm yet to meet a Pacific leader who does. In fact, there are a growing number of Pacific leaders calling for **freer movement of people across the Pacific**.

There is no doubt migration does pose some serious challenges. I recently drew attention to the **significant depopulation** occurring because of migration in FSM and RMI. Pacific governments should focus on training, on making inward migration easier, and on making it more attractive for residents to stay. Of course, as Prasad says, they should improve governance. But they should not attempt to limit outward migration. Because a Pacific with more migration opportunities is clearly better off than one with fewer.

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