



Proposal for General Support:
Accelerating research and policy solutions to increase labor mobility for development
January 2014

Overview

[The Center for Global Development \(CGD\)](#) gratefully submits this proposal to Good Ventures, in partnership with GiveWell, in consideration of a grant of \$1,184,000 million over 3 years for general support. The proposed collaboration would allow CGD to extend our contributions in areas of global development policy that have a particularly significant impact on improving the lives of the poor.

[The Center for Global Development \(CGD\)](#) is an independent, nonpartisan, non-profit “think-and-do tank” that works to reduce global poverty and inequality through research and active engagement with the policy community. Headquartered in Washington, DC and with a rapidly-growing presence in Europe through its newly-formed London-based office, CGD engages in work that melds rigorous research with strategic outreach and communications aimed at informing, promoting, and provoking meaningful policy change. We aim to identify and promote practical policy innovations in areas such as trade, migration, aid, global health policy, education, climate change, private investment, access to finance, and more to foster shared prosperity in an increasingly interdependent world.

CGD, now in our thirteenth year, has a strong track record of moving [ideas to action](#), and a well-established audience and an influential network that depend on the value that the Center brings to policy debates. The Center has influenced the policies of international financial institutions, the G-8 and G-20, and the US government—for instance, creating Advanced Market Commitments (AMCs) for vaccines, promoting a \$1 trillion package to help developing countries respond to the global financial crisis, and fostering the International Initiative for Impact Evaluation (3ie) (see CGD’s [Impacts](#) page for details). CGD is now the leading US think tank on development policy, recognized for its “outsize influence among decision-makers” (*The Washington Post*, November 20, 2010).

Migration as Development

Through this proposed partnership, CGD seeks additional support to extend our contributions in areas of development policy that have been proven to have a particularly significant impact on improving the lives of the world’s poorest. We have oriented the research toward what we perceive to be key information and analytic gaps that exist or are likely to emerge over the coming two to three years. While some of the work – such as [Cash on Delivery \(COD\) Aid](#) – is a direct outgrowth of our existing portfolio, we are also proposing some new concepts that we believe are responsive to emerging questions and will provide high impact returns. For example, we believe that issues around corruption within aid programs are likely to become much more prominent over the next several years, and that there is a real opportunity for a measured, proactive and independent perspective on how the aid community can practically and effectively address those concerns. Similarly, we believe there is now a unique policy window to leverage the power of modest changes in [migration and labor mobility policies](#) to deliver win-win propositions for migrants, destination countries, and origin countries alike. General operating support can leverage our current strengths that reach into relatively new territory where CGD’s “ideas to action” model adds special value.

Over the past seven years, CGD, through work led by senior fellow [Michael Clemens](#), has emerged as one of the leading sources of rigorous, independent analysis, fresh thinking, and successful policy proposals at the intersection of [migration and development policy](#). Migration and labor mobility, as Clemens has shown, are central to economic opportunity for hundreds of millions of people living in poverty. Not only do remittance flows make up a high percentage of economic activity in many developing countries, but an individual’s country of residence accounts for the majority of global variation in income. Clemens’ research,

highlighted in CGD working paper, “[Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?](#),” shows that economic gains from eliminating migration barriers would be substantial and far higher than those associated with removing other types of barriers. For example, while the elimination of trade policy and capital flow barriers are estimated to lead to gains of less than a few percent of world GDP, the estimated gains for the elimination of labor mobility barriers are in the range of 50–150 percent of world GDP.

Clemens’ work on migration and labor mobility is a cornerstone of CGD’s mission and global development policy more broadly, as it focuses on the potential for policy changes in wealthy countries to act a tool for growth by providing economic opportunities for the world’s poorest. Through migration, governments have the potential to unlock an extraordinarily powerful engine of economic development and poverty reduction. Clemens’ work shows how migration policies can benefit destination and origin countries alike—for example if they are designed to facilitate an inflow of workers in shortage areas—and both meet country labor demands and provide safer opportunities for migrants.

This level of general operating support would amplify CGD’s impact by allowing our researchers to dive more deeply into and extend the scope of their work on various aspects of development policy. Specifically, this support would further Clemens’ work, which covers a broad scope of migration and labor mobility issues through which CGD aims to bring well-researched facts to light and inform policy debates with regard to how migration can be a low-cost, effective solution in the battle against global poverty. The expanded work program would include:

Better understanding the effects of labor mobility. How does the movement of people affect those left behind? How about the prospects of those in the receiving county?

- *Effects of Health Worker Migration on Developing Countries.* Health worker migration has been among the most controversial aspects of global labor mobility, but the real effects of this movement on developing country health capacity and outcomes are very poorly understood. Through rigorous analysis of the effects of health worker migration on their countries of origin, CGD will explore the issue of whether or not health worker emigration contributes to poor health outcomes in low-income countries. What policies, both positively and negatively, affect health workers’ ability to migrate, and how to possibly improve the quality of health treatment in the countries of origin?
- *Effects of Immigration on Native Employment.* Effects on the receiving country labor market are also highly controversial. Clemens will investigate the effects of immigration on native employment utilizing evidence from the unique experience of South Africa to see how immigration affects the employment status and wages of workers. Specifically, how a large influx of low-skill labor affects labor market outcomes and what effect did the end of apartheid have on both white and black South Africans employment and wages? What factors affected individuals’ propensity to migrate to a different part of the country?
- *Skilled Emigration and Skill Creation.* This work will build on a [preliminary exploration](#) employing more advanced statistical methods to investigate how the prospect of emigration and/or migration affects investment in education, and in the case of Fiji, was the increase in human capital investment large enough to outweigh the flow of skilled worker departures?
- *Economic Effects of Opening and Closing Borders.* CGD will comparatively examine the cases of Comoros and Mayotte and explore implications for broader lessons learned. How were Mayotte’s citizens and economy affected after the island became a French overseas department? Comparatively, how do opportunities for migration affect their respective local economies, and what are the implications for other countries and global migration policy more broadly?
- *H1-B Visa Workers Effect on the Productivity of Native Workers.* Additional research targeted at firms and hiring organizations will explore how substitutable (or not) are American and foreign workers

in the sectors targeted by H1-B visas. Are H1-B workers more qualified and productive and what does the evidence show that they do after their visas expire?

Proposing new mechanisms for more efficient labor mobility. Can we develop models to help address labor shortages in both rich and poor countries simultaneously? What types of policies can enhance the benefits of migration for countries and migrants?

- CGD will launch a *Working Group on Designing and Evaluating Bilateral Low-Skill Labor Mobility Agreements* to consider opportunities for bilateral labor mobility treaties between high and low income countries. Clemens' work on *Global Skill Partnerships* will identify lessons from case studies (likely from Tunisia and Morocco) that could be applied in other countries as a pilot program.
- CGD's ongoing work on [Migration as a Tool for Disaster Recovery](#) will continue to explore both marginal changes to migration policy and more ambitious policy initiatives that will allow migration to compliment traditional humanitarian relief and disaster recovery efforts. Nearly all high-income countries have systems in place to assist victims who classify as refugees when they flee their homelands; however, the international community and high-income countries individually lack any mechanism to assist those who flee because of natural disasters.
- CGD will explore the possibility of a *Working Group on Creating a Migration-for Development Unit within the US Government (USG)*. This effort will leverage the Center's strong networks inside the USG as well as our credibility as an independent source of research to explore how particular agencies and departments could integrate migration policy issues into their development activities.

Through the proposed work program, CGD will seek to bring data to a debate that has too often been conducted in the absence of empirical evidence, with the aim to raise the profile of global migration issues on national and international agendas, develop norms and standards for the effective governance of migration, and disseminate migration research in a digestible format to policymakers. Ultimately, CGD aims to shape migration policies that have the potential to generate labor market efficiencies and vastly improve the economic prospects of those living in low-income countries.

Estimated Budget

The estimated total cost for the work outlined in this proposal is \$1,184,000 over three years. This figure covers 75% of Clemens' time, as well as relevant research, program, and policy support, including CGD president [Nancy Birdsall](#), chief operating officer and senior fellow [Todd Moss](#), vice president for communications [Lawrence MacDonald](#), senior fellow [Lant Pritchett](#), research fellow [Justin Sandefur](#), our policy outreach team comprising [Beth Schwanke](#) and [Erin Collinson](#), relevant research and program support as well as travel expenses and consultant fees. CGD would be delighted to share organizational budget details upon request.

CGD Research & Working Group Methods

CGD's analytic work is based on a range of empirical methods, from econometric modelling (for example, impacts of migration, drivers of market competitiveness, forest cover based on satellite data) to case studies (for example, global health and education, fragile states, financial access, African development) to policy analysis (for example, Millennium Challenge Account Monitor, HIV/AIDS Monitor, microcredit, aid effectiveness). CGD's senior research cadre includes economists and political scientists, most of whom also have direct policy experience working inside government or a major financial institution.

CGD has had positive experiences with the use of working groups and commissions to feed new thinking into its work program. These collective exercises are a means to benefit from excellent contributions from practitioners, members of the policy community, academics and others outside of its modest-sized organization. The groups collaboratively shape practical policy solutions so that, when the ideas enter the world, they already have many champions. Over time, CGD has systematized some elements of working group processes, so that the groups can function efficiently and in ways that benefit from the lessons of

experience. CGD deploys the working group method when the policy problem demands it—that is, when solutions can be identified through a combination of additional analytic work and the building and communication of a technical consensus.

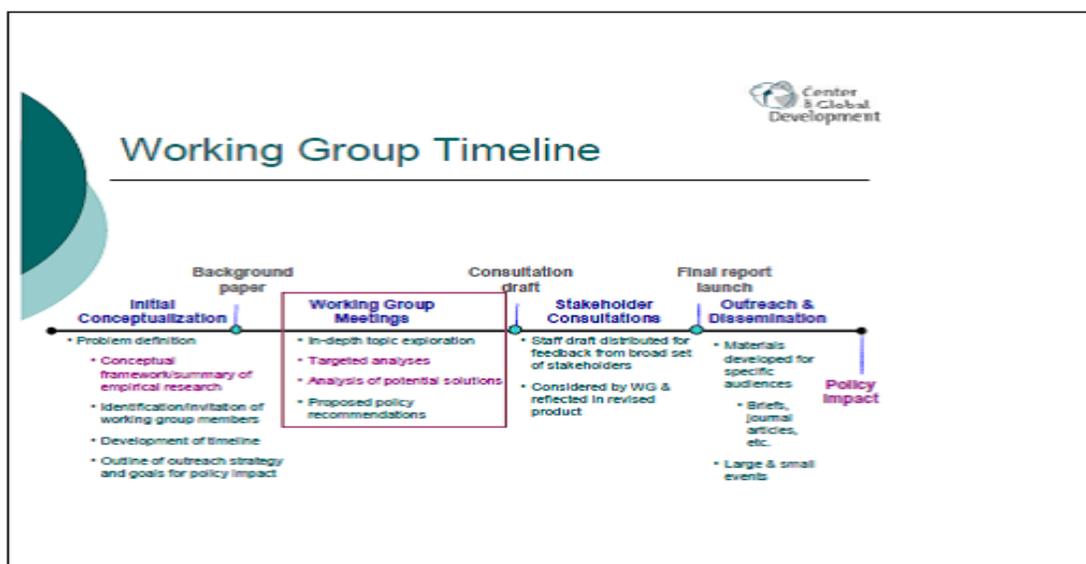
CGD Communications & Outreach Methods

One of CGD’s key functions is to ensure that its research products and policy recommendations reach policymakers, advocates, and the general public. To accomplish this effectively, CGD has developed strategic communications tools including: policy briefs that synthesize research and policy recommendations; issue briefs that offer short and timely analysis of key issues of immediate policy importance; strategically-timed events that draw current and former policymakers, academics, analysts and advocates from both developing and rich countries, and members of the media; and a website that features CGD’s experts, work and outreach activities.

CGD believes that one of the factors underlying its success to date is the integration of communication and outreach strategies into the policy research process from an early stage. Rather than ignoring the value of communication until the phase of disseminating results, CGD has established a practice of identifying key targets and constituencies for the work from the planning phases and engaging both research and communications teams early. Our experience suggests that such an approach significantly raises the chances of successfully bringing the policy research to action.

At a Glance: Additional Summary Information of CGD Communications & Outreach

- “Building a Think-and-Do Tank: A dozen lessons from the first dozen years of the Center for Global Development,” Todd Moss and Lawrence Macdonald (*advance pre-publication version attached*)
- [About CGD Working Groups and Commissions](#)
- CGD Paper: “[Learning while doing: A 12-step program for policy change](#),” Lawrence MacDonald and Ruth Levine, February 2008.
- Video (15 minutes): [Nancy Birdsall Discusses CGD’s Twelve-Step Program for Policy Change](#), November 26, 2012.



Tracking CGD’s Influence & Impact

Implementing Lessons Learned through CGD’s Strategic Review

In 2011, CGD took the opportunity of our 10th Anniversary to reassess our methods and reaffirm our priorities as we continue to strive for impact. CGD engaged with the Redstone Strategy Group (Redstone)

to conduct a strategic review and evaluation framework. Through external interviews, staff engagement, and a review of CGD's current practices and policies, the evaluation was designed to focus primarily on how to evaluate the Center's impact and influence and how to communicate CGD's value added to external stakeholders.

As a result of the Redstone strategic review process, CGD jointly developed an experimental Expected Return (ER) exercise, a tool that was adapted to the particular think-tank model of Research→Policy change→Real World Outcomes with the goal of assisting the process measuring and tracking CGD's impact in meeting its mission of making the world a more fair and prosperous place. The ER Tracker is a scoring system through which researchers input (a) project objectives and definitions of success; (b) quantitative raw benefit estimates; (c) four ratings indicating CGD's contribution; (d) five ratings for likelihood of success; and (e) cost estimates. The result is a scorecard to visualize the steps and barriers to reaching the outcomes and an initial estimate of the rate of return on the project.

During the Center's annual Board of Directors retreat in 2012, CGD conducted a session on ER where groups of 6-8 research staff tested an ER exercise on a CGD research topic, followed by an open reporting and feedback session. Also in 2012, CGD built an online ER Tracker on its internal intranet site (launched in September) that enables staff to make their selections on 8 screens and then view/save the results in a single, one-page scorecard.

During an initial pilot period in 2012- 2013, research staff completed 14 pilot ER Tracker exercises and management solicited initial feedback from participants. Overall feedback of this exercise has been cautiously positive. The general conclusions reached by staff were that: (a) ER is useful for some of CGD's activities, but quite difficult to apply and perhaps inappropriate for others; (b) the process of thinking through linkages, identifying CGD's role, and scoring the potential barriers to success was much more useful than the specific rates of return calculations, and (c) conducting the exercise using the online tool was relatively efficient and not considered a significant burden on researchers.

For the current phase of the pilot period in 2014 CGD will proceed as follows:

- The leader of any set of activities proposed to be identified as a new [Initiative](#) on the CGD website will be asked to complete an ER Tracker as part of their proposal package. Management will also ask for an updated ER once per year per initiative, as part of the regular review of all initiatives and decisions on which to archive. By pairing the ER Tracker with existing processes (including approval of new initiatives and annual review of existing initiatives), CGD hopes to embed this as part of its institutional culture.
- All senior and research fellows will be asked to complete at least one ER Tracker exercise each year on a project of his or her choosing. The resulting scorecard will become part of their annual review process.
- A mini-committee of [Todd Moss](#) and [Lawrence MacDonald](#) and one senior fellow has been formed to consider substantive and presentational changes to the ER Tracker, report annually report to the management team on ER, and propose any changes in the exercise's internal or external use.
- CGD management will review progress on this exercise in May 2014 and adjust as necessary.

Broader Monitoring and Evaluation

1. CGD Dashboard. As part of the broader effort to increase CGD's influence and impact, and to address the fact that ER exercises cover only a portion of the Center's work, CGD will experiment with an internal Dashboard that will track key indicators within three categories identified in the Center's work with Redstone. These are: 1) Institutional Metrics, e.g. revenue and budget indicators, reserves and assets as ratio of budget staffing; 2) Reach/Output Metrics, e.g. publications and events; and 3) Engagement Metrics, e.g. web traffic, media mentions, scholarly citations, and the ER tracker. While CGD strives to track and share most of the data on these metrics, the additional contribution of the Dashboard would be to bring these together in a single graphical interface in order to more readily track these metrics and provide a basis for ongoing improvements and mid-term corrections as needed. CGD aims to complete the construction of a Dashboard prototype in 2014, and will look forward to sharing the results with our supporters then.
2. Impacts Database and Influence Database. Tracking CGD's impacts and influence—even in minor ways—is crucial to the Center's effectiveness as a think-and-do, ideas-to-action institution. In light of this, in July 2012 CGD's communications team updated and revamped its internal Impacts and Influence Database in the Center's intranet. This database is a complement to the ER exercise, but one that also captures smaller impacts such as media citations, congressional testimonies, briefings to high-level officials, publications, dialogue with policymakers, etc. CGD would be happy to provide screen shots or additional information on this database upon request.
3. Policy Pitch Tracker. While CGD is continuously revisiting the way in which it tracks and measures impact and influence—in part through internal regularly-updated Impacts and Influence Database—until August 2013 it lacked a mechanism for tracking mere attempts at influence (as one of CGD's economists quipped, it's a bit like the need to register randomized controlled trials when they are launched; as without such a registry it's impossible to know what has been tried in the past). After several internal discussions regarding the best way to keep a record of attempts, under the leadership of the Center's policy outreach team the Center has recently launched a trial version of an internal policy pitch tracker. This tracker will also be continuously updated and will provide a record of CGD policy pitches—aka highly targeted suggestions for a specific action to a specific individual—as they are made, even if no immediate outcome or impact ensued as a result. A screen shot of the current iteration (still in beta form) of preliminary entries in this new exercise can be shared upon request.
4. External Evaluations. With an eye towards remaining as transparent as possible to the Center's investors, supporters, partners and networks, in October 2013 CGD publicly posted the two strategic reviews that we have undergone since our inception. These are available on a new page on CGD's website entitled [Evaluations of CGD](#), and include the [Redstone summary memo](#) along with an [evaluation conducted in our fifth year by Arabella Advisors](#). In addition, CGD will be moving forward with additional external evaluations in the future, including an external assessment that will be conducted as part of the Center's existing Accountable Grant agreement with DFID and begin in early 2014. This assessment will involve DFID's selection of an independent, third-party evaluator to assess areas of all four policy-research organizations currently engaged in accountable grants with DFID.

Conclusion

Support from Good Ventures would allow CGD to build on the strengths and knowledge base developed over the past thirteen years, while accelerating the Center's work on migration and labor mobility to generate new, evidence-based research and policy proposals to inform those development policies that have the potential to vastly improve the lives of those living in low-income countries. CGD is grateful for the opportunity to submit this proposal, and looks forward to ongoing collaboration with Good Ventures and GiveWell. Please contact Katie Douglas Martel (kdmartel@cgdev.org, 202.416.4082) or Todd Moss (tmoss@cgdev.org, 202.416.4059) with any questions or for further details.