

# Migration and Development: Perspectives from the South

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# Chapter 1

# INTRODUCTION

by

Stephen Castles  
and  
Raúl Delgado Wise



Suddenly, “migration and development” is the flavour of the month. For many years politicians and officials in labour-importing countries have seen South-North migrants as a problem for national identity and social cohesion, and more recently even as a threat to national security. Now policymakers are doing everything to emphasize the potential benefits of international migration for the countries of origin. In the past, northern governments ignored the call of labour-exporting states (for instance at the 1994 UN Population Conference in Cairo) to build political mechanisms for cooperation on migration. Now there is a flurry of international activity on the issue; notably the 2005 Report of the Global Commission on International Migration (GCIM), the September 2006 United Nations High-Level Dialogue on Migration and Development, and the first meeting of the Global Forum on Migration and Development in Brussels in July 2007.

Why this new concern? In the first place, it reflects the fact that most recent growth in international migration has been in South-North movements. UN figures show that the world total of migrants (defined as people living outside their country of birth for over a year) was about 100 million in 1980, of which 47.7 million were in developed countries, compared with 52.1 million in developing countries (UNDESA, 2004 Table II.1). By 2006, out of a global total of some 190 million migrants, 61 million had moved South-South (i.e. from one southern country to another), 53 million North-North, 14 million North-South and 62 million South-North (UNDESA, 2006). Obviously this is an over simplification, since many countries cannot be readily classified as either North (developed countries in UN parlance) or South (developing countries), but it is indicative of an important trend.

A more important reason for the sudden preoccupation with migration and development is an emerging dilemma. On the one hand migration is seen as the result of powerful economic and demographic factors in both the South and the North, which are an inevitable consequence of globalization. On the other hand migrants from the South (especially low-skilled workers and asylum seekers) are perceived as a problem – even a threat – to security, stability and living standards in the North. If migration cannot be prevented, policymakers want to introduce “migration management” to control movements and maximize migration’s benefits for the receiving countries. However, successful migration management cannot take place without the cooperation of the governments of countries of origin and transit. This will only be forthcoming if migration also appears to bring benefits for them. Linking migration to development seems to be a way of achieving this, and securing the cooperation of southern states.

Given this situation, ideas on the positive effects of migration on development have become the centre of important policy initiatives at the national, regional and international levels. Migrants are being redefined as “heroes of development”. The key element in the new debate is the growth of migrant remittances (the money sent home by migrant workers). However, recent reports also emphasize other potential benefits of migration, especially the broader role of migrant diasporas in the national development.

One curious thing about the new debate on migration and development is that it has been overwhelmingly driven by northern governments and by international agencies that they dominate. Southern states and sometimes also civil society organizations have been

brought in, but usually as partners for implementation, rather than as equals in setting principles and priorities. Northern governments, supranational bodies and international agencies hold frequent meetings on migration control and management, but southern states often are given a marginal role while migrant associations usually none at all. There has also been little South-South interaction in this area – either by governments or civil society.

This book tries to redress the balance. It is the result of an attempt to initiate South-South dialogue on the potential and the dilemmas of migration-development linkages. It is based on discussions between researchers, government officials and migrant activists from five major emigration countries: India, Mexico, Morocco, the Philippines and Turkey. The participants (all acting in their personal capacities) met in Bellagio (Italy) in July 2006 (with the support of the Rockefeller Foundation), and again in February 2007 in Mexico City (with the support of the Fundación Bancomer). The aim was to review the experience of their countries over the last half century, in order to analyse the determinants and characteristics of migration, and its significance for economy, society, politics and international relations.

In this Introduction, we will discuss the new economic and political context for South-North migration. We will describe the conventional wisdom on the linkages between migration and development, and show how this is based on a one-sided view of global economic and political relationships. Then we will explain what we mean by “perspectives from the South”, and why these are vital if migration is to become an integral part of processes designed to reduce inequality and bring about sustainable economic and political change. We will emphasize the need to reformulate ideas on migration and development, to include not only the perspectives of governments and international agencies, but also the experience of migrants, communities and civil society organizations. Finally we will outline the chapters of the book.

## **Globalization and Migration**

For the last three decades, analysis of contemporary capitalism has been dominated by a discourse on liberalization, privatization, and deregulation that claims to offer the promise of reducing economic asymmetries and social inequalities. The term “globalization” is used to designate a complex and profound restructuring process of economy, politics and society. Yet “globalization” remains an elusive concept, which is used vaguely and arbitrarily. Rather than a characterization of an objective process, it is frequently used as a normative or ideological term. Instead of seeking a single definition of globalization, it is therefore important to disentangle its content, particularly with regard to the contradictory relationship between migration and development that characterizes the present world order. This discourse of globalization has been disseminated especially by northern governments and the international financial agencies which they dominate: the International Monetary Fund (IMF), the World Bank and the regional development banks (the Asian Development Bank, the Inter-American Development Bank, etc.). Governments in the South have adopted – with some differences and diverse degrees of commitment – the dominant doctrine that requires the opening of their societies and economies to international markets.

Yet instead of diminishing, worldwide social inequalities have grown substantially – especially the gap between North and South. In 1970 the “advanced countries” (according to the IMF classification) received 68 per cent of world income, while the “rest of the world” got 32 per cent. By 2000 the “advanced countries” received 81 per cent of the world income, and the “rest of the world” just 19 per cent. In the same period the world population share of the advanced countries fell from 20 per cent to 16 per cent (Freeman, 2004). Three decades of globalization have done little to reduce the crushing poverty of much of the world’s population. Indeed, poverty has become more extreme in some regions — especially sub-Saharan Africa and parts of South Asia.

However, such general trends also hide some important variations. Certain areas do not fit this dichotomy: both the “transitional economies” of former Soviet bloc countries and the “new industrial economies” of some regions of Asia and Latin America have an intermediate position. Second, growing inequality is also to be found within the main regions, with new elites in the South gaining from their role in the transnational circuits of capital accumulation, while workers in some former northern industrial centres experience fundamental losses in income, social status and security. In the absence of strong labour movements, this change is often expressed in the decline of welfare states and the rise of racism against minorities (Schierup et al., 2006). Overall therefore, globalization has led not only to a growing gulf between North and South, but also to increased inequality within each region.

Globalization therefore seems flawed as a scientific paradigm to explain current global changes. It is more an ideology — summed up in the “Washington consensus” on the importance of market liberalization, privatization and deregulation — (Stiglitz, 2002: 67) about how the world should be reshaped. Its basic premise is “the leadership of civilization by economics” (Saul, 2006 xi). This has been linked to the idea that globalization is inevitable and that resistance is pointless and reactionary. Some critics use the term “globalism” rather than globalization (Petras and Veltmayer, 2000; Saul, 2006) to emphasize this ideological character. By 2005, some analysts were arguing that globalism had collapsed, and that a fundamental change in the global order was beginning to emerge (see, from very different perspectives Bello, 2006; Saul, 2006). However, it seems important to distinguish here between globalization as a political project and as an economic process.

On the political level, the ideological dominance of globalization as a way of understanding the contemporary world seems to be over. Rising inequality, growing conflict and the failure to achieve fairer trade rules for poorer countries make it obvious that globalization has betrayed its promise. States and regional associations in Europe, Latin America and Asia are less willing to accept neoliberal orthodoxies than in the 1980s and 1990s. The world seems to be entering a period of re-assertion of the importance of nation-states as political actors and social regulators. But on the economic level, the dominance of an increasingly integrated capital world market, which became possible with the end of the Cold War, shows no sign of receding — even though the optimistic ideas of a new inclusive global economic order are increasingly being replaced by an understanding of the continued dominance of core industrial economies (Bello, 2006). Privatization, deregulation and liberalization

continue unabated. Local and national economies are pulled into the international production and trade circuits and are profoundly changed, often leading to regressive trends in their development processes. The remittance-based development model is a clear example of such trends.

These points raise many questions regarding the meaning and scope of the integration processes underlying the globalization discourse. To what extent is globalization an inclusive process for all countries and societies? Is it a process that will promote development in the South in the long run, and thus reduce North-South asymmetries? How is labour mobility incorporated into the internationalization of trade, finance, and production, which is the key economic dynamic of globalization? The case studies of emigration countries and the comparative analysis incorporated in this book provide specific answers to these questions. They also open up more questions on the nature of contemporary capital restructuring and its relationship with international migration.

Labour migration has been incorporated in different ways as part of this process. On the one hand, global capital drives migration and re-shapes its patterns, directions and forms. Migration in turn is an important factor in bringing about fundamental social transformations of both sending and receiving areas. Thus migration is both an integral part of processes of globalization and social transformation and itself a major force re-shaping communities and societies.

But the social transformations inherent in globalization do not just affect economic well-being. In addition, millions of people have been displaced by violence and human rights violations, as well as by natural disasters and development projects. Conflict and forced migration are major obstacles to development in many places. Situations of conflict, generalized violence and mass flight have escalated since the 1980s, due to failure to achieve sustainable economic growth and to build stable states in large areas of the South. The great majority of those affected by violence are displaced within their own countries, or seek refuge in other – usually equally poor – countries in the region. But some try to obtain asylum in the richer states of the North, where they hope to find more security and freedom – as well as better livelihoods. Current social transformations thus produce pressures and motivations that lead to both economic and forced migration. As part of the new global socio-economic architecture, the number of South-North labour migrants and the volume of the remittances they send back to their countries of origin have undergone unprecedented growth across the world. On the one hand, the number of migrants has more than doubled over the last 25 years, reaching a historical record of 190 million in 2005. A growing proportion of these migrants are labour migrants moving from South to North. On the other hand, the flow of remittances from North to South has risen even faster – from US\$ 48 billion in 1995 to US\$ 199 billion in 2006. If unrecorded flows through informal channels are included, the figure would increase 50 per cent or more, making the size of remittances greater than foreign direct investment flows and more than twice the official aid for developing countries (World Bank, 2007).

Understanding the contradictions of global economic integration and the ideological character of the discourse of globalization is a crucial background for analysis of South-North migration. The new emphasis on the positive potential of the migration-development nexus is a result of the current legitimization crisis of globalization as both an economic and a political project. Globalization has clearly failed to deliver economic inclusion and greater equality for the South. The Washington Consensus' claim that liberalization, privatization and structural adjustment would, in the long run, improve incomes and livelihoods in the South cannot be sustained. Instead, a new solution is to be sought in remittance-led development and the engagement of diasporas.

## **The Migration and Development Mantra**

Since the 1940s in the case of Mexico (with the implementation of the Bracero programme), and the 1960s and 1970s for countries like Philippines, Morocco and Turkey, governments have encouraged unemployed or underemployed workers to migrate to the USA or Western Europe, in the hope that this would lead to economic and political stabilization in the country of origin. However, the long-term results of labour recruitment schemes often proved disappointing: there was little spin-off for industrialization, and few new jobs. The result was a predominantly pessimistic view that "migration undermines the prospects for local economic development and yields a state of stagnation and dependency (Massey et al., 1998: 272)."

A key issue was whether the gains from remittances would outweigh potential losses from the departure of active workers. Studies showed that it was often "the best and brightest" who left, whether as blue-collar workers or as college-educated professionals (Ellerman, 2003: 17). Emigration meant a loss of human resources, which could be a barrier to economic growth and modernization. An ILO official interviewed in the 1990s commented: "Migration and development – nobody believes that anymore" (Massey et al., 1998: 260).

So why has there been a "new surge of interest" (Newland, 2007) in migration and development? Why do international agencies and governments of both sending and receiving countries emphasize the potential gains to be made through migration? Have the real costs and benefits for countries of origin shifted radically, or is it more a question of changed perceptions?

The main emphasis has been on the rapid growth of remittances to less-developed countries (Ghosh, 2006; World Bank, 2006). As economist Devesh Kapur (Kapur, 2004) has pointed out, remittances have become a new "development mantra": the belief that remittances can be channelled into economic investments that will overcome underdevelopment. Or to put it less positively, the idea is that some of the most exploited workers in the world can make up for the failure of mainstream development policies.

It is useful to extend Kapur's notion of a "new mantra" to include the whole range of benefits that migration is said to bring for development:

- Migrants also transfer home skills and attitudes – known as "social remittances" – which support development.
- "Brain drain" is being replaced by "brain circulation", which benefits both sending and receiving countries.
- Temporary (or circular) labour migration can stimulate development, and should therefore be encouraged.
- Migrant diasporas can be a powerful force for development, through transfer of resources and ideas back to sending countries.
- Economic development will reduce outmigration, encourage return migration, and create the conditions necessary to utilize the capital and know-how provided by diasporas.

Each of these points requires detailed study and analysis. At present "the evidence base for the links between migration and development is still very weak" (Newland, 2007). A World Bank study found that the relationship is considered "unsettled and unresolved" (Ellerman, 2003), while Massey et al., point to deficiencies in both theoretical understanding and gathering of data on the relationship between migration and development (Massey et al., 1998: 272). Clearly there are important knowledge gaps in this area, and the country studies presented in this volume will help to fill these gaps, by presenting comprehensive reviews of some of the diverse experiences of migration and development.

A detailed historical comparison of the experience of emigration countries – and we see this book as just one step towards this necessary analysis – may well show that more fundamental interests lie behind the "migration and development mantra".

First, this approach fits in with northern governments' strategies of entry restriction and temporary migration. Developed countries desperately need workers, both the highly skilled like doctors and IT specialists, and the lower-skilled, who will harvest fruit and vegetables, clean hospitals, serve in restaurants, care for the elderly. Migrant workers are important in the construction sector and, increasingly, also in other sectors where the reduction of labour costs is vital for competitiveness, such as manufacturing. At the same time, receiving country governments want to prevent permanent settlement of new migrants through guestworker policies – now relabelled more positively as "circular migration". These governments also want to achieve social and cultural integration (or even assimilation) of past migrants and their descendents, while increasing surveillance and control to deal perceived threats to national security and social cohesion.

Second, the claim that remittances can promote local, regional and national development in the countries of origin is attractive to states of labour-exporting countries that do not have coherent national development strategies. Remittances are seen as an indispensable source of foreign exchange to provide macroeconomic stability and reduce poverty in southern countries drawn into the unequal relationships of the global economy. Remittances are a



way of alleviating the ravages caused by globalization: growing inequality, impoverishment and marginalization of large sections of the population. States that have been subjected to the structural adjustment policies promoted by the IMF and the World Bank now place some of their development expectations — particularly at the local or regional levels — on the contributions that migrants can make through remittances. Through the case studies analysed in this book, and particularly the Mexican case, it is possible to reconstruct the inner logic and operating mechanism of this model, and demystify the idea put forward by the international financial organizations that remittances could become a main driving force for development in sending countries.

## **Perspectives from the South**

The debate on migration and development has been dominated by the vision of the North, which tends to reduce the key issues to security, control of migratory flows, integration into the receiving society, and remittances (understood as the main driver of development). The vision of the South has been largely absent in this debate. This has led to a distortion of the very idea of development, by leaving out crucial dimensions and potentials of migration for the societies most deeply involved. At the same time the dominant discourse has fuelled the mistaken views of migration that have been exploited so successfully by xenophobic groupings in receiving societies. The indicators and categories generally used to analyse migration are based on the dominant views of powerful groups in the North, which provide fragmented data and interpretations, and hinder understanding of the real significance and challenges of contemporary human mobility as a force for change. Northern-dominated research and policy debates on migration provide an inadequate basis for understanding the real scope and potential of the major changes taking place, and for designing and implementing new policy approaches at the local, national and transnational levels.

Adopting “perspectives from the South” means much more than focusing on the situation of emigration and transit countries, rather than just on immigration countries. It means developing a comprehensive analysis, which examines each specific phenomenon (such as migration) in the broad context of the overall dynamics of North-South relationships, and the interactions of the various spatial levels (local, regional, transnational, etc.) and societal areas (economy, culture, politics, etc.). In other words, migration cannot be understood adequately in isolation, but only as one integral aspect of the complex problems and challenges of contemporary global capitalism.

Adopting perspectives from the South also means questioning the dominant understanding of “development”, which implies that southern countries must necessarily repeat the past trajectories of today’s rich countries through the “invisible hand” of market-driven forces (as interpreted through celebratory neoliberal theories). Southern perspectives mean understanding the reciprocity of the historical processes of development of the North and underdevelopment of the South, in which the coercive mobilization of southern labour and other resources was a crucial pre-condition for capital accumulation and industrialization in the North.

Perspectives from the South also question whether conventional measures of development, especially simply as growth in GDP per capita, are really meaningful in societies which are being profoundly transformed through new forms of integration into an international economy dominated by the profit interests of multinational corporations. Rising per capital income often hides growing inequality – in both South and North. Listening to the voices of migrants and communities affected by migration may involve redefining the goals and indicators of development to focus on human well-being, community and equality, rather than monetary wealth. This also means focusing on emergent actors and agents from civil society that are gaining an increasing role in the reconfiguration of power relations in the new world order.

Finally, adopting southern perspectives implies questioning the idea that migration can be made into a force for development just through appropriate forms of migration management, in situations where other factors for positive transformations of society are missing. Governments that see emigration as a safety-valve to export unemployment and political dissent are in fact using migration not as an instrument of development but as an alternative to necessary strategic transformations. The country studies in this book show clearly that migration and remittances cannot bring about sustained economic and social changes where fundamental changes are neglected – such as land reform, combating corruption, improving transport and communications, and improving health, education and welfare. Where governments rely on “remittance-led development” the outcome is likely to be structural dependence on further emigration and remittances: a vicious circle of decline, rather than a virtuous circle of growth.

## Outline of the Book

The first part of the book examines the conceptual basis of the new conventional wisdom on migration and development, and shows continuities and differences with older theories of development. In Chapter 2: **Migration and Development: A Conceptual Review of the Evidence**, Alejandro Portes analysis attempts to theorize the links between migration and development. He goes on to review empirical evidence on positive and negative effects of emigration on source countries, and then suggests policy approaches that could bring about positive changes.

Chapter 3: **Interrogating Remittances: Core Question for Deeper Insight and Better Policies**, by Jørgen Carling, examines official reports and academic studies to reveal how remittances are thought to contribute to development. Carling goes on to show the conceptual flaws in ideas of remittance-led development, and discusses a wide range of experiences of the effects of remittances in various countries. In Chapter 4: **Is Transnationalism a New Paradigm for Development?**, Manolo Abella and Jeffrey Ducanes present an economic discussion of a transnational model of development. They show how conventional ideas on development are challenged by cross-border linkages such as migrant networks and remittances. They also point out that migration can only support development if other

conditions are favourable, and that loss of skilled workers and the cushioning effects of remittances can actually hold back change.

In the second part of the book, the migration and development experiences of five of the world's main emigration areas are discussed by analysts from the countries concerned. In Chapter 5: **India: Skilled Migration to Developed Countries, Labour Migration to the Gulf**, Binod Khadria discusses the demographic, economic and internal dynamics that have shaped international migration from India. He goes on to examine the main types of migration: mobility of highly skilled personnel mainly to developed countries, and of lower-skilled workers to the Gulf oil economies. Khadria also examines the ways in which migration has changed society in India, and how it could contribute to future economic and social development.

Chapter 6: **The Mexico-United States Migratory System: Dilemmas of Regional Integration, Development, and Emigration**, by Raúl Delgado Wise and Humberto Márquez Covarrubias, examines the world's largest diaspora concentrated in a single receiving country. Many Mexican families have one or more members in the USA. The Mexican government believes that remittances and return of migrants can be a resource for national development. Yet, there is little evidence that this is happening. Instead, the close integration of the Mexican and US economies through the North American Free Trade Agreement (NAFTA) has made Mexican workers a crucial part of the US labour market, leading to imbalances and inequality. One-third of Mexican municipalities are now facing depopulation and economic decline.

In Chapter 7: **North African Migration Systems: Evolution, Transformations, and Development Linkages**, Hein de Haas sets out to understand the evolution and transformation of Morocco and the wider North African migration system between 1945 and 2005. He shows how such shifts are reciprocally linked with broader processes of social, political and economic change. A second aim is to analyse how this migration has affected social and economic development in communities, regions and countries of origin. De Haas discusses the extent to which governments have been able to influence and enhance this development impact.

Maruja M.B. Asis analyses **How International Migration can Support Development: A Challenge for the Philippines**. The first part of Chapter 8 describes recent trends in migration in East and South-east Asia, while the second part focuses on the Philippines. Her analysis of migration centres on economic benefits versus social costs. She raises important questions about the protection of workers' rights (particularly of women migrants), the social costs of migration (particularly for the families left behind), and about nationhood and national identity. Maximizing the development potentials of migration while minimizing its damaging impacts is a long-term challenge for state and civil society in the Philippines.

In Chapter 9: **Turkey's Immigration and Emigration Dilemmas at the Gate of the European Union**, Gamze Avci and Kemal Kirişci examine the profound effects of post-1945

migration on Turkey. Population growth and economic development led to massive rural-urban movements. “Guestworker” recruitment to Western Europe grew strongly in the early 1960s and led unexpectedly to large-scale settlement in Germany and the Netherlands. The Turkish community abroad has maintained close contacts with Turkey, and many migrants are involved in the economic and political lives of both their homeland and their host country. Integration issues are critical, and in many European countries anti-immigrant feelings towards Turks and Muslims are on the rise. Migration is increasingly dominating the agenda of EU-Turkey relations.

The third part of the book seeks to draw more general lessons from the varying migration experiences. In Chapter 10: **Comparing the Experience of Five Major Emigration Countries**, Stephen Castles argues that the five country studies help in understanding the complex relationships between global change, migration and development. This comparative chapter seeks to bring out both differences and similarities in the emigration experience and its effects on the societies concerned, as well as on their relations with the receiving countries. One key sign of convergence is the changing role of the states of origin: over the last ten years all the governments concerned have set up ministries for overseas nationals to mobilize their diasporas for development. They have also changed their citizenship laws to permit dual nationality and their voting laws to allow nationals abroad to participate in elections. This chapter concludes by summarizing the varying evidence on migration and development.

Chapter 11: **Perspectives from Governments of Countries of Origin and Migrant Associations**, by Oliver Bakewell, seeks to broaden the approach of the book. The preceding chapters were written by migration scholars accustomed to providing information and analyses of relevance to policymakers and communities affected by migration. At the meeting in Bellagio, the draft chapters were discussed intensively not only by academics from the countries concerned, but also by government officials and representatives of migrant associations. This chapter distills out essential points of these discussions and thus provides a reality-control of social-scientific analysis, by confronting it with the varied experience of practitioners from countries of origin.

Chapter 12: **Perspectives from the South: Conclusions from the 2006 Bellagio Conference on Migration and Development**, is based on the intensive discussion process between academics, officials and representatives of migrant organizations predominantly from southern migrant sending-countries. While acknowledging important differences in the migration histories and contexts of such countries, as well as in the views and practices of civil societies and states, these conclusions draw attention to common experiences and responses. The conclusions thus provide a perspective that has been largely neglected in debates on international migration: the perspective of key actors in the South.

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**Part I**

**Rethinking  
the Migration  
and Development  
Nexus**





## Chapter 2

# **MIGRATION AND DEVELOPMENT: A CONCEPTUAL REVIEW OF THE EVIDENCE**

by

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The development model adopted in the immense majority of labour-exporting American countries has not generated opportunities for growth nor economic or social development. On the contrary, it has meant the emergence of regressive dynamics: unemployment and job precarization; greater social inequalities; loss of qualified workers; productive disarticulation and stagnation; inflation and greater economic dependency. As a consequence, we experience a convergence between depopulation and the abandonment of productive activities in areas of high emigration.

Cuernavaca Declaration, 2005

One important reason for the pessimism that characterizes most community studies is the lack of a good theoretical yardstick to measure the effects of migration on economic growth. Village studies universally confuse consumption with the non-productive use of remittances, ignoring the extensive and potentially large economic linkages that remittances create in local economies. They also tend to confound remittances use with the effect of remittances on family expenditures; and many studies employ a rather limited definition of "productive investments", restricting them to investments in equipment while ignoring productive spending on livestock, schooling, housing, and land.

Massey et al., 1998: 262

Migration and remittances are the true economic adjustment programmes of the poor in our country.

Carlos Guillermo Ramos, Salvadoran sociologist, 2002

How do we reconcile these seemingly contradictory statements? The study of international migration and development has been wracked by the controversy between perspectives that see the outflow of people not only as a symptom of underdevelopment but also as a cause of its perpetuation, and those that regard migration both as a short-term safety valve and as a potential long-term instrument for sustained growth. The disjuncture also has disciplinary overtones, with sociologists and anthropologists, most often found in the pessimistic camp and economists, especially neoclassical ones and those guided by the "new economics" of migration, supporting a much more optimistic assessment.

To seek a possible reconciliation between these contrary positions, we may consider, first of all, certain assumptions and conclusions about the consequences of migration that seem to be agreed upon by proponents of all perspectives:

- The move abroad is economically beneficial for most migrants and their families. Otherwise, they would not undertake the journey.
- The flow is welcomed and often demanded by employers in the receiving countries who need and may come to depend on migrant labour.
- The philanthropic contributions made by transnational migrant organizations help local communities and commonly provide them with services and infrastructure that otherwise they would not have.
- At the national level, remittances from major labour-exporting countries acquire “structural” importance as a key source of foreign exchange.

On the other hand:

- There is no known instance of remittances economically “developing” by themselves a labour-exporting country.
- Migrant investments in direct productive activities in their home countries have, at best, a modest effect on national economic growth.
- While the indirect multiplier effects of migrant remittances can be considerable, they are countermanded by the cumulative character of migration leading to depopulation of sending communities and regions.
- Migration may decelerate active efforts by sending country governments to promote autonomous national development, insofar as it provides a short-term solution to domestic unemployment and fiscal bottlenecks.

Less universally recognized, but backed by considerable empirical evidence are the following assertions:

- When migrants bring their families with them, the process of depopulation accelerates, as return migration becomes less probable.
- When labour migrants bring their families with them, they foster the growth of a second generation in receiving countries growing up in conditions of singular disadvantage.
- The downward assimilation experienced by second generation youths reinforces negative stereotypes about the migrant population in receiving countries raising the probability of its conversion into an impoverished caste-like minority.

There are key factors leading to alternative outcomes of international migration. These have to do with the behaviour of migrants themselves, the behaviour of governments in sending and receiving nations, and the passage of time. The migrant population must be differentiated between the flow of manual low-skill labour and the movement of highly trained professionals and technical personnel. For brevity, the first flow will be referred to as labour migrants and the second as professional migrants. The behaviour and conduct of both flows over time are different, although, as we shall see, their potential for national or local development depends on the same set of factors. I consider each of them in turn and

conclude with an assessment of second generation adaptation effects on both sending and receiving nations.

## **Labour Migrants, Networks, and Remittances**

The origins of labour migration as well as the place of theories designed to explain them is by now well-established. Neoclassical economic theory receives support from the universal wage-differentials between labour-exporting and labour-receiving countries which, in the case of the Mexico-US migratory system, is at present seven-to-one for unskilled labour. The limitations of this individualistic theory have also been made evident by the fact that this wage differential operates unevenly, leading to wide differences in the timing and the size of labour migrant flows within the same country and even within the same region. In effect, the theory neglects the social context in which such individual calculations are made. This context accounts for the varying awareness of wage differentials in potential regions of outmigration, the meaning that these differentials have, and the availability of means to act upon them. Without these elements, wage differentials, no matter how large, do not translate themselves into sustained labour flows.

The most optimistic prognosis about the developmental effects of labour flows comes from the “new economics of migration”, pioneered by Oded Stark and endorsed by, among others, Douglas Massey and J. Edward Taylor. This theory places emphasis on the concept of “relative deprivation” which is said to affect non-migrant families when they compare their situation with those who have migrants abroad. It also singles out the non-existence or imperfection of credit, insurance, and future markets in rural areas of sending countries. Migration is said to represent a form of self-insurance by rural families who use it as one of several strategies for economic survival.

The positive effects of migration come from its ability to compensate for market imperfections, enabling families to engage in productive activities. Even when remittances are spent in direct consumption, they are said to generate indirect multiplier effects because they create new demand for locally-produced goods and services. Thus, according to Massey et. al., (1998: 249), every additional “migradollar” sent to Mexico generates a \$ 2.90 contribution to the country’s gross national product.

While superior to the unrealistic neoclassical approach, the “new economics” perspective leaves open the question of how the early migrants who induce “relative deprivation” among their neighbours started their journey in the first place. Second, its optimistic assessment of the economic effects of migration is questionable when depopulation of the countryside makes it impossible to put migrants’ remittances to productive use. In this sense, the “new economics” may be seen as a realistic but limited-range approach applicable under certain macroeconomic conditions, but not others.

At a higher level of abstraction, we find world-systems and other neo-Marxist theories that view labour migration as a natural response to the penetration of weaker societies by the economic and political institutions of the developed world. The concept of “structural

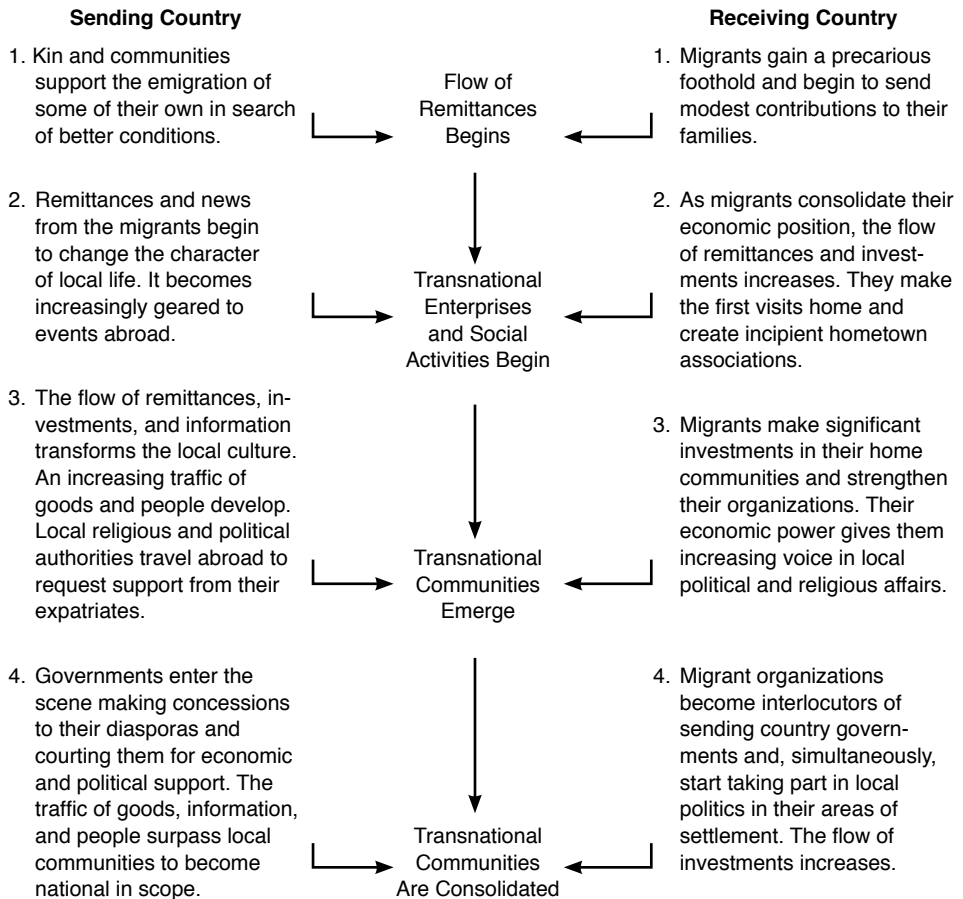
imbalancing” (Portes and Walton, 1981) was introduced to highlight this process that takes multiple forms – from direct recruitment of workers to the diffusion of consumption expectations bearing little relation to local lifestyles and economic means.

While it has been seldom noted, direct recruitment of peasants for work in ranches and farms of the American south-west lies at the core of mass migration from Mexico to the United States (Barrera, 1980). Once the flow was initiated by the actions of paid recruiters in the interior of Mexico in the 19<sup>th</sup> and early 20<sup>th</sup> century, it became self-sustaining through the operation of the forces outlined by the new economics of migration model. Sentiments of relative deprivation were reinforced by the increasing capitalist penetration of the Mexican countryside that diffused new wants and consumption expectations among the mass of the population. As Delgado Wise has noted, the process of structural imbalancing reached its culmination with the signing of the North American Free Trade Agreement that, in effect, greatly reduced the autonomy of the Mexican state to implement national economic initiatives or protect domestic enterprise, turning the country instead into a giant labour reservoir for US industry and agriculture (Delgado-Wise and Covarrubias, 2006).

As a historical concept, structural imbalancing in the centre-periphery global system does not seek to account for the dynamics of migration from a particular locality or region, but to provide the necessary framework to understand the broad forces that initiated and sustain the movement over time. It is within a context of extensive social and economic penetration of peripheral societies by the institutions of advanced capitalism that individual cost-benefit calculations or the emergence of relative deprivation as a motivator for outmigration make sense. In essence, migration resolves the inescapable contradiction between the undermining of local autonomy and the increasing diffusion of new consumption expectations in weaker nations without the parallel diffusion of the economic resources to attain them (Alba, 1978; Sassen, 1988).

Regardless of the various perspectives on the origins of labour migration, all contemporary scholarship converges on the concept of social networks as a key factor sustaining it over time (Portes and Bach, 1985; Massey et al., 2002). Social networks link not only migrants with their kin and communities in sending countries; they also link employers in receiving areas to migrants. These ties underlie the emergence of such phenomena as chain migration, long-distance referral systems to fill job vacancies, and the organization of a dependable flow of remittances back to sending communities. At later stages, they are also the key factor in the consolidation of transnational organizations that endow migrant populations with increasing voice in the affairs of their localities and even countries of origin (Guarnizo et al., 2003; Goldring, 2002). Figure 1 presents, in schematic form, the dynamics of immigrant transnationalism as portrayed by recent empirical scholarship.

**Figure 1**  
**The process of immigrant transnationalism**



Social networks operate as a double-edged sword on the effects of migration on community and national development. They underlie the optimistic prognosis by Stark and Massey concerning the resolution of local market deficiencies and other production bottlenecks as well as the onset of indirect multiplier effects of remittances. On the other hand, the progressive lowering of the costs of migration that networks make possible can lead, in the absence of countervailing forces, to severe depopulation of sending towns and regions. In the end, there would be few people to send remittances to and no productive apparatus to be re-energized by migrant investments or increased local demands. The cumulative effects of networks over time would lead, in these circumstances, to the desolate extremes portrayed by some ethnographic studies – ghost towns and “insel towns” adorned only for the return of migrants for the annual patronal festivities, but populated otherwise only by the old and infirm (Reichert, 1981; Grasmuck and Pessar, 1991; Smith, 2005). Already one-third of Mexican municipalities have experienced population loss, in varying measures, during the last intercensal period.

The operation of social networks over time hence lies at the core on contradictory accounts of the effects of labour migration on development. The next logical question is what kinds of networks lead to one outcome instead of the other or, alternatively, under what conditions do they encourage sustained growth in places of origin versus demographic implosion. The answer to this question appears to hinge on two key factors: governmental intervention and the character of migration itself.

Effective governmental programmes in the form of public works, subsidies and support for productive activities, and the direct launching of employment-creating enterprises can make a great deal of difference. By motivating productive-age adults to stay and work, they create the necessary socio-demographic infrastructure for migrant remittances and investments to be productively used. Even when some families choose to “live off remittances”, the demand for goods and services that they generate can be met by other working adults in the community – merchants, farmers, construction crews – thus generating the predicted spin-off effects.

More important still is the character of migration itself. When it is comprised of young adults who travel abroad for temporary periods and return home after accumulating enough savings, the direct and indirect positive effects described previously have every chance to materialize. On the other hand, when it is formed by entire families, the cumulative depopulating effects of migration are much more likely. Entire families seldom return and migrant workers have less incentives to send large remittances or make sizable investments in places of origin when their spouses and children no longer live there.

In a nutshell, **cyclical** labour migration can have positive developmental effects, especially at the community level. Permanent family migration does not, leading instead to the emptying of sending places. This is, according to all evidence, what has been happening in Mexico. The story of how progressive border enforcement by the United States did not stop the Mexican labour flow, but stopped its cyclical character has been told in detail by Massey and his associates (Massey et al., 2002). The parallel story of how the North American Free Trade Agreement (NAFTA) hollowed out Mexican industry and severely weakened peasant farming through cheap food imports and capital-intensive mechanized agriculture have been told in similar detail by Delgado Wise and his associates (Delgado Wise and Covarrubias, 2006). The end of employment in a number of sectors of the Mexican economy and the severe reduction of opportunities for productive investment in the countryside has stimulated permanent family migration North, reinforcing the effects of a militarized border.

The Paris-based International Federation for Human Rights has recently produced a report on NAFTA that poignantly highlights the same issues:

...as a result of open borders, national manufacturing production capacity has been dismantled and the agricultural industry destroyed. The main beneficiaries of NAFTA are the big transnational companies, while the effects on employment and wages have been deeply detrimental to Mexican workers. The destruction of the agricultural industry has driven Mexican families to the urban areas where they now live on conditions of extreme poverty (*Latin America Weekly Report*, 2006: 13).



One may add that the same conditions lead families to migrate northwards braving the desert and death if necessary. Once established on the other side of the border, there is little for these families to return to and, hence, the alleged positive effects of migration on development dissipate. Under these difficult conditions, the only bright spot is the rise of transnational organizations created by migrants abroad. Existing research has shown that participation in these cross-border civic and philanthropic initiatives does not decline, but actually grows with time because it is the better-established and more economically secure immigrants who have the means and the motivation to do something for their hometowns (Guarnizo et al., 2003; Portes, 2003; Portes et al., 2006).

In the case of Mexico, hundreds of *clubes de oriundos* (hometown committees) and dozens of federations of such committees organized according to the state of origin have emerged in recent years. They have acquired such power and visibility as to become interlocutors of the Mexican state and federal authorities and to acquire a frequently decisive significance in the development prospects of their hometowns. Mexican governmental initiatives such as the creation of the Institute for Mexicans Abroad (IME is the Spanish acronym) and the launching of the *Tres por Uno* programme where each dollar contributed by migrant organizations to philanthropic causes is matched by the Mexican federal, state, and municipal governments, emerged in response to the spontaneous organizational initiatives of migrant communities abroad (Gonzalez Gutierrez, 1999; Instituto de los Mexicanos en el Exterior, 2004).

Migrants' transnationalism can thus be understood as a form of grassroots response to the inequities and the economic difficulties that motivated their migration in the first place. It is a form of "globalization from below" that countermands, at least in a partial way, the inequality-deepening "globalization from above" promoted by the interests of corporate capitalism. It is in this context that one fully understands the implications of Carlos Ramos' remark, cited at the start of this paper, that migration and remittances are the true economic adjustment programme of the poor.

## **Professional Migration: The Brain Drain and the Brain Gain**

Demand from migrant labour in the developed world is not limited to labour-intensive industries and sectors. In the United States, in particular, sustained economic growth has led to a rising demand at the other end of the spectrum, that is for professionals and technicians of high caliber. Technological booms like those giving rise to the Silicon Valley in California, Route 128 around Boston, and the Research Triangle Park in North Carolina have produced sustained demand for well-trained engineers and gifted programmers (Saxenian, 1999, 2002; Alarcon, 1999). On more traditional sectors, a perennial scarcity of nurses, general medical practitioners, and scientists in certain fields has been met by foreign-trained professionals (Portes, 1976; Espenshade and Rodriguez, 1997).

The US Congress, recognizing this rising demand, created in 1990 the H-1B visa programme under which highly skilled professionals could be hired for temporary work in the United States. The visa and work permits are issued for a maximum of three years, renewable for another three. In practice, many "H-1B workers" eventually shift their status

to legal permanent residence. In 1990, the authorized ceiling for this programme was 65,000. The American Competitiveness and Work Force Improvement Act of 1998 (ACWIA) increased it to 115,000 and, in 2002, it was further increased to 195,000. In 2003, 360,498 H-1B permits to temporary workers with college degrees were issued, of which approximately half were renewals. Principal specialty areas included computer science, engineering, and information technologies. The main national sources of this professional inflow in the same year were India (75,964), Canada (20,947), Mexico (16,290), China (12,501), and Colombia (10,268) (Office of Immigration Statistics, 2004).

While occupational preferences continue to be a mainstay of the permanent immigration system of the United States and while thousands of foreign professionals come through this channel every year, there is little doubt that the H-1B programme has become the primary source of “flexible” labour supply for the high-tech, highly skilled sectors of the US economy. Table 1 presents additional information about the sources, education, and remuneration of H1-B migrant workers in recent years.

**Table 1**  
**Profile of H-1B temporary IMMIGRANTS, 2002**

Industry	Number	Per cent of Total	Median Income \$	Master's Degree or Higher	Leading Country of Birth (%)
All:	197,537	100	55,000	48	India (34)
<b>Top Six Industries:</b>					
Computer systems	50,776	25.7	60,000	36	India (68)
Colleges and Universities	18,401	9.3	37,000	93	China (26)
Architecture and Engineering	8,963	4.5	48,000	44	India (21)
Scientific and Technical Consulting and Management	7,458	3.8	55,000	43	India (39)
Scientific Research and Development	6,695	3.4	54,000	43	China (24)
Telecommunications	4,357	2.2	70,000	48	India (38)

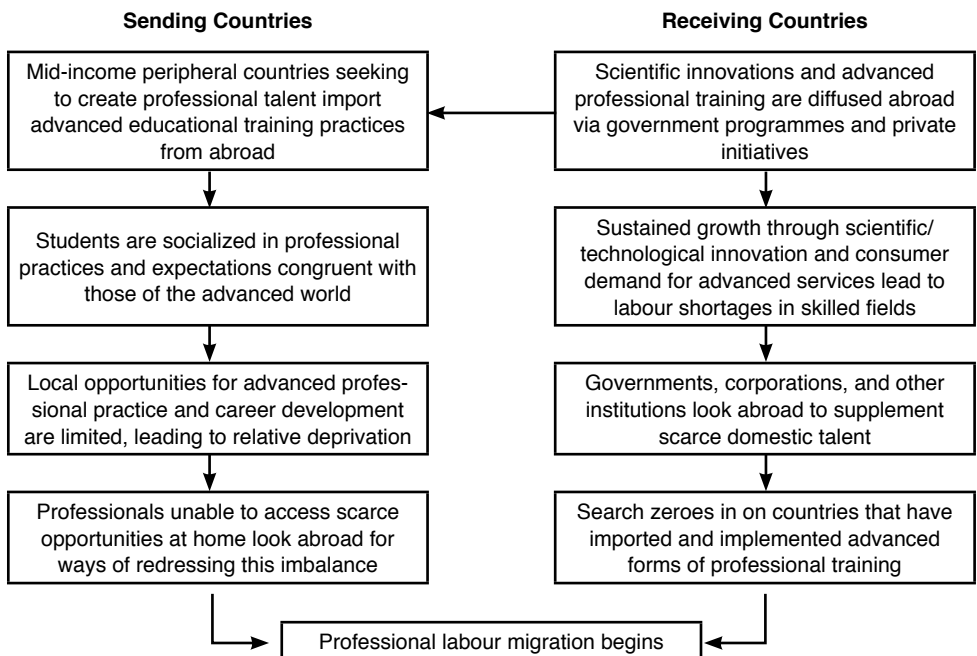
Source: US Department of Homeland Security, *2002 Yearbook of Immigration Statistics*, Table L.

Dubbed “brain drain” in the sending countries, the determinants of these flows have been analysed in terms similar to manual labour migration, and with the same theoretical lenses. The individualistic cost-benefit framework of neoclassical economics finds support in the fact that professional migration commonly originates in poor countries where the expected remunerations for professionals are but a fraction of what they can receive in the United States and other developed countries. The theory is contradicted, however, by the fact that it is the mid-income, not the poorest nations that are the major sources of professional migration and that, within these countries, there are great variations in the motivations and probability of migration. Regardless of home country conditions, most professionals do not leave.

A perspective akin to the “new economics of migration” emphasizes the relative deprivation of would-be migrant professionals in relation to two reference groups: well-situated professionals at home and similarly trained professionals abroad (Portes, 1976). The first group has acquired the wherewithal to practice their careers in relatively good conditions and to lead a middle-class existence in their own country. The inability to meet this standard is a powerful motivator for departure. In other words, it is not the invidious comparison of salaries with those paid in the developed world, but the inability to access remunerations that make possible a decent lifestyle **in their own countries** that becomes a key determinant of brain drain.

In relation to professionals abroad, the central source of relative deprivation is not salary differentials, but work conditions and opportunities for self-development. At this point, the theory of structural imbalancing of peripheral societies becomes relevant as it highlights how diffusion of scientific innovations and modern professional practices from the global centres commonly lead to forms of training that bear little relationship to conditions in peripheral countries (Portes and Walton, 1981: 2). Engineers and physicians are thus trained in the latest and most scientific ways of practicing their profession, when the equipment and conditions to put these skills into practice in their own countries are scarce and, at times, entirely absent. In this fashion, less-developed nations end up spending scarce resources in educating personnel whose future potential for career development is situated abroad. This is the dynamics underlying the syndrome labeled in past empirical studies “modernization for emigration” (Portes and Ross, 1976). Figure 2 graphically summarizes the forces at play.

**Figure 2**  
**Determinants of the brain drain**



The classical literature on the brain drain described it as an unmitigated disaster for peripheral countries whose scarce pools of professional and scientific personnel were constantly siphoned off by the richer nations and whose painful efforts to create and expand cadres of domestic talent came to naught (Oteiza, 1971; Diaz-Briquets and Weintraub, 1991). In recent years, however, new evidence, along with the advent of the transnational perspective on immigration, have partially modified these conclusions.

In an increasingly globalized system, ever-growing innovations in transportation and communications technologies have greatly facilitated contact across international borders. If this is the case among labour migrants, how much more so among professionals whose economic resources and levels of information are significantly greater. The same empirical literature on determinants of participation in transnational organizations, cited earlier, uncovered the fact that higher education and occupational status had positive and significant effects on the probability of engaging in different forms of transnational activism – economic, political, and socio-cultural.

These findings, summarized in Table 2, indicate, for example, that a high school diploma increases by 172 per cent the probability of migrants engaging in transnational political activism and that a college degree further increases it by 38 per cent. Along with the positive effects of social networks and length of US residence, these results clearly show that it is the better educated, more comfortably established, more secure, and better connected migrants who are most likely to participate in organizations linking them to their home countries (Guarnizo et al., 2003; Portes, 2003).

Intuitively, these findings make sense. In addition to national loyalties and the weight of nostalgia, migrant professionals commonly have a sense of obligation to the institutions that educated them. When, on the basis of this education, they achieve wealth, security, and status abroad, it is only natural that they seek to repay the debt. Some do so through philanthropic activities; others through transferring information and technology; still others through sponsoring the training of younger colleagues. Professionals who have become successful entrepreneurs may go further and endow their alma maters or even found institutions of higher learning and research at home (Vertovec, 2004; Guarnizo, 2003; Saxenian, 1999). As the case of India exemplifies, the growth of a sizable population of professionals, engineers, and scientists abroad does not necessarily lead to the hollowing out of home country institutions, but may actually energize them through a dense transnational traffic of personnel, resources, and ideas (Saxenian, 2002).

The positive or negative effects of professional emigration on development depend on the same two factors already examined for the case of manual migration: the actions of home country governments and the character of migration. Concerning the first, the official creation of centres of higher learning, support for research projects, and financial incentives for the establishment of high-tech private industry can provide the necessary infrastructure to receive and absorb the contributions of professionals abroad. For migrants to be able to make economic, scientific, and technological transfers home, there has to be institutions capable of receiving and benefiting from such contributions. Otherwise migrant good intentions can at best fund charity projects that do not further the scientific or technological development of their countries.

**Table 2**  
**Determinants of transnationalism among**  
**Latin American immigrants in the United States, 1998**

Predictors <sup>1</sup>	Economic (Transnational Entrepreneurs) <sup>2</sup>		Political (Strict Definition) <sup>3</sup>		Socio- cultural <sup>4</sup>
	Coefficient	p <sup>5</sup>	Coefficient	Per cent change <sup>6</sup>	Coefficient
Age	.013	–	.101**	10.6	-.008
Age Squared	–	–	-.001**	-0.1	–
Sex (Male)	1.035***	.08	1.209*	235.3	.697**
Marital Status	.440*	.03	.118***	12.6	–
Number of Children	-.049	–	–	–	.120**
<b>Human Capital</b>					
Education (Years)	.114***	.01	–	–	.402**
High School Graduate	–	–	1.003***	172.7	–
College Graduate	–	–	.324**	38.3	–
Professional/Executive Background	1.191***	.10	–	–	.375
<b>Assimilation</b>					
Years of US Residence	.036*	.003	.034***	3.5	.018 <sup>#</sup>
US Citizenship	–	–	-.041	–	.141
Experienced Discrimination in US	.308	–	–	–	.287*
Downward Mobility <sup>7</sup>	.402**	-.03	-.058	–	–

India exemplifies again the ways that a country can benefit from large-scale professional migration. While the country continues to export thousands of engineers and computer scientists, the institutions that trained them continue to exist and flourish with strong government support. Protected national industry also generates technological development and creates new employment opportunities for returnees. Dense institutional networks give scientists and engineers on temporary visas abroad something to go back to. It also lays the

<sup>1</sup> Predictors not included in each regression are indicated by a hyphen in the column marked "coefficient". Some predictors of the regression of socio-cultural transnationalism are omitted.

<sup>2</sup> Logistic regression of the log-odds of transnational entrepreneurship. Source: Portes et al., 2002.

<sup>3</sup> Negative binomial regression of the number of political activities, electoral and civic, in which respondents are involved on a *regular* basis. Source: Guarnizo et al., 2002.

<sup>4</sup> Ordered logit regression of an additive index of occasional or regular participation in the set of socio-cultural activities listed in Table 2. Regular participation in the first three of these activities are also included in the definition of political transnationalism. CIEP unweighted sample. Source: Itzigsohn and Saucedo, 2002.

<sup>5</sup> Increase/decrease in the net probability of economic transnationalism associated with a unit increase in each predictor. Non-significant effects are omitted.

<sup>6</sup> Increase/decrease in the percent of regular transnational political activities in which respondents engage associated with a unit increase in each predictor. Non-significant effects are omitted.

<sup>7</sup> Ratio of last country occupation to first occupation in the US, both coded along a 5-point hierarchical scale.

groundwork for the transnational activities of those permanently settled in North America, Europe, or Australia who wish to contribute to India's scientific development or even to establish new enterprises there. The maturing of these transnational networks has much to do with the dynamism acquired by Indian industry and the country's scientific/technological establishment in recent years (Saxenian, 2002; *The Economist*, 2006).

Mexico too has a well-developed network of universities and scientific institutions and, hence, the capacity to benefit from its own sizable population of professionals in the United States. However, the evisceration of domestic industry caused by NAFTA has reduced significantly the capacity for autonomous technological innovation and hence the attractiveness of the country to would-be professional returnees. Unlike India or China, Mexico succumbed to external pressures to unconditionally open its borders, thus placing the prospects of economic development in the hands of foreign investors and greatly reducing its capacity for high-tech innovation. In the process, it seriously weakened the institutional network upon which a transnational community of Mexican professionals and scientists could develop (Alarcon, 1999; Pozas, 2002).

The character of migration also bears on the development potential of professional outflows. When the movement is cyclical, with temporary journeys abroad followed by return to permanent positions at home, the technology transfer potential of migration is augmented. Returned professionals and scientists can immediately put to use what they have learned abroad. In this sense, the US H1-B programme represents a welcome development. Although there is no doubt that it was implemented to increase the flexibility of the high-tech labour supply to American industry, the programme also has had the consequence of promoting the cyclical character of the foreign labour flow, as migrant professionals are legally required to return after a maximum of six years.

Unlike permanent labour migration, permanent professional migration does not necessarily have negative consequences for the sending country. First, the departure of professionals does not depopulate the countryside, as it comes from cities and it is scarcely a massive outflow. Second, although professionals abroad may be permanent residents and may even become citizens of the receiving country, they can **make the process cyclical** by using their economic resources and know-how for regular transfers to their home country and for sizable investments or programmatic activities there. Unlike labour migrants whose cross-border contributions yield at best philanthropic projects and hometown public infrastructure, professional transnationalism has the potential to alter significantly the level of scientific expertise and technological know-know in the home countries.

Whether temporary professional migrants in fact return (as opposed to making every effort to remain abroad) and whether established professional migrants invest seriously in transnational activities for scientific/technological development depends, ultimately, on the first condition stipulated previously. There must be something to return to. As the remittances and investments of labour migrants lack any development potential when their hometowns become bereft of productive infrastructure and people, the contributions that professional communities abroad can make evaporate when there is no institutional structure, no network of national high-tech industries to receive them and put them to use.

## Segmented Assimilation and Development

As is well-known, most labour migration to the United States today comes clandestinely. The same is true of a significant proportion of labour flows to Western Europe. From a theoretical standpoint, enough empirical information exists to arrive at a general understanding of the determinants of these unauthorized flows. They emerge out of the clash between attempts to enforce borders by receiving states and the mutually supportive forces of migrant motivations, their networks, and employer demand for low-wage labour in host societies. The networks constructed by migrants across national borders and the “migration industry” of travel agents, lawyers, people smugglers, document forgers, and the like have proven extraordinarily resilient over time. The lengths to which people are willing to go in order to reach the developed world have been demonstrated repeatedly, both at the US border and in the Mediterranean straits separating Europe from North Africa (Zolberg, 1989; Castles, 1986, 2004).

Simultaneously, stagnant or declining populations, growing economies, and an increasing reluctance by educated workers to engage in menial, low-wage labour creates a structural demand in the labour market of wealthy nations that migrants are more than happy to fill. Common depictions of “alien invasions” in the popular literature neglect the fact that labour migrants in general, and unauthorized ones in particular, come not only because they want to but because they are wanted. While the general population may oppose their presence, firms and employers in a number of sectors need and rely heavily on this labour supply (Portes and Rumbaut, 1996: 3; Massey et al., 2002).

Faced with the combined forces of migrant networks, the migration industry, and structural labour demand, receiving states have not been able to consistently and effectively control their borders. As we have seen above, a series of unexpected consequences emerge instead out of this clash. One of the most important and least noticed is the link between unauthorized migration and the fate of the second generation. The issue of illegality is generally studied as a first-generation phenomenon, in terms of the migrants’ origins, their ways of overcoming legal barriers, and their impact on host labour markets. Forgotten is the fact that illegals, like other migrants, can spawn a second generation that grows up under conditions of unique disadvantage.

The concept of **segmented assimilation** was coined to highlight the point that, under present circumstances, children of immigrants growing up in the United States confront a series of challenges to their successful adaptation that will define the long-term position in American society of the ethnic groups that contemporary immigration spawns. Facing barriers of widespread racism, a bifurcated labour market, the ready presence of counter-cultural models in street gangs and the drug culture, immigrants’ success depends on the economic and social resources that they, their families, and their communities can muster (Portes and Zhou, 1993; Rumbaut, 1994). Immigrant professionals and entrepreneurs commonly possess the necessary human capital and economic means to protect their children. They can face the challenges posed by the host society with a measure of equanimity.

On the other hand, poorly educated migrants who come to fill menial positions at the bottom of the labour market and who lack legal status have greater difficulty supporting their youths. Because of poverty, these migrants often move into central city areas where their children are served by poor schools and are daily exposed to gangs and deviant lifestyles.

The trajectory followed by a number of children of immigrants trapped in this situation has been labeled **downward assimilation** to denote the fact that, in their case, acculturation to the norms and values of the host society is not a ticket to material success and status advancement, but exactly the opposite. Dropping out of school, adolescent pregnancies, incidents of arrest and incarceration, injuries or death in gang fights, and increasing conflict and estrangement from parents are all consequences and indicators of this situation. Because of their condition of vulnerability, children of unauthorized immigrants are among the most likely to confront the challenges posed by the host society unaided and, hence, to be at risk of downward assimilation (Fernandez-Kelly and Curran, 2001; Lopez and Stanton-Salazar, 2001).

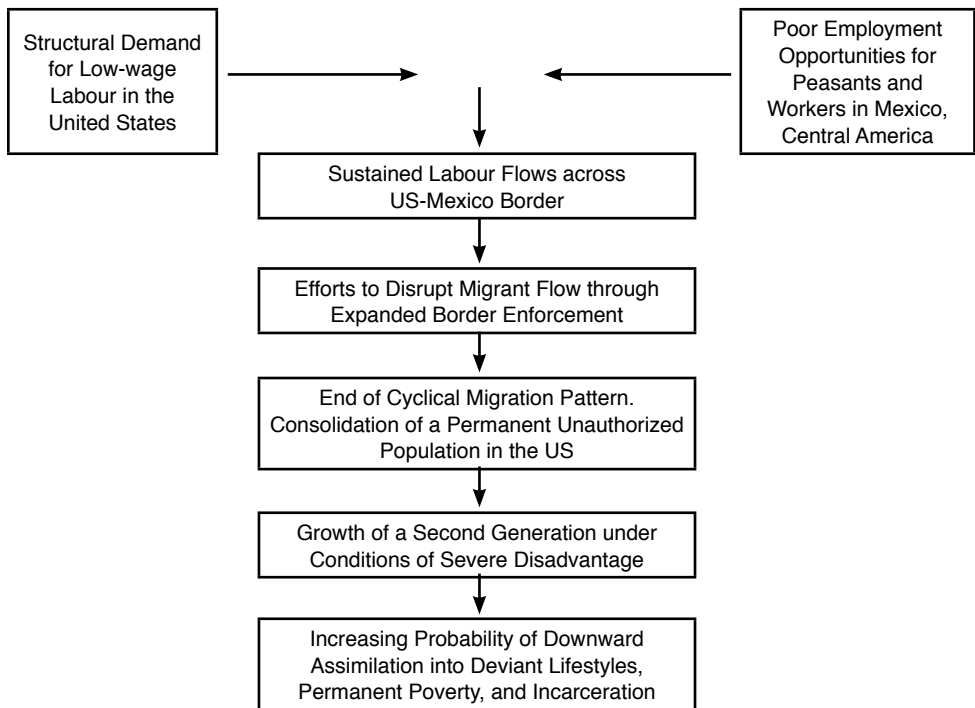
In the past, it made sense to study unauthorized immigration as a one-generation phenomenon because the flow was comprised of young adults who came to the United States for cyclical work periods, such as those marked by agricultural harvests, and then returned home. As seen previously, vigorous border enforcement has encouraged unauthorized migrants and others in a tenuous legal position to bring their families along, as cyclical returns home become too costly or dangerous. A settled unauthorized population establishes the demographic basis for the emergence of a handicapped second generation and, hence, for the theoretical link between determinants of these labour flows and the process of segmented assimilation in the second generation. Figure 3 graphically portrays the process, as it has taken place in the United States.

In Mexico, in particular, massive family migration brought about by deteriorating labour market conditions in the post-NAFTA period, along with the militarization of the border has been analysed in terms of depopulation of the Mexican countryside and the consolidation of a vast unauthorized and impoverished population in the United States. The literature on migration and development seldom extends to consider what happens to these families once they are on the other side of the border, except for the volume of remittances that they continue sending home. Raising children under the difficult conditions that unauthorized immigrants endure in the developed world and, in particular, in American society, has a series of other important consequences for the sending nation.

First, Mexican immigrant children and children of immigrants may not only be “lost to Mexico” in the sense that immigrant families are unlikely to return. They may be “lost” altogether when the difficult conditions under which they grow lead to downward assimilation. Second, the school abandonment, premature pregnancies, and deviant behaviour that are part of this process consolidate the position of Mexicans at the bottom of American society and reinforce racial/ethnic stereotypes among the native white population. These stereotypes increase hostility and opposition to subsequent waves of labour migrants and reduce their chances for successful adaptation.



**Figure 3**  
**Immigration border control and its unexpected consequences**



Source: Portes and DeWind, 2004: 841

Third, when young immigrants who have become socialized in deviant lifestyles return to Mexico or are deported there, they bring along these behaviours and often recruit local youngsters into the same activities. Several authors have noted that the *maras* or youthful gangs that have become a public security problem in Mexico and Central America were, in their origins, an import from Los Angeles, Houston, and other US cities. Deportees from these cities, thoroughly enmeshed in American countercultural orientations, can have a very negative influence among the younger population of the areas to which they return. The outcome of this socializing process is that youth gangs suddenly emerge where none existed before, compounding the public security problem of poor nations (Vigil, 2002; Smith, 2005). Citizen victimization and insecurity have emerged in recent years as a major social problem in these countries, a situation to which the rise of the *maras* has directly contributed (Portes and Hoffman, 2003; Perez-Sainz and Andrade-Eekhoff, 2003).

This new twist in the history of Mexican and Central American labour migration north, can be fruitfully compared with what happens to children of professional immigrants in the United States. For the most part, these youths move upward, achieving high status positions on the basis of advanced education. Their success reflects back on their ethnic communities, reducing negative stereotypes and even creating positive ones as “model minorities”. In addition, successful second-generation professionals and entrepreneurs can

continue making contributions, material and intellectual, to the countries where their parents came from (Zhou and Bankston, 1998; Zhou, 2004; Min, 1987).

Not all children of labour immigrants, not even the unauthorized, undergo downward assimilation in the United States. However, a substantial minority is at risk of doing so and, as just seen, the negative behaviours and lifestyles in which they become socialized can play back on the countries of origin, compounding the problems that they already confront. While money remittances have captured the bulk of attention among scholars and government officials, highlighting the benefits of migration, the costs of “social remittances”, including the return of disaffected youths and their local influence, have only recently started to come into focus.

Empirical evidence of segmented assimilation in the second generation is already at hand. Data from the 2000 US census on school abandonment, male rates of incarceration, and female rates of adolescent and early youth childbearing are presented in Table 3. As indicators of downward assimilation, premature childbearing is far more common among females, while incarceration for a crime is much more prevalent among males. Males are also more likely to drop out from high school. The table presents data for US-born youths of Mexican and Central American origin; for comparative purposes, it also presents figures for native whites and blacks, and well as for second-generation Chinese, Koreans, Indians, and Filipinos. These are the Asian groups whose first generation includes a high proportion of professionals and entrepreneurs.

**Table 3**  
**Indicators of downward assimilation among second generation and native parentage youths, 2000**

Group	Education		Early Childbearing		Incarcerated for a Crime	
	School Dropouts, Age 25-39 %	School Dropouts, Males 25-39 <sup>8</sup> %	Females, 15-19 %	Females, 20-24 %	Males, 18-39 %	Male Dropouts, 18-39 %
<b>US Born of Foreign Parentage:</b>						
Mexican	24.1	43.0	5.0	25.2	5.8	10.0
Guatemalan, Salvadoran	22.3	52.8	3.0	16.5	3.0	4.8
Chinese	3.6	8.3	0.4	0.9	0.6	4.7
Indian	5.9	6.7	0.6	1.6	1.0	6.7
Korean	3.2	3.3	0.2	2.8	0.9	2.1
Filipino	5.9	7.1	1.6	7.3	1.2	4.8
<b>US Born of Native Parentage:</b>						
Non-Hispanic Whites	9.1	10.5	1.9	15.6	1.7	4.8
Non-Hispanic Blacks	19.3	21.8	4.5	22.5	11.6	22.2

Source: Portes and Rumbaut 2005, based on figures from the US 2000 Census, 5 per cent Public Use Microdata Sample.

<sup>8</sup> Figures include foreign-born males of all groups.

Source: Rumbaut 2005, based on figures from the US 2000 Census, 5 per cent Public Use Microdata Sample.

As shown in the table, close to one-fourth of US-born Mexicans and Central Americans drop out of high school, a figure that more than doubles the corresponding proportion among native whites and quadruples the figure among all second-generation Asian groups. Among males (whether US-born or foreign-born), the proportion of those without a high school education is much higher, the figure approaching half of all young Mexican-Americans and surpassing half of Central Americans. This last figure quintuples the rate for native whites.

Figures on childbearing for US-born adolescent and young women tell a similar story. Among second-generation Mexican-American female teenagers, the rate is 5 per cent as compared with 0.4 per cent for Chinese-Americans and just 0.2 per cent for Korean Americans. The pattern repeats itself among young women, ages 20 to 24, with 16 per cent of second-generation Salvadorans and Guatemalans and 25 per cent of Mexicans with children. These figures are comparable to those among native African-Americans, but are much higher than those among Asian-American young women, less than 3 per cent of whom have become mothers.

According to the US Census, the rate of incarceration among native white males aged 18 to 39 is less than 2 per cent and, among second-generation Asian-Americans, it is less than 1 per cent. The figure climbs to 3 per cent among Central Americans and 5 per cent among Mexican-Americans. To show the interaction between school abandonment and incidents of arrest and incarceration, the table includes rates of imprisonment among US-born males without a high school degree. The rates increase significantly for all groups reaching almost 5 per cent among native whites and 10 per cent among Mexican-Americans. Only native African-American dropouts are in a worse situation.

The Children of Immigrants Longitudinal Study (CILS) is the largest long-term study of second-generation youths in the United States (Portes and Rumbaut, 2005). CILS includes a large sample of second-generation Mexicans, Filipinos, and other Asians interviewed in schools in the San Diego metropolitan area when they were in the eighth and ninth grades (average age 14) and then followed over time. The sample was re-interviewed at average age 17, by the time of high school graduation, and then at average age 24, when entering young adulthood. Table 4 presents data from this sample on three variables: rates of school inactivity, premature childbearing, and rates of incarceration.<sup>9</sup>

School inactivity is a proxy for school abandonment prior to high school graduation. The pattern of results is similar to that observed in census data, with very low rates among second-generation Chinese, climbing to the teens among Filipinos and Vietnamese, and the surpassing one-fourth of Mexican-Americans. The same trend is observable in the other indicators of downward assimilation, except that differences among second generation nationalities are wider than in census data. Thus while rates of female premature childbearing or young male imprisonment for a crime are exactly zero among Chinese-Americans, they reach 47 per cent of Mexican-American females (children) and 20 per cent of males (in prison).

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<sup>9</sup> Rates have been adjusted for sample mortality in the third CILS survey which retrieved approximately 70 per cent of the original respondents. School inactivity rates were computed on the full CILS-I sample.

**Table 4**  
**Indicators of downward assimilation among**  
**second generation youths in Southern California**

Group	Inactive in High School, Mean Age 17 <sup>10</sup> %	Had a Child, Females Mean Age 24 %	Incarcerated for a Crime, Males Mean Age 24
Mexico	26.7	47.5	20.2
Other Latin America <sup>11</sup>	31.5	16.1	18.8
China, Taiwan Province of China	3.9	0.0	0.0
Philippines	17.6	24.5	6.8
Viet Nam	18.2	5.2	14.6
Other Asia	23.2	16.7	9.5
Totals	20.8	28.7	11.9

Source: Portes and Rumbaut 2005, based on data from the Children of Immigrants Longitudinal Study.

These compelling differences go on to reinforce stereotypes about “cultural” characteristics of different immigrant groups, some of whom are depicted as innately inferior, while others are promoted to the status of “model minorities”. These post-hoc explanations ignore the historical process that gave rise to contemporary realities. Differences in human capital among first-generation labour and professional immigrants, plus differences in their contexts of reception – legal and protected for professionals, commonly unauthorized and persecuted for labourers – are the structural features that account for the long-term evolution of their respective ethnic communities. Depending on these structural factors, children and young people of similar potential may be propelled forward to careers of achievement and success in the receiving country or relegated to lives of poverty and often crime. They will become part of high-status “model” groups posed to be integrated promptly into the American mainstream or of caste-like, impoverished minorities. As we have seen, the communities and the countries that their parents left behind can also be significantly affected by the process of segmented assimilation in the second generation.

## Conclusion

Theories of national development, in Latin America and elsewhere, have seldom paid much attention to international migration. At best, these flows were treated as a marginal phenomenon – a reflection of the problems of underdevelopment. No longer. The size of expatriate communities and the volume of the remittances that they send home have prompted a reorientation of theoretical models, where these massive resources play centre

<sup>10</sup> Data provided by the San Diego Unified School District for full CILS-I sample.

<sup>11</sup> Mostly second-generation Salvadorans and Guatemalans.

Source: Rumbaut 2005, based on data from the Children of Immigrants Longitudinal Study.

stage (Guarnizo, 2003). For some authors, remittances can have a key role in resolving past financial bottlenecks and furnishing the necessary resources for long-term development.

I argue that these rosy predictions are exaggerated. There is no precedent that any country has taken the road toward sustained development on the basis of the remittances sent by its expatriates. More importantly, the positive effects of these contributions are contingent on other factors. Depending on them, migration can lead to vastly different consequences – economic stagnation, the emptying out of sending places, and the massive loss of talent versus the energizing of local economies, new productive activities, and significant contributions for scientific and technological development.

For labour migration, the key consideration is whether the cyclical character of the flow can be preserved. While migration inevitably produces a settlement process in the host country, the extent to which the normative pattern is return after temporary stays abroad governs the potential of the movement for strengthening local economies and preventing depopulation. Cyclical migrations work best for both sending and receiving societies. Returnees are much more likely to save and make productive investments at home; they leave families behind to which sizable remittances are sent. More importantly, temporary migrants do not compromise the future of the next generation by placing their children in danger of downward assimilation abroad. To the extent that sending country governments provide the necessary educational resources, these children can grow up healthy in their own countries, benefiting from the experiences and the investments of their parents. The nightmare of young deportees carrying with them the crime culture learned abroad can thus be effectively avoided.

Professional migration need not be formally cyclical to become so in practice. For reasons explained previously, migrant professionals commonly have the necessary motivation and resources to engage in transnational activities in favour of their home country institutions. As the cases of India, Taiwan Province of China, and other major sources of professional migrants attest, these activities can often make major contributions to scientific and technological development in sending nations.

In this area, as in all others pertaining to national development, the role of the state is decisive. The positive relationship between migration and development is not automatic. Market forces alone will not establish the connection. The proactive intervention of the state to create productive infrastructure in rural areas and scientific/technological institutions capable of innovation are necessary conditions for the developmental potential of migration flows to materialize. Countries that simply open their borders, hoping that the “magic” of the market will do the rest will not reap these benefits. The contrasting experiences of countries that have followed this path **versus** those that have taken a proactive stance toward their expatriate communities and their economic/scientific potential provide a clear lesson for the future.

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## Chapter 3

# **INTERROGATING REMITTANCES: CORE QUESTIONS FOR DEEPER INSIGHT AND BETTER POLICIES**

by

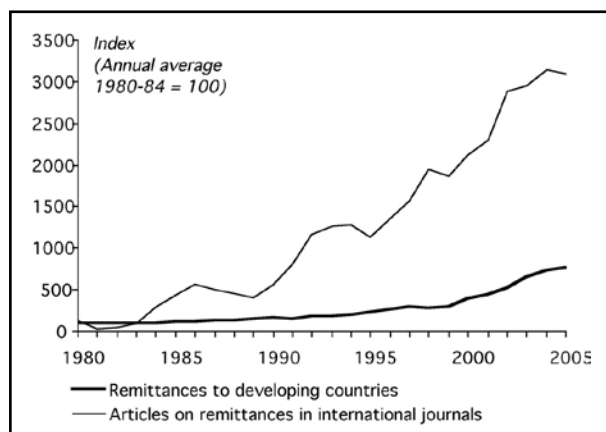
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There has been a tremendous increase in migrant remittances to developing countries over the past couple of decades, and an even stronger growth of interest in remittances from policymakers and researchers. Figure 1 illustrates one aspect of this trend: the ever-larger number of remittances-related articles in international academic journals. The thrust behind the surge in interest has, however, largely come from outside academia. What is genuinely new is the centrality that remittances have acquired on the agendas of the development establishment. Importantly, this was preceded by a shift towards a more positive view on the effects of remittances on development. Put simply, the dominant view was pessimistic under the influence of dependency theory in the 1970s and 1980s. Labour migration, it was argued, did not benefit the development of countries of origin, and remittances were thought to be squandered on conspicuous consumption. By the early 1990s, however, remittances were increasingly seen in an optimistic light. This optimism was based, in part, on new understandings of the division between consumption and investment. In particular, remittance expenditure on health and education was increasingly seen as investment in human capital.

**Figure 1**  
**Remittances to developing countries and journal articles**  
**about remittances 1980-2005**



Sources: Remittance data from Russell (1992) Gammeltoft (2002) and The World Bank (2005a). Publications data from The Social Sciences Citation Index (Thomson Scientific 2006). Articles counted are those with "remittances" and a migration-related term in the title, keywords or abstract. The publications time series is smoothed by a five-year centre-weighted sliding average.

The debate on connections between remittances and development will undoubtedly continue. Perhaps critical titles such as Devesh Kapur's **Remittances: The New Development Mantra?** (2004) are signalling a new wave of scepticism? In this paper I ask eight fundamental questions about remittances and remittance-related policy. My aim is to take a step back and ask different questions from the ones that have dominated the debate on remittances and development. This exercise, I believe, can provide constructive reference points on the road ahead.

This paper does not specifically address remittances which originate from forced migration. Many remittance-related issues are common to a variety of migration settings. However, the context of forced migration may significantly affect the dynamics of remittance-sending, the impact of the transfers in the receiving country, and the scope for policy intervention. See Horst (2006a, 2006b), Koser and Van Hear (2003) and Van Hear (2003) for discussions of remittances in relation to forced migration.

## Are Remittances a Useful Concept?

As “remittances” is becoming a familiar term to more and more policymakers and social scientists, there are good grounds to pause and question its meaning. What first comes to mind when remittances are mentioned is typically the proportion of their earnings that migrant workers send to their families in the country of origin. The classic picture is that of a lone migrant worker who sustains his or her children, spouse and parents back home. This is an important part of the picture, but the scope of transfers covered by remittance statistics and debates about remittances is much broader.

Economists often define remittances with reference to balance of payments statistics (e.g. Ratha, 2003). These statistics are the principal source of country-level remittance data, and the underlying definitions give, at least in theory, a precise indication of what the numbers cover. It is increasingly common to regard “remittances” as the sum of three different entries in the balance of payments, partly in order to circumvent the problem of different classification practices (Table 1). One of these components, **workers’ remittances**, broadly overlaps with the popular conception of remittances. **Compensation of employees**, is money that people earn by working outside the country where they formally live, for instance by cross-border commuting, seasonal work or employment at a foreign embassy. Finally, **migrants’ transfers** are the assets or liabilities that migrants take with them when they move from one country to another. It is the breadth of the remittance concept that explains why remittances weigh more heavily in the economy of Luxembourg than they do in Colombia or Mali, both of which are home countries of large diasporas (World Bank, 2005b).

**Table 1**  
**Migration-related components in balance of payments statistics**

	Location in balance of payments statistics	Context of transfers	
		Stage of migration	Duration of migration
Workers’ remittances	Income in the current account	During employment abroad	One year or more (considered residence)
Compensation of employees	Current transfers in the current account	During employment abroad	Less than one year (not considered residence)
Migrants’ transfers	Capital account	Upon migration between countries	One year or more (considered residence)

Countries differ in how they compile their remittance statistics in practice. For instance, Pakistan includes pension transfers to return migrants who have retired in Pakistan while the Philippines do not. Moroccan authorities keep track of foreign currency cash exchanged by emigrants on holiday and include these funds in remittance statistics. The issue here is not the ambiguity that may arise in relation to statistical comparisons, but the elasticity of the concept of remittances.

In the literature on remittances, the working definition is usually along the lines of “funds transferred by migrants abroad to their families at home” or variants thereof (International Organization for Migration, 2005: 24). The definition of workers’ remittances used by the International Monetary Fund (1993: 302) is as follows:

Current transfers by migrants who are employed in new economies and considered residents there. (A migrant is considered a person who comes to an economy and stays, or is expected to stay, for a year or more). Workers’ remittances often involve related persons.

Both the technical definition and the popular definitions are useful frame of reference for challenging the meaning of remittances as an analytically fruitful concept. There are several questions worth asking.

**Does the money have to be sent by a migrant?** The current understanding of remittances reflects the concept’s foundation in a stereotypical labour migration context. This is challenged not only by pension transfers to migrants who have returned upon retirement, but also by transfers from descendants of migrants. The sending of remittances has been a useful indicator in analyses of second-generation transnationalism (Kasinitz et al., 2002; Rumbaut 2002). The fact that “remittances from the second generation” is a contradiction in terms if one adheres strictly to the dominant definitions, illustrates the need to reconsider the criterion that the sender must be a migrant. Even the emphasis on senders being individuals might be outdated in the context of ever-larger transfers from hometown associations.

**Does the money have to come from employment income?** This condition is still integral to the technical definition. In a broader migration research perspective on remittances, however, this seems irrelevant to the usefulness of remittances as a concept.

**Does the money have to be sent to relatives?** As shown above, the IMF notes that “workers” remittances often involve related persons’ but does not limit the definition of remittances to transfers between relatives. The most pressing issue here is the status of transfers to collective undertakings rather than to individuals or families. Hometown associations, for instance, would typically not make transfers to individuals but to development projects.

**Does the money have to be transferred to the sender’s country of origin?** This is not, in fact, a criterion in the IMF definition, but a common element in most popular explanations of what remittances are. A typical exception to this norm, which is nevertheless regarded as remittances, are the transfers made by long-distance refugees to refugees in the region. The remittances sent by overseas relatives to Afghans in Pakistan or to Somalis in Kenya, are cases in point.

The broadest definition of remittances that I have come across, is “transfers of resources from individuals in one country to individuals in another” (World Bank, 2005b: 321). The emphasis on individual senders and receivers means that even this definition excludes some transfers that are commonly perceived as remittances. At the same time, the absence of any reference to migration makes it too general to be meaningful as a description of a transaction with any social meaning.

It is fruitful to see the variety of migration-related transfers in conjunction, whether or not one chooses to use the term remittances to encompass all variants. Perhaps the most relevant defining element is the social context of migration, rather than the more specific characteristics of the transfer. Within such a broad concept of remittances, distinctions can be made on the basis of who the senders and receivers are (Table 2). **Intra-family transfers** from the migrant to non-migrant relatives then becomes one type among many, albeit the most important one. It is worth noting that the migrant himself or herself can often be the receiver, either when the migrant is also the sender and makes a transfer for personal consumption or investment, or when government or private pension funds make transfers to return migrants. Such pensions may be interpreted as delayed remittances, since the money in most cases was originally earned by the migrant, but deposited in a pension fund.

**Table 2**  
**Migration-related transfers classified by senders and receivers**

Sender	Receiver			
	Migrant	Non-migrant(s)	Collective	Government
Migrant	Personal deposits or investments	Intra-family transfers	Charitable donations	Taxes or levies
Collective			HTA development projects	
Government	Social security transfers			
Private business	Company pensions			

“Remittances” is a useful one-word catch-phrase that represents a complex set of exchanges. Empirical trends which have contributed to a more disorderly picture include the demographic maturing of migrant communities, the development of home town associations (HTAs), and the increasing number of protracted refugee situations with transnational connections. Remittances in the conventional sense of intra-family transfers by migrants to their country of origin certainly remain important, but these transfers are surrounded by others which may or may not be classified as remittances. In contexts where precise definitions are needed, it is not given where the line should be drawn as to where “remittances” end and other transfers begin. It may not be feasible or wise to advocate a single definition; what is a meaningful set of transfers in national accounting may be inadequate in relation to policymaking and vice versa. While there is every reason to keep using the term, it is best to think of remittances as flagging the core of a somewhat nebulous concept rather than precisely circumscribing it.



## What Does it Mean for Remittances to Benefit Development?

Remittances may be used by recipients in such ways that they contribute to remittance-independent development, i.e. the creation of future livelihoods that do not depend on future remittances. It is possible to argue that only then can remittances be said to benefit development, as David Ellerman (2003: 24) does in a World Bank policy paper (emphasis in original):

In a community now largely dependent on income from migrant remittances, development would mean building local enterprises that would **not** live off remittances directly or indirectly (via the multiplier) so that local jobs could be sustained **without** continuing migration and remittances.

While this may be a desirable aim, it is not the only way in which remittances can have beneficial effects. Foregoing opportunities for increasing the benefits of remittances even without substantial contributions to development defined in this way would be to let the best be the enemy of the good.

It is possible to distinguish between material benefits by means of their temporal and social distribution (Table 3). Such an approach highlights the social context into which remittances are received. The different outcomes can constitute different, and sometimes contrasting, policy objectives.

**Table 3**  
**The distribution of benefits of remittances**

Expenditure type	Immediate benefits to the recipients	Future benefits to the recipients	Benefits to secondary beneficiaries	Remittance-independent development
Buying imported goods	✓		✓	
Buying local goods/services	✓		✓	(✓)
Spending on education		✓		✓
Saving in the bank		✓	(✓)	(✓)
Building a house		✓	✓	
Setting up a business		✓	✓	✓

Intra-family transfers typically have **immediate benefits** for the individuals concerned, contributing to daily subsistence. It is reasonable to expect that a family whose basic subsistence needs are not met will spend remittance income on meeting those needs. In this case, remittances contribute directly to poverty alleviation, although there may not be a sustained effect. If the recipients are able to save or invest the remittances, this might result in **future benefits**. In addition to this temporal extension of benefits, the benefits may or may not extend to **secondary beneficiaries** in the community. If remittances are spent on locally

produced goods or services, the community benefits could be substantial, and even have a socially progressive profile. For instance, a large part of remittances worldwide are spent on construction. In poor countries where construction is relatively labour intensive, this sector can occupy a large part of the low-skilled and semi-skilled male (and sometimes female) labour force. Return migrants also frequently employ domestic workers, possibly financed by pensions or savings from abroad. This provides many unskilled women with employment. In São Vicente, Cape Verde, a city profoundly shaped by emigration, 20 per cent of unskilled men work in construction, and a staggering 47 per cent of unskilled women are domestic maids.<sup>1</sup> While both groups suffer from low wages and job insecurity, this does constitute a direct channelling of remittance income to the poorest members of the community, many of whom do not have relatives abroad themselves.<sup>2</sup>

Both in assessing impacts and in formulating policies, it is not given what it means for remittances to benefit development. It is telling that the shift towards a more positive view on remittances is based in large part on a reinterpretation of this question. Furthermore, the question may need to be answered differently in different settings. Remittance-independent development is always desirable, but the urgency of this aim depends on the prospects for continued migration and the nature of links with the existing diaspora. I will return to these issues in later sections.

## **What Should Policies for Remittances and Development Aim to Achieve?**

A major challenge in the debate on remittances and development has been how to reinforce the link between the two through policy measures. If the impact of remittances on development is variable, the variation may be susceptible to well-designed interventions. One way to look at this challenge is as a hierarchy of intermediate and specific objectives that are steps towards the overall aim (Table 4). Priorities then have to be made about which routes to follow, and which subsidiary objectives to avoid because they conflict with other policy considerations. To what extent should governments attempt to change remittance expenditure patterns, for instance? For countries of origin trying to make the most of its diasporas' financial resources, seven intermediate objectives can be identified.

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<sup>1</sup> The figures refer to people with four years of schooling or less. Calculated from Instituto de Emprego e Formação Profissional (2002-2003).

<sup>2</sup> Clearly, not all construction workers and domestic workers are financed by migration-related income, but employment in these sectors is an important mechanism of redistributing remittances to particularly disadvantaged groups.

**Table 4**  
**An inventory of policy measures to enhance**  
**the development impact of remittances**

<b>Intermediate objectives</b>	<b>Specific objectives</b>	<b>Examples of measures</b>
Increase the volume of current remittances	Maximize the volume of remittances sent from abroad	Promote short-term labour migration
	Minimize the depletion of remittances by transfer costs	Low barriers to market entry for transfer service providers
	Increase financial returns to remittance deposits	Foreign currency accounts with premium interest rates
Promote the channelling of remittances directly to development purposes	Divert a proportion of remittances to be used by the state	Direct taxation of remittance transfers
	Promote donations by remittance senders	Voluntary check-off for charitable donations on transfer forms
	Stimulate development financing by hometown associations (HTAs)	Matched funding for HTA development initiatives
Stimulate direct investment of remittances	Outreach through the infrastructure of microfinance institutions	Small-scale credit for remittance-receivers
	Outreach through migrants' service bureaus	One-stop-shop for emigrant investors
	SME schemes (financial, infra-structural, or innovative)	Tax break on imports of capital goods
Stimulate indirect investment of remittances	Promoting transfers through financial institutions	Cross-subsidization of transfer services by banks
	Increase financial returns to remittance deposits	Foreign currency accounts with premium interest rates
Stimulate development-friendly consumption of remittances	Promoting consumption of local goods and services	Tariffs on imported goods with locally produced alternatives
	Enabling migrants to spend on their relatives' behalf	Health insurance for non-migrants marketed to emigrants
	Address the social impact of remittance-fuelled business sectors	Surveillance of employment conditions in the construction sector
Stimulate sound management of remittances	Stimulate banking among unbanked senders and receivers	Cross-subsidization of transfer services by banks
	Promoting financial literacy among senders and receivers	Financial education programmes through community organizations
	Promoting transfers through financial institutions	Cross-subsidization of transfer services by banks
Secure future remittances	Promote continued migration	Bilateral labour migration agreements
	Promote diaspora engagement	Exchange programmes for children of emigrants

First, one can aim to increase the volume of current remittances. This objective has given rise to mandatory remittance requirements that are generally frowned upon today. It has also been part of the motivation for actively encouraging temporary emigration, which is also politically sensitive because of the wider social implications. The current efforts to reduce remittance transfer costs, however, can be seen as a non-intrusive strategy for increasing remittances, since lower costs mean that a greater proportion of the money sent will actually arrive and benefit the recipients. Larger sums can also be enticed by providing financial incentives such as special bank accounts.

A second objective, which may appear to be a shortcut to development impacts, is to promote the channelling of remittances directly to development purposes. A crude and disfavoured approach is to tax remittances and thereby divert funds to the public purse. An alternative approach that is often discussed in positive terms is the support of development initiatives by hometown associations through matching funds (cf Iskander, 2005). Such an approach, however, raises issues concerning the prioritizing of scarce public funds in developing countries. Should villages that already benefit from remittance inflows also have privileged access to government funding in the form of matching funds?

A third possible policy objective is to stimulate direct investment of remittances. Disillusion with measures to this effect are an important reason why remittances were regarded with pessimism and scepticism in the past. It is not easy to turn rank-and-file migrants into entrepreneurs through policy measures. This objective, therefore, has increasingly given way to a fourth one: to stimulate **indirect** investment of remittances. In other words, the people who control remittance expenditures (migrants or their families) need not be entrepreneurs themselves for the money to be invested. When remittances are deposited in financial institutions, this can improve access to credit for local people and thereby stimulate development and ensure a broader distribution of the benefits of remittances.

A fifth possibility is to accept that remittances are primarily used for consumption, and to concentrate efforts on influencing the broader development impact of consumption patterns. As mentioned above, it is a near-universal feature of migration that a large proportion of remittances are spent on residential construction. The extent to which the construction sector depends on imports, and the conditions of employment in the construction business, are therefore important factors in how remittance expenditure affects the national economy and the local community.

Sixth, it is possible to focus on enabling people who command remittances to make qualified financial decisions. This need not imply promoting specific uses, but simply making sure that migrants and their relatives have the necessary skills to manage their funds in the best possible way given their own priorities. It is thought that bringing remittance senders and receivers into the formal financial sector expands their choices and at the same time benefits society.

Finally, a strategic policy objective is to secure future remittances. This is a daunting challenge that is difficult to pursue in isolation from other policy considerations. Promoting migration is, as mentioned, politically contentious. Promoting the sustained engagement of

diaspora populations in order to entice remittances is a formidable social engineering task that I will return to in a later section.

The various intermediate objectives and the related policy measures differ greatly in their level of ambition and in their degree of intrusion into people's lives. The current enthusiasm over the potential benefits of remittances is closely associated with a low-key approach that respects the private nature of remittances. In the United Kingdom the International Development Committee of the House of Commons (2004: 61-62) has expressed this clearly:

Particularly given many migrants' distrust of their home governments, clumsy governmental interference would be most unwelcome. Further, there is little reason to think that development professionals in capital cities or in London are in a better position than the recipients of remittances to make sensible decisions about their use.

The influence of such a position is one of the reasons why transfer mechanisms have come to the fore in debates over remittances: this is an area where action by the state is seen as legitimate, and where feasible policy objectives have been identified. Governments in remittance-sending countries can facilitate competition in order to reduce remittance costs, and they can develop regulatory regimes that unite the need for transparency with a good business climate for the remittance industry.

The measures discussed here primarily reflect views from the South, i.e. from remittance-receiving countries. The multilateral and national development agencies that have taken an interest in migration may share many of these objectives. Their recommendations can differ, however, since the remittance policy of governments in remittance-receiving countries may be influenced by broader political agendas. In the industrialized countries that are large remittance senders, the issue of remittance policy may reveal conflicts of interests between government agencies: ministries of foreign affairs may wish to strengthen the development impact of remittances in the receiving countries, ministries of justice and finance may emphasize the regulatory issues, and ministries of immigration may primarily be concerned about how expenditure on remittances influences the integration of immigrants in the society in which they live. The question of what remittance policies should aim to achieve will therefore have different answers depending on who is asked. The important analytical implication is to focus on the intermediate objectives and their relations with other policy priorities.

## **Should Remittance Policies Target Migrants and their Relatives?**

Taking a step back from the specific objectives and policy measures, one can ask whether the overall development objectives are best served with direct or indirect approaches to the migrants and their money. Some measures explicitly identify migrants and their relatives as the target group, such as special bank accounts for emigrants, financial incentives for emigrant investors, or public service bureaus catering specifically to emigrants. Such policies must perform well on two different fronts, however: on the one hand, the policy initiatives

should be perceived as professional, attractive and sincere by emigrants themselves; on the other hand, they should not be perceived by non-migrants as pampering of an arrogant elite. This could create tensions between migrants and non-migrants that jeopardize potential development benefits of migration. Strategic considerations based on understanding of cultural dynamics and public relations therefore need to be made at early stages of remittances policy formulation.

These pitfalls have several implications for policy. Policies that target emigrants indirectly deserve special attention because they minimize the possible negative social effects of giving an already privileged group special treatment. Indirect targeting can be based on analyses of the bottlenecks restricting migrants' investment in particular. They can be concentrated geographically in regions of outmigration, or make use of social arenas with heavy emigrant presence. Indirect targeting usually means a smaller element of social engineering than of policies that attempt to alter the behaviour of specific groups. The difference between policies that address structural elements of the SME investment climate versus policies that specifically attempt to promote entrepreneurship among migrants illustrates this point.

Many development policy measures that do not target emigrants can nevertheless have an added impact in the context of migration and transnational practices, including remittance flows. Cases in point are public sector reform, particularly since it affects investment. Outmigration from a poor country represents a potential that similarly disadvantaged countries without significant emigration lack. The returns to policies that are commendable in many settings could therefore be greater where outmigration is significant.

## **Whose Money is It?**

Faced with the prospect of governments or aid agencies wishing to tap into intra-family remittance flows, researchers and analysts have been keen to point out that the private nature of these flows must be respected. The Multilateral Investment Fund (MIF) is a key player on the remittance and development scene in the Americas. The fund's manager, Don Terry (2004: 3-4), has expressed the concern about the private nature of remittances lucidly: "One over-whelmingly important fact must always be recognized: 'It's Their Money'. Therefore, the challenge [...] is to provide more—and better—options for remittance families to use their own money." This statement makes a valid point, but simultaneously glosses over the complex relations between senders and receivers. Remitting money may be a financial transaction, but also has a profound social basis (Cliggett, 2005). One of the most intriguing cultural aspects of remittance practices is how they are related to the broader dynamics of relations between migrants and non-migrants. This is often an ambivalent and complex relationship — in a surprisingly similar way across cultural contexts.<sup>3</sup> Non-migrants often relate to emigrants with a combination of gratitude, envy, admiration, and sometimes contempt for not upholding cultural values, or for failing to provide adequate remittances. In

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<sup>3</sup> See, for instance, (Åkesson 2004, Gowricharn 2004, Levitt 2001, McMurray 2001, Oxfeld 1998, Strijp 1997) for research that addresses relations between on migrants and non-migrants.

many cases, this relationship is heavily influenced by a context of emigration pressure, where many non-migrants want to emigrate but lack the opportunity to do so (Carling, 2002).

The distance between remittance senders and receivers creates conditions of asymmetric information. The remitter cannot directly observe the activities of the recipients and therefore has limited influence on how the remittances affect the behaviour and spending of the receiving household. This can be a source of tension between family members. Migrants may complain that their non-migrant relatives who receive remittances don't appreciate the efforts behind the money and spend it carelessly. Migrants can also be concerned if recipients spend remittances in ways that are invisible to neighbours and relatives, who might wrongfully conclude that no remittances are being sent. Non-migrant remittance receivers, on the other hand, can feel powerless and vulnerable if the remittance income is unpredictable. Such micro-level tensions in remittance relationships are decisive to the aggregate patterns of investment and consumption.

While it is clear that remittances are private funds, the question about ownership is complex. The migrant has an upper hand in having earned the money, but this could be overshadowed by other aspects of the relationship. A daughter remitting to her parents may have no authority over how the money is spent. A wife receiving remittances from her emigrant husband may be in charge of remittance expenditures on a daily basis, but make decisions with conditional autonomy.

Emigrants can feel socially obliged to remit, yet dislike the way the remittances are spent. The nature of this social obligation is at the heart of remittance patterns and expenditure decisions. Within research on remittances, much of the work that explicitly addresses motivations to remit has been done by economists. Since a seminal study by Robert Lucas and Oded Stark (1985), a recurrent theme in microeconomic research on remittances has been the balance between altruism and self-interest in remitters' motivations (Agarwal and Horowitz, 2002; Bowles and Posel, 2005; Brown, 1998; Brown and Poirine, 2005; Chami et al., 2005; Roberts and Morris, 2003; Secondi 1997). The model of altruism versus self-interest brings feelings into the frame, but, as Jenny Burman (2002: 51) puts it, "vastly oversimplifies the emotive dimension of interest". My impression is that this view is widely shared by migration researchers in qualitatively oriented social science. Indeed, the strong association of the terms "altruism" and "self-interest" with economics might have hampered the analysis of emotional aspects of remittances within other social-science disciplines and added to the challenges of cross-fertilization with economics in the study of remittances. In a review of the microeconomics of remittances, economists Hillel Rapoport and Frédéric Docquier (2006) note that most economic studies disregard the social context within which remittances take place, and that this severely limits their explanatory capacity. Ethnographic research into these issues has an important role to play, not by repeating the economists' quest for determining the relative importance of self-interest and altruism, but with an aim to better understand what motivates remitters, and how the sending of remittances shapes, and is shaped by, relations between senders and receivers (e.g. Akuei, 2005).

## Who has Reasons to Worry about the Future?

Part of the interest in motivations for remitting has been related to the issue of remittance decay (Brown, 1998; Grieco, 2004; Stark, 1978). Will the flow of migrants' remittances be sustained over time? Lowell and de la Garza (2000: 24) write with reference to Latino migration to the United States that "as yesterday's new arrivals adjust, and as today's number of new arrivals falls, the combined effect may be that remittances have peaked". The prospect of remittance decay is a particularly acute issue for small developing countries that rely heavily on remittance income, such as many island states in the Pacific and the Caribbean. Faced with increasingly restrictive immigration policies in destination countries, their economic future is at stake (Carling, 2004a; Evans, 1999; Macpherson, 1992).

For many countries of origin, remittances have two rather different types of origin: workers who are employed abroad for a limited period, usually without their families (e.g. Filipinas in Singapore) and established emigrant communities (e.g. Moroccans in Belgium). With short-term workers abroad, the number of people deployed and their available resources are key determinants of remittances, while the propensity to remit is likely to be high and stable. In the case of established emigrant communities remittance flows are more susceptible to a decline in the propensity to remit. In such communities, a process of demographic maturing usually means that first generation migrants constitute a gradually smaller share of the community, and that those who have lived in the country of origin as adults eventually become a small minority (Carling, 2004b). Furthermore the number of transnational kinship relations is usually reduced over time as those who are left in the country of origin emigrate or pass away. The death of parents, for instance, may cause remittance transfers to end several decades after a migrant's arrival. While members of the second generation also send remittances, they tend to do so at a much lower rate than first-generation migrants (Kasinitz et al., 2002; Rumbaut, 2002). Remittance flows from established migrant communities are most likely to continue if there is a steady influx of new migrants, and if this migration is such that intra-households relations are stretched out to become transnational (Grieco, 2004). This does not promise well for remittances from the large immigrant populations of guest worker origin in Europe. Current immigration policies not only keep the number of migrants low, but also limit migration primarily to family reunion and family formation. By definition, these forms of migration do not create a transnational relationship between spouses, although they may create such relationships between the immigrant and his or her parents in the country of origin. In theory, family-related migration could provide perpetual renewal of transnational ties, at least with the extended family, and thereby sustain remittance flows. However, several European countries have made significant policy changes in the last few years that are likely to reduce the number of new migrants. In the Netherlands, for instance, prospective immigrants from outside Europe are now required to pass an examination in knowledge of Dutch language and society before being admitted to the country.

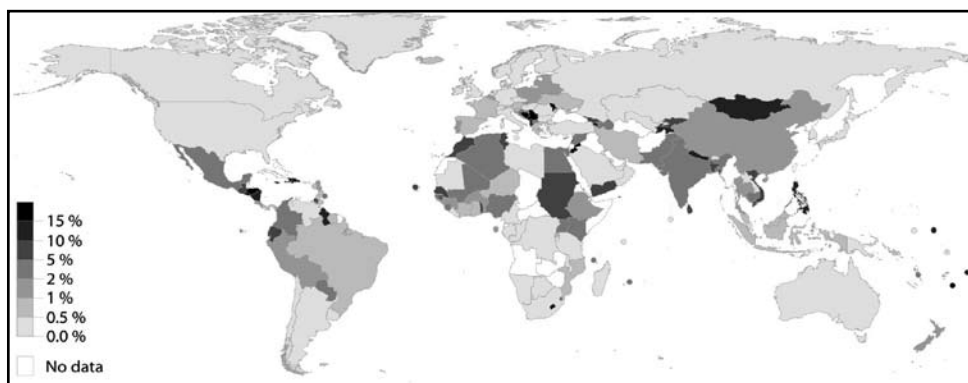
The decline in remittances from some diaspora communities is sometimes counterbalanced by increases elsewhere. Morocco, for instance, has enjoyed a steady growth in total remittances despite plummeting transfers from the Netherlands and Germany. Remittances from the Netherlands fell by almost 60 per cent from 2001 to 2004, but this was more than offset by transfers from the younger and rapidly growing Moroccan population in Spain



(Office des Changes, 2004). For Turkey, by contrast, there has been a massive decline in total remittances, due in part to declining inflows from Germany. In the period 2000-2004, Turkey's remittance income fell by a staggering 82 per cent (World Bank, 2005b).

Unlike Turkey and Morocco, the majority of remittance-dependent countries have small populations and small economies. Of the 22 countries receiving remittances in excess of 10 per cent of GDP, only two have more than 10 million inhabitants (the Philippines and Nepal; see Figure 2). For countries such as Tonga, Lesotho and Jordan, which have developed a structural dependence on remittances over a several decades, the long-term sustainability of this income is a serious issue for the national economy (e.g. Lee, 2004). Other countries have experienced a sudden increase in remittances of such a magnitude that coping with the transformation of the economy is a challenge. Slovakia, Kyrgyzstan and Mongolia, for instance, have seen registered remittance inflows grow by more than 100 per cent annually in the period 2000-2004 (World Bank, 2005b). The historical experience of Yemen illustrates the danger of such a situation: in 1977 low-wage immigration from Asia led to a sharp fall in the wages of Yemeni workers in Saudi Arabia. The strong growth in remittances over the previous three years had given momentum to a consumption bonanza in Yemen, however, and when remittances could no longer support the rising imports, the balance of payments deteriorated rapidly (Carling, 2005). During the events leading up to the first Gulf War in 1990, the country suffered yet another blow as a result of its dependence on migration and remittances when 800,000 Yemenis were forced to return home (Van Hear, 1998).

**Figure 2**  
**Remittances as a proportion of the Gross Domestic Product (GDP), 2004**



Source: The World Bank (2005b). Remittances are defined as the sum of “workers remittances” and “compensation of employees”.

For vulnerable developing economies, dependence on remittances may not be any worse than dependence on other volatile sources of income. In fact, remittances have proved to be relatively stable, and even have a stabilizing effect on the economy because they tend to fluctuate counter-cyclically (Ratha, 2003). Countries that have come to rely on these inflows must nevertheless plan for the future in light of the trends in immigration policy and migration flows.

## Can Sound “Diaspora Management” Make Emigrants a National Resource?

The prospect of remittance decline raises the question of what countries of origin can do to sustain the active attachment of their diasporas. Is it possible and advisable then for countries of origin to consider their diaspora a national resource which they can seek to manage with the aim of long-term sustainability?

India’s former Prime Minister Rajiv Gandhi once said that he regarded Indians abroad as a bank “from which one could make withdrawals from time to time” (Weiner, 1996: 133). This metaphor reflects an understanding of the diaspora as resource to the country of origin, but the implicit notion of passivity on the part of emigrants is problematic. Emigrants may be sensitive to the home country attitude that their money, and possibly their skills, are welcome, but not their advice or political engagement. Sustained contributions to the country of origin beyond the family requires a commitment and sacrifice that may be at odds with being seen as a resource to be mined or a bank to make withdrawals from at the home country’s convenience.

The indirect policy measures outlined in the previous section do not preclude simultaneous measures aimed at diaspora populations. Winning the confidence of emigrants is a key challenge for policy measures relating to remittances and development. Migration scholars have analysed how home country governments engage in the processes through which the social category of migrant and the notion of a diaspora are embedded with meaning. For instance, leaders of the Philippines and Mexico have actively sought to discursively construct migrants as national heroes. While this is recognized, interpreted as an instrumental move, and attributed great significance, analyses of discourse are, to my knowledge, absent from policy recommendations in the literature on remittances. What is referred to as “discursive construction” and “embedding with meaning” in constructivist social science has clear parallels in marketing and public relations, although under different names. There is potential for cross-fertilization between social science that places these processes in a societal context, and the public relations profession which has the skills of developing and implementing communication strategies. Such strategies must be based on political decisions about what the diaspora’s role in national development should be and on reflections about how this resonates with existing attitudes at home and abroad.

Relations between emigrants and non-migrant public servants in particular are sometimes strained. To put it bluntly, the effects of a president proclaiming the virtues of emigrants as national heroes are limited if the dominant attitude in the bureaucracy is that emigrants are arrogant and demanding. In typical contexts of labour emigration, emigrants are poorly educated but relatively wealthy compared to public servants who try to make ends meet with a local salary. This structural context has implications for the interpersonal relations of the public service interface. Migrants’ interaction with authorities in the host country is likely to impact upon their perceptions and judgement of the performance of home country authorities. Migrants who wish to invest, individually or through hometown associations, are likely to expect the government to reciprocate their benevolence. If development projects are stranded or delayed because of what is perceived as incompetence or ill will in the local government, this could have profound impacts on the government’s credibility in diaspora communities.

## Will More Research Reveal the Truth about Remittances and Development?

Since much of the debate over remittances has been framed in terms of whether they are good for development or not, researchers have sought to find the ultimate answer to this question (see reviews by Ghosh, 2006; de Haas, 2005; Kapur, 2004). It is possible to estimate the total effect of remittances on quantifiable factors such as poverty and inequality across countries and time periods by means of econometric modelling. The conclusion of the most comprehensive study of this kind is that a 10 per cent increase in per capita official international remittances will lead, on average, to a 3.5 per cent decline in the share of people living in poverty (Adams and Page, 2005). This is a powerful result that can act as an attention grabber in showing the potential of remittances. Despite its political importance, however, such a global coefficient may be of limited analytical use. Not only does the integration of remittances in development processes vary greatly across contexts, but it is often contradictory in any given case. For instance, remittance inflows may bring many people out of poverty in a given community, but at the same time reinforce an atmosphere of apathy and waiting that comes to dominate society at the micro-level (e.g. Halstead, 2002; Richman, 2005). Remittance inflows to conflict areas may also contribute to forced migration when they provide funds for sustaining the conflict, even when the transfers have a simultaneous poverty alleviation effect (Van Hear, 2002). It is futile to seek to assess the “net benefit” of remittances (or migration more generally) on development because the effects that are felt in different spheres and in time frames cannot meaningfully be added together (Carling, 1996).

From a policy perspective, the most constructive approach may be to ask under what circumstances and through which mechanisms the development impact of remittances is **susceptible to policy intervention**. Even if there are no ultimate truths to be revealed, identifying such opportunities requires greater insights into the dynamics of remittances and development. One of the barriers to better understanding is still the schism between economics on the one hand and qualitatively oriented social sciences on the other.<sup>4</sup> The measurement of remittances, the estimation of their effects on local economies, and the development of policies to reduce transfer costs and integrate remittances into the formal financial sector all require expertise in economics and finance. At the same time, such expertise is incomplete without an understanding of the social dynamics that shape the sending and expenditure of remittances. A major challenge to researchers, therefore, is to transcend disciplinary and epistemological boundaries so as to inform policies to address economic processes within their social context.

Governments in remittance-receiving countries in the South face the challenge of exploiting the potential of remittances for development purposes. There are many constraints to the options at hand, including the private nature of remittances and the fact that important decisions are made in remittance-sending countries where policy may be driven by other priorities. The diversity of interests between stakeholders requires dialogue, openness and partnerships. This applies to the international level, where remittance-sending and

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<sup>4</sup> This schism is not simply a matter of quantitative versus qualitative approaches, but also about different research aims. Many researchers, myself included, use quantitative methods extensively alongside qualitative inquiry, but favour contextual approaches rather than a search for universal causalities.

remittance-receiving countries need to act on their areas of common interest and discuss the implications of their areas of disagreements. Similarly, at the national and local level, government agencies need to engage with civil society, based at home or in the diaspora. As Natasha Iskander (2005) has shown, policy intervention in the field of remittances and development should be conceptualized as a process of social learning in order to have a sustained positive impact. This is facilitated by active dialogues encompassing local authorities, migrant organizations, the non-migrant population, and academics.

As with many issues in development policy, the impact of remittances is linked with other broad priorities in ways that can form either virtuous or vicious circles. Higher levels of education, a well-functioning financial sector, reliable infrastructure and utilities, and a good investment climate are all desirable ends in their own right. At the same time, progress in these areas may substantially increase the development impact of remittances. This implies that there are few measures that will yield substantial short-term result, but that remittance dynamics may reinforce the effect of sound, long-term policies.

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## Chapter 4

# **IS TRANSNATIONALISM A NEW PARADIGM FOR DEVELOPMENT?**

by

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and  
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## Introduction

There has been a growing excitement about migration and its potential impact on stimulating development in less-developed origin regions. The excitement is, to a large extent, due to the reported dimensions and characteristics of migrants' remittances (see for example the World Bank report, *Global Development Finance*, 2004) and to the size of estimated global benefits from further liberalization of global trade in services (Winters, 2005). In the US, the ongoing debate on immigration policy reform has also drawn attention to the significance of transnational or diaspora networks in mobilizing migrants' savings to finance small enterprises and community infrastructure in their countries of origin.

The World Bank's widely quoted findings that remittances to developing countries have grown much faster than capital flows and, at about US\$ 199 billion a year, are now about the same size as aggregate flows of direct foreign investments, have had a powerful impact on debates on migration and its link with development. They have shifted the focus of discussion from brain drain to the previously unnoticed potential of migrants' remittances for financing development and alleviating external resource gaps. In 2004 workers' remittances superseded private capital inflow to 36 developing countries and were earnings from the principal commodity exports in another 28 countries. Indeed, for some of the world's least-developed countries, migration, not trade or investments, is their main source of foreign exchange, and their main link to global markets.<sup>1</sup>

Rodrik and Winters have been among the most prominent economists who recently contributed estimates of the potential global impact of liberalizing cross-border flows of people.<sup>2</sup> Rodrik argues that on account of the fact that wage differentials are much larger than price differentials the potential gains from liberalizing the movement of labour should be many times larger than potential gains from liberalization of trade. He estimates for example that the world's GDP can rise by as much as US\$ 200 billion if immigration is liberalized so that the population of migrant workers increases by the equivalent to 3 per cent of the labour force of rich countries. Using a general equilibrium framework, Winters estimated that increasing developed countries' quotas on admission of both skilled and unskilled temporary workers would raise world income by some US\$ 156 billion – about 0.6 per cent of the world's GDP.<sup>3</sup>

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<sup>1</sup> The enthusiasm about the importance of remittances in financing development owes much to the work undertaken by the Inter-American Development Bank under the auspices of its Multilateral Investment Program. The Bank was among the first to closely monitor the flows of migrants' remittances to Central and South American countries. The Asian Development Bank has only lately started to address the issue.

<sup>2</sup> From estimates that on average the income gains that derive from international trade rise with the square of the price differentials between countries, and that price differentials for goods (usually in the order of 2 to 1) are much smaller than that for wages, Rodrik concluded that liberalizing migration has a larger potential to increase welfare than liberalizing trade. See Rodrik, Dani (2002) "Feasible Globalization", Harvard, Discussion paper.

<sup>3</sup> See Winters, A. Economic implications of liberalizing mode 4 trade. Paper delivered at Joint WB-WTO Symposium on Movement of Natural Persons Mode IV under GATS Geneva April 2002.

## Economic Development Theories and Migration

The Lewis-Ranis-Fei model of surplus labour provided the earliest theorizing on how the migration of labour impacts on development, but only in the context of internal movements. Their two-sector models assumed a closed economy where labour moves from the traditional (usually rural) sector to the modern sector which is characterized by increasing returns to scale. In their models there is surplus labour in agriculture (workers can move out without causing a decrease in output) who paid a subsistence wage. The transfer of labour to the modern sector at subsistence wages allows for the rapid accumulation of capital, prompting faster growth of the modern sector and further demand for labour. Wages will continue to be at subsistence levels until the surplus is eliminated, after which workers are paid according to their marginal product.

Harris and Todaro started from that concept to construct a model of development which has labour migrating from rural to urban areas because of expectations of higher wages, even if it means being unemployed for some time.<sup>4</sup> Workers will move as long as there are good prospects of landing a job in the city, prospect which are represented by the rate of unemployment of the urban work force. The movement will stop when workers become indifferent between working in rural or in urban areas. In the Harris and Todaro model, the rate of migration is determined, not by the size of actual wage differentials, but by the size of “expected” income in the modern sector. Expected income is based on average wage and the likelihood of finding employment in the urban sector.

Recent years have seen the rise of the so-called “new economics” of labour migration (Stark, Taylor and others) which focus on the micro-analytics of decisions to emigrate (the so-called “relative deprivation” hypothesis), to send home remittances, and to invest in education (a rejection of the “brain drain” argument).<sup>5</sup> These recent works have provided a bridge with theorizing in other disciplines notably those in sociology, anthropology and international relations (Orozco, Vertovec, Sorensen and van Hear, de Haas).<sup>6</sup> It is the sociologists and students of international relations who have drawn attention to the importance of transnational networks, and how diaspora communities influence the development of the communities where they originated from. In the US, studies have drawn attention to the role of “home-town” associations as nodes of transnational networks. In the existing literature, these are seen as grass-root institutions with important implications for growth and development.

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<sup>4</sup> The model first came out in Harris J. and M. Todaro (1970) “Migration, Unemployment and Development: A Two Sector Analysis” *American Economic Review*, March 1970, 60(1): 126-42.

<sup>5</sup> See Stark, O. (1991), *The Migration of Labour*, Basil Blackwell, Oxford. Also Lucas, R. and Oded Stark, *Motivation to remit: Evidence from Botswana*” *Journal of Political Economy*, vol 93: 901-918; and Taylor, J. Edward (1985) “The New Economics of Labour Migration and the Role of Remittances” *International Migration*, 37(1): 63-66. Lucas, Robert E.A. (2005). *International Migration Regimes and Economic Development*. Swedish Foreign Ministry. Stockholm.

<sup>6</sup> Orozco, Manuel. “Globalization and Migration: The Impact of Family Remittances in Latin America”, in *Approaches to Increasing the productive Value of Remittances, IAF and Other Case Studies in Financial Innovations and International Cooperative Community Ventures: Papers presented at a conference held at the World Bank, 19 March 2001*. Washington DC: Inter-American Foundation, 2001; Vertovec, S 2004 “ Migrant transnationalism and modes of transformation” *International Migration Review* 38 (Fall) pp.970-1001; Sorensen, Ninna Nyberg, Nicholas Van Hear, and Paul Engberg-Pedersen, “The Migration-Development Nexus: Evidence and Policy Options,” CDR Working Paper 02.6. Copenhagen: Center for Development Research, March 2002, p. 1.

The work that comes closest to modeling the link between cross-border migration and development is the SAM-CGE framework used by Henojosa-Ojeda to examine the GDP multiplier effects of migration and remittances, and of policy reforms to mobilize transnational community networks.<sup>7</sup> He simulated the possible full general-equilibrium impacts of exogenous injections of remittances on rural production and incomes. The CGE model captures the modifications in relative prices caused by an exogenous change. His study drew on changes in remittance flows following regularization measures in the US which resulted in increases in income of Mexican migrants.

## Elements of the Transnational Paradigm

In the following we set out the various threads that can be woven into a more formal articulation of a transnational model of development:

1. The existence of migrant networks in destination countries reduces the “risks” associated with migration. This means that workers can expect a higher probability of obtaining employment in another country as the population of their co-nationals in that country increases, or as the migration system matures. Risks are likely to decline because information available about the foreign labour market should improve with increasing contacts. The information concerned may be about jobs, hiring practices of employers, prevailing wages and cost of living, occupational standards, conditions of employment in different industries, and so on. In short, the probability of finding a job (and the expected earnings in migrating for employment) is a function of cumulative migration flows of the past or the stock of population or diaspora communities in destination countries.
2. Transnational networks operate to reduce the transaction costs associated with migration and insertion in the foreign labour market. Transaction costs refer to recruiter’s services which aspiring migrants usually have to purchase in order to find a job, the cost of various tests which they may need to undergo to prove their skills or their physical fitness for the job, services of migration lawyers, and the like. These costs are particularly high in migration because the migrant lacks knowledge of the conditions in foreign labour markets, because of institutional barriers to movement, and because of the difficulties in enforcing contracts. These are among the reasons why brokers or intermediaries are ever present in contracting for employment. Networks reduce these costs by helping migrants obtain direct contact with employers, by vouching for the workers’ skills and qualifications, and performing other services normally performed by commercial intermediaries.

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<sup>7</sup> Ojeda, R. H. “Transnational Migration, Remittances and Development Globalization Lessons from Oaxa California Transnational Village /Community Modeling Project”, 28 Oct 2003 paper for Multilateral Investment Fund, IADB.

3. Earlier cohorts of migrants subsidize the migration of friends and family members. This is clearly the rule in the case of traditional immigration countries where family reunification is a core principle of immigration policy, but it is also generally true even in countries which only accept temporary guest workers. Altruism usually drives the phenomenon, but it may also be part of long-term strategies of migrants to increase the number of workers supporting families back home and thus reduce the burden on each individual. Such subsidies would be treated as additional transfers of income or remittance, but “in-kind”. Instead of cash transfers they usually take the form of prepaid tickets sent to friends and relatives, host accommodation upon arrival until the migrant lands a job, and other forms of assistance in kind to facilitate the migrants’ integration in the labour market.
4. Remittances contribute to growth of the domestic output by way of its effect on increasing the economy’s stock of capital. Households receiving transfers of income earned abroad cause an increase in aggregate private domestic investments since they typically invest in new housing and their increased consumption will induce higher levels of investment all around. Remittances in turn are a function of the stock of migrants in receiving countries or the size of diaspora communities abroad, their average incomes and remittance costs.
5. Conventional models of growth attribute all other changes in output which cannot be accounted for by changes in employment of labour and in the capital stock to changes in total factor productivity. This could include hard-to-quantify changes in technology, in the quality of labour inputs, and improvements in governance which reduce the cost of doing business. Changes in the productivity of capital depends on the complement of highly skilled workers available in the country. Where migration leads to loss of these skills, productivity will suffer. Technological change requires the existence of a “critical mass” of scientists, professional and skilled workers who are capable of absorbing knowledge and using it effectively to develop technologies adapted to local conditions, market requirements, and constraints. The new paradigm of migration lays stress on technology transfers from abroad which are assumed to increase with the size of diaspora communities abroad. One might qualify, of course, that what makes a difference is not simply the size of diaspora communities abroad, but more importantly where they are located (whether in advanced industrial societies or in a neighbouring peasant economy).

The transnational paradigm has highlighted the role of the so-called “knowledge networks”. This would of course depend on the skill of the workers who go abroad. Are they capable of absorbing the new knowledge? If those who leave are highly educated or skilled, what happens to the local economy they leave behind? In Pakistan, the departure for the Gulf States of the best masons and carpenters dislocated the informal training system because no one could teach the new entrants to the work force anymore. Knowledge networks need not of course only be about producing things in order to contribute to development. The knowledge brought home may be about democratic principles, more effective governance, new ways of raising children, new lifestyles, etc.

6. In the transnational model of development, migration contributes to the growth of capital stock by way of its impact on foreign capital inflows. In sending countries where conditions for foreign investments remain unfavourable, there may in fact be net outflows of capital at the beginning. Once conditions improve, however, diaspora communities abroad tend to be among the first to bring in capital back home as it had happened in such a dramatic manner in China and more recently in India. Transnational linkages bring down the transaction costs of investments since migrants, especially the more qualified, often serve as the conduits of information or investors.<sup>8</sup> Highly qualified migrants are known to play the role of “beach-heads” of multinationals when the latter decide to outsource production to other countries. The migrants’ experience abroad may also be instrumental in decisions to set up business at home as was the case, for instance, of Indian IT engineers who returned from Silicon Valley in California to set up their own software companies in Bangalore.

## The Transnational Model of Development

Assume two countries, one labour sending and the other labour receiving. For the receiving country assume constant exogenous growth rate of output.

For the labour sending country, assume a production function of the form:

$$Y_{s,t} = f(A_{s,t}, K_{s,t}, E_{s,t})$$

where  $Y$  represents output,  $A$  the level of technology,  $K$  the level of capital,  $E$  the level of employment, and where the subscript  $s$  denotes that the variable pertains to the labour sending country, and the subscript  $t$  denotes time.

It is clear that the future growth rate of output in the sending country depends on the time paths of  $A_s$ ,  $K_s$ , and  $E_s$ .

The total working age population of the sending country maybe divided into three groups – the employed, the unemployed (for our purposes, including those not in the labour force), and the stock of migrant workers.

$$WF_{s,t} = L_{s,t} + SMIG_{s,t} = E_{s,t} + U_{s,t} + SMIG_{s,t}$$

Each of these groups maybe further divided into two sub-groups, the high-skilled and the low-skilled.

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<sup>8</sup> Transaction costs are usually brought about differences in regulatory systems between countries. These may cover anything from differences in product standards to prohibitions of certain practices.

Thus,

$$E_{s,t} = E_{s,t}^H + E_{s,t}^L$$

$$U_{s,t} = U_{s,t}^H + U_{s,t}^L$$

$$[L_{s,t} = L_{s,t}^H + L_{s,t}^L]$$

$$SMIG_{s,t} = SMIG_{s,t}^H + SMIG_{s,t}^L$$

The stock of migrants is determined by outflows and return flows:

$$SMIG_{s,t} = (1 - r)SMIG_{s,t-1} + FMIG_{s,t}$$

$$FMIG_{s,t} = f(U_{s,t}, \frac{WAGE_{r,t}}{WAGE_{s,t}}, SMIG_{s,t-1}, \underline{X}_{s,t})$$

where  $r$  is the ratio of migrant workers who go home at each time period,  $FMIG_s$  the flow of migrants from the sending country.  $FMIG$  in turn is a function of  $U_s$  the unemployment rate in the sending country,  $WAGE_r$  and  $WAGE_s$  the average wage levels in the sending and receiving countries respectively, and  $\underline{X}_{s,t}$  a vector of other factors influencing migration. Migration flow is increasing with respect to  $U_s$ ,  $\frac{WAGE_r}{WAGE_s}$ , and previous period  $SMIG_s$ . The effect of the stock of migrant workers in the previous period on the current flow of migrant workers maybe seen as the effect of migrant networks which impact on reducing risks and the cost of migration.

Now,

$$K_{s,t} = (1 - \delta)K_{s,t-1} + I_{s,t}$$

where  $\delta$  is a constant depreciation rate of capital and  $I$  represents investment. Furthermore,

$$I_{s,t} = I_{PRI,t} + I_{FD,t} + \bar{I}_{GOV,t}$$

where the subscript  $PRI$  means private,  $FD$  foreign direct, and  $GOV$  government. In other words, investment is divided into domestic private investment, foreign direct investment, and an exogenous government investment. Domestic private investment, in turn, is a function of expectations of growth, the cost of borrowing, the flows of remittances, and certain transactions costs associated with investing in a foreign country.

$$I_{PRI,t} = f(E(\dot{Y}_{s,t}), \overline{INT}_{s,t}, REM_{s,t}, \overline{TC}_{s,t}^s)$$

where  $E(\dot{Y}_s)$  is the expected growth rate of output,  $\overline{INT}_s$  an exogenous interest rate,  $REM_s$  the remittance from the stock of migrant workers in the receiving country, and  $\overline{TC}_s^s$  a measure of



the transaction costs faced by domestic private investors which is assumed exogenous.  $I_{PRI}$  is increasing with respect to  $E(Y_s)$  and  $REM_s$  and decreasing with respect to  $\overline{INT}_s$  and  $\overline{TC}_s^r$ .

Foreign direct investments also depend on growth expectations, the availability of skilled labour, and the transaction costs involved in investing in an unfamiliar country.

$$I_{FD,t} = f(E(\dot{Y}_{s,t}), L_{s,t}^H, TC_{s,t}^r)$$

where  $TC_s^r$  is a measure of the transaction costs faced by foreign investors in the sending country.  $I_{FD}$  is increasing with respect to  $E(Y_s)$  and decreasing with respect to  $TC_s^r$ .

Now,

$$REM_{s,t} = f(SMIG_{s,t}, \underline{V}_{s,t})$$

where  $SMIG_s$  refers to the stock of migrant workers in the receiving country and  $\underline{V}_s$  refers to a vector of other factors that affect remittances such as the wage level in the receiving country, the socio-economic profile of the migrant workers, remittance costs and others.  $REM_s$  is an increasing function of  $SMIG_s$ . Also,

$$TC_{s,t}^r = f(SMIG_{s,t}, \underline{W}_{s,t})$$

where  $\underline{W}_s$  is a vector of other factors affecting transaction costs of foreign investors who want to invest in the sending countries.  $TC_s^r$  is negatively related to  $SMIG_s$  under the hypothesis that migrant workers serve as a link between – and source of information of – foreign investors and the sending country in terms of available opportunities, relevant laws, and also as a source of possible help in enforcing contracts.

Now, the level of technology  $A_s$ , maybe modeled as:

$$A_{s,t} = f(A_{s,t-1}, EXPST_{s,t-1}, L_{s,t}^H, r^H, SMIG_{s,t}^H)$$

where  $EXPST_s$  is expenditure on science and technology, and  $r^H$  is the proportion of the skilled migrant workers who return to the country.  $A_s$  is increasing with respect to  $EXPST_s$ ,  $L^H$ ,  $r^H$  and  $SMIG_s^H$ .

## Transnationalism's Implications for Policy

How would the new paradigm affect development policies and strategies? From the simple paradigm illustrated above it may be seen that there are several avenues through which migrant networks can have positive impact on output growth. First, by increasing remittances to the sending country, migration of labour helps to raise the level of domestic private investments. For example, much of remittances find their way to financing new housing. The impact of increased consumption from remittances on inducing an increase in domestic investments is not taken into account in this model which is based on a production function, but the implications for policy can already be anticipated.

Second, given there remains a sufficient number of skilled workers in the sending country, migrant networks could increase foreign direct investments by reducing the transaction costs associated with it. However, if the number of skilled workers left at home is too low, then migration could become a disincentive to foreign direct investment.

Third, again given there remains a critical mass of skilled workers in the sending country, and that non-zero proportion of skilled migrant workers return home regularly, then migrant networks can raise the level of production technology in the country by increasing the number of workers bringing home new technology. Ellerman has argued that without this "critical mass" of knowledge workers the absorption of new technologies remains at superficial levels.<sup>9</sup> On the other hand, new technologies brought in can be a powerful generator of growth as has been amply demonstrated first in Japan, then in Korea and Taiwan Province of China where there were enough local skilled people who were able to absorb and apply the principles to develop new processes and products.

Strategies for human resource development must take into account more than ever before the cross-border mobility of workers. In countries where the labour market is closely linked to a much larger and richer foreign labour market (such as the US), small changes in the latter can mean a big shock to the system. Consider for example a 3 per cent rise in demand for nurses in the US and how it will affect the demand for nurses in Jamaica or for that matter in a bigger supplying country like the Philippines. The public funding of education becomes a major dilemma since the benefits may not accrue to the country. How equitable is a system where much of public funds go to state universities, but graduates emigrate?

In our transnational paradigm we highlighted the importance of **diaspora** communities in reducing the transaction costs involved in foreign direct investments but not explicitly as a relatively untapped market for capital resource mobilization. It is clear that **diaspora** capital looks for the best returns, and is not necessarily always motivated by nationalism. Hong Kong SAR money, for instance, went first to other Asian countries and to Canada before it went to China. In recent years sending countries have become more proactive in encouraging these communities to mobilize their capital for investments at home. The state of Guadalajara in Mexico pioneered the effort to induce Mexicans in the US to invest in small

<sup>9</sup> See Ellerman, D. 2003, "Policy research on migration and development", World Bank Policy Review Working Paper 3117, August.

public projects in their home towns through a matching grant programme called *Tres por Uno*. This suggests a “bottom-up” approach to development.

The World Bank and others have pointed other interesting consequences and opportunities created by the growth of migration. One of these is the expansion of the capital market when the massive inflows of remittances to migrants’ families leads to the creation of a market for foreign exchange, and later to the spread of banks and quasi-banks in rural areas. Small savers can now be reached by banks which would not have transpired had there been no migration. The improvements in systems for remittance transfers has at the same time led to the spread of formal institutions for mobilizing more savings.

In the transnational paradigm the assumption of a closed economy is removed. The stimulus to development comes from the migration of labour to foreign countries where they earn much higher wages. Migration may lead to a drop in the output in the sending countries if the migrants are highly qualified but otherwise the assumption is usually made that there is a surplus of workers in all sectors. When income transfers occur from abroad, a rise in expenditures from remittances for consumption and investments could either lead to higher prices or stimulate output and thus increase local employment. The overall impact on the local economy will depend on how much of the expansion will find its way to increased imports from abroad.

Finally, a word of caution. It is clear that migration will help development, but only in countries where the conditions are ripe for development. Hirschman reminds us that exit through emigration is an easy route for those who quit.<sup>10</sup> His “voice and exit” is relevant to many developing countries where fundamental reforms are needed before development can take place. The emigration of the better educated members of the population will make it more difficult to push for reforms. At the same time the expectations of large remittances make it easier for the policymakers to avoid or postpone making hard and painful decisions.

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<sup>10</sup> Hirschman, Alberto (1970), *Exit, Voice and Loyalty: Response to Decline in Firms, Organizations and States*, Cambridge University Press, Cambridge, MA.





## Part II

# Migration and Development: Experiences of Five Emigration Countries



## Chapter 5

# **INDIA: SKILLED MIGRATION TO DEVELOPED COUNTRIES, LABOUR MIGRATION TO THE GULF**

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## **Abstract**

Referred to as the “Indian Diaspora”, there is an estimated 20-25 million stock of Indian migrants worldwide. This is a function of flows of unskilled, semi-skilled and skilled workers from India over last two centuries. Beginning in 1950s, and picking up in pace as “brain drain” in 1960s, skilled migration to developed countries of the North became more prominent with the recent 21<sup>st</sup> century exodus of the IT workers. Beginning with the oil-boom of the 1970s, large numbers of unskilled and semi-skilled Indian labour have migrated to Gulf countries in west Asia. A paradigm shift in skilled migrants leaving India took place in phases – from the “brain drain” of 1960s-1970s to “brain bank” of 1980s-1990s, and subsequently to “brain gain” in the 21<sup>st</sup> century. Similarly, the labour migrants to the Gulf have been viewed as the main source of remittances, swelling India’s foreign exchange reserves. Both these perceptions need moderation. Section 2 presents a general contextual background of India. Sections 3 and 4 highlight India’s transnational connectivity through skilled migrants in the developed countries, in particular the US. Section 5 is on labour migration to the Gulf. Section 6 is on the socio-economic impacts of Gulf migration on Kerala, an important Indian state of origin. Section 7 is on the evolution and change in the perception of migration in India. Section 8 analyses measures initiated by the Government of India recently. The concluding section is a commentary on whether and how migration could change society in India and the rest of the South.

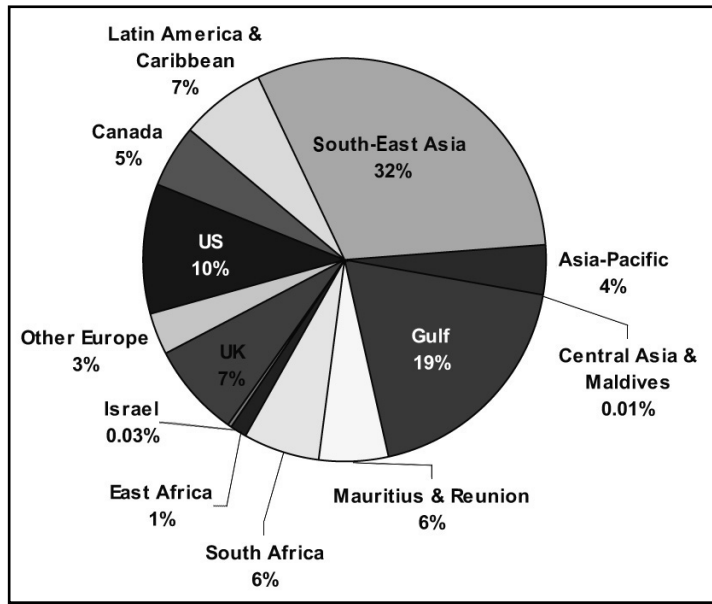
## **Keywords**

Indian diaspora, brain drain, remittances, adversary analysis, education and health



## Introduction: Global Overview on Indian Migration

**Figure 1**  
Percentage distribution of NRIs and PIOs by Region



Source: ICWA, *Report of the High Level Committee on the Indian Diaspora*, New Delhi: Indian Council of World Affairs, 2001.

Figure 1 presents the regional distribution of destinations where an approximate 20 million-strong **stock** of Indian migrants (Non-resident Indian citizens – the NRIs, and the foreign Persons of Indian Origin – the PIOs, the two together referred to as the “Indian Diaspora” since the Report of the High-Level Committee on Indian Diaspora of 2001) were recorded at the close of the 20<sup>th</sup> century.<sup>1</sup> The size of this stock has been a function of the flows of unskilled, semi-skilled and skilled workers and their families from India, an important source-country of migration from the South over the last two centuries.<sup>2</sup> It is common knowledge that the early migrants who had formed the basis of this so-called Indian diaspora mainly involved “cheap” manual workers leaving India in large numbers to meet the enormous quantitative demand for indentured labour in plantations and mines in the British colonies in the 19<sup>th</sup> century, immediately after the British abolished slavery in 1834. The exodus headed towards the Caribbean (Guyana, Jamaica, Trinidad), the Pacific (Fiji),

<sup>1</sup> According to a 1979 Indian Ministry of External Affairs estimate the number of persons of Indian extraction residing abroad was 10.7 million (Weiner, 1982, cited in Kosinski and Elahi, 1985). This number was impressive but represented merely 1.6 per cent of the national population at that time (rising to 2% in 1999 at 20 million out of 1 billion). No qualitative group-wise classification of the global distribution of “Indian Diaspora” is available beyond broad country-wise quantitative distribution of numbers. These one-time stock estimates are not complemented by flow data.

<sup>2</sup> India has also been an attractive destination country for migrants from the neighbouring countries in the sub-continent, both irregular and illegal, primarily from Bangladesh and Nepal, and to some extent Bhutan. Tibet is also sometimes mentioned, but that is a disputed region.

the Indian Ocean (Mauritius, South Africa, and East Africa), and South-east Asia (Malaysia, Singapore), as well as neighbouring South Asian countries (Sri Lanka and Burma) – leading to what is sometimes also called the “brawn drain”.<sup>3</sup> Meanwhile “brain drain” – the exodus of highly skilled professionals to the developed countries comprising doctors, engineers, scientists, teachers, architects, entrepreneurs, and so on – appeared in as independent India a 125 years later in the 20<sup>th</sup> century (Khadria, 1999: 62-64). Beginning as a trickle in the 1950s, skilled migration to the developed countries picked up in pace after the mid-1960s and became more prominent with the more recent migration of the IT workers and nurses in the 21<sup>st</sup> century, contributing *inter alia* to the concentration of skilled Indian migrants in the US and Canada, the UK, other European countries, Australia, and New Zealand. Along with this, the 20<sup>th</sup> century also witnessed large-scale migration of unskilled and semi-skilled Indian labour to the Gulf countries, a trend that began in the wake of the oil-boom of the seventies but is still ongoing.

By the beginning of the 21<sup>st</sup> century, the emotive concern about highly educated knowledge workers supposedly “deserting” India as well as the indifference to large-scale labour migration to the Gulf had both undergone a radical transformation in perception. Whereas professional Indian immigrants have come to be seen as “angels” with a perfect image of transnational “global Indian citizens” capable of bringing not only investment and technology to India but themselves returning in a circulatory mode of migration, the large number of low, semi-, and unskilled labour migrants to the Gulf has been viewed as the main source of remittances that has swelled India’s foreign exchange reserves. Both these perceptions need moderation as there are positive as well as negative implications for the countries of origin and destination to tackle together.

## The Contextual Background in India

Studies on migration have been very few in India because, historically, migration has never been considered an important demographic issue due to the small volume of internal migration relative to the country’s total population (Bose, 1983: 137). However, these small-scale internal migrations within the sub-continent were replaced by large-scale external migration when the partition of 1947 created India and Pakistan. The withdrawal of the British from India and the partition were associated with the massive transfer of population estimated at 14.5 million during the short span of 1947-51 (Kosinski and Elahi, 1985: 4-5). Immediately after the partition, about 5 million Hindus and Sikhs left Pakistan for India and about 6 million Muslims moved to Pakistan from India (Elahi and Sultana, 1985: 22). As this politically triggered exchange created serious and long-term problems of refugee settlement and integration, the prospects of intra-south Asian migration to and from India gradually became more and more limited after independence.<sup>4</sup>

<sup>3</sup> See Tinker (1974, 1976 and 1977) for these colonial migrations from India.

<sup>4</sup> As indicated by the sponsored return of former economic migrants (from Sri Lanka to India) or refugees (Bangladeshis in India). In addition to the major flows related to post-war partition, there were, however, some minor migrations related to political events in the area. Increasing Chinese pressure culminating in the invasion and incorporation of Tibet and the subsequent suppression of the Tibetan uprising of 1958-59 led to substantial outflows (Elahi and Sultana, 1985).

In contrast, voluntary migration, attributed mainly to economic and social factors, although modest compared to migration brought about by political factors, continues and seems to be on the rise. The principal flows have been the following:

- a. Immigration to Britain, which was a traditionally favoured destination for temporary migration, and later attracted permanent settlers representing various social strata.
- b. The three traditional settlement countries, – Australia, Canada, and the USA, – became more attractive destinations after their highly selective immigration policies were modified. These developed countries, later joined by the UK and other EU countries, attracted highly skilled workers from India.
- c. A new destination that rapidly gained popularity is the Middle East (Keely, 1980; Ecevit, 1981; Weiner, 1982). The oil-rich countries mainly attracted semi-skilled and unskilled labour on a temporary circulating basis (Birks and Sinclair, 1980). Some south-east Asian countries like Malaysia became destination for them only later.

## **Skilled Migration to Developed Countries**

The Second World War marks a crucial watershed in the history of Indian diaspora formation through emigration to the developed world (Khadria, 2006c). It was the beginning of the transformation of Indians' presence in the developed countries – from one that was miniscule, transitory and peripheral, to one that was more substantial, permanent and central. The largest number of migrants in this period went to the UK, some because of old colonial links while others because of wartime experiences as soldiers and seamen. Subsequently, many more arrived after the 1947 partition of India that preceded its independence. This was subsequently strengthened by the nexus of kinship and friendship, mainly originating from the state of Punjab, which enabled others to tap the economic opportunities in the broader labour markets abroad.

In Canada, anti-Asian sentiment was the characteristic of immigration policy prior to the Second World War. However, after the war, the changing composition of the Commonwealth exerted its influence on the Canadian government. After the Indian Prime Minister Jawaharlal Nehru visited Canada in 1949, Indo-Canadians were granted the right to vote, and the explicitly racist provisions in the Immigration Act were changed.

Among destination countries of the North, the focus on the Indian skilled migration remains the United States, accounting for up to 80 per cent of Indian skilled migration to all developed countries today. It was in the 1970s that the US overtook both the UK and Canada as the prime developed country of destination. Indian immigration to the US, which constituted a minuscule of less than 1 per cent of global immigration from all countries during the 1950s and 1960s, passed the 7 per cent mark in 2004 (7.4% as in Table 1). Even in 2003, when security concerns brought about by the terrorist attacks last 11 September 2001 ushered in a restrictive immigration regime in this country, the Indian share among global immigrants continued to increase (from 6.7% in 2002 to 7.1% in 2003). In the two top categories of skilled immigrants in 2001, viz., “professional and technical”, and “executive, administrative and managerial occupations”, Indians occupied very high proportions ending

at 23.8 per cent and 11 per cent respectively (2001, Table 1, column C). In 2003 and 2004, one in every four global immigrants “with an occupation” was an Indian (25% in column C for 2003 and 24.7% in column C for 2004).<sup>5</sup>

**Table 1**  
**Flow of Indian\* immigrants admitted in the US:**  
**Numbers (A), percentages (B),**  
**and percentage shares amongst global immigrants (C)**

PRE 9/11 Years	1999 (INS data regime)			2000 (INS data regime)			2001 (INS data regime)		
	A	B	C	A	B	C	A	B	C
All Immigrants	30237	100.0	4.7	42046	100.0	4.9	70290	100.0	6.6
With Occupations	8016	26.5	5.7	3724	32.7	7.2	27073	27073	11.3
Exec/Adm/Mngrl	1112	3.7	7.1	1644	3.9	7.9	3062	4.3	11.1
Profssnl/Techncl	3492	11.6	9.4	8632	20.6	14.7	19935	28.4	23.8
POST 9/11 Years**	2002 (DHS data regime)			2003 (DHS data regime)			2004 (DHS data regime)		
	A	B	C	A	B	C	A	B	C
All Immigrants	71105	100.0	6.7	50372	100.0	7.1	70116	100.0	7.4
With Occupations	42885	60.3	34.5	20560	40.8	25.0	38443	54.8	24.7
Exec/Adm/Mngrl	Global number: 29277			Global number: 22295			Global number: 31689		
Profssnl/Techncl	Global number: 79370			Global number: 46495			Global number: 73862		

Notes: \* By country of birth. \*\*County-wise occupational break-up of immigrant data not available in DHS regime.  
Source: Author, using US INS and US DHS *Statistical Yearbooks*, various years.

The 1965 amendments to the US Immigration and Nationality Act, which formed the basis of all these categories, remained the principal determinant of Indian skilled immigration into the US for one quarter of a century between 1968 and 1992.<sup>6</sup> Within the overall kinship-emphasis in the family-reunification clause of the 1965 amendments, the new legislation gave priority to highly trained and educated professionals, at least for the first seven to ten years explicitly. As a result, urban, educated, and “English speaking” masses of Indians became distinctly visible in the US, carrying a large share of India’s human capital to the US, and causing “brain drain” for India because, as Jensen (1988, 280) recorded, “almost a hundred thousand engineers, physicians, scientists, professors, teachers, and their dependents had entered the US by 1975”. However, from the mid-1970s until 1982, the annual number of Indians entering the US levelled off to an average annual figure of 20,000, mainly because

<sup>5</sup> Data in column B for all years show percentage shares of Indian immigrants, taking the total number Indian immigrants as 100. Data in column C are percentage shares of Indian immigrants amongst global immigrants admitted into the US from all countries of the world. However, as no country-wise break ups of occupational groups are available from 2002 (i.e. in the post 9/11 regime) onwards, Indian shares are also not available. For this period, the publication of US immigration statistics was taken over by the US Department of Homeland Security (DHS) from Immigration and Naturalization Service (INS), perhaps due to a policy of curtailment in data availability due to growing security concerns.

<sup>6</sup> Under these Amendments, immigrants subject to a “numerical limitation” of 270,000 worldwide and 20,000 per country per year were allocated to a six-category “preference” regime of the US visa system – two under the “occupational labour force needs” of the US economy and four under the “family-reunification objective” of the US population policy.

of the per country quota set by US immigration law. Thereafter, it was the number of those exempt from this limit which added to the total – the “immediate relatives” of the increasing number of Indian-born naturalized US citizens, on an average one-third of all immigrants over time. Thus, migration of highly qualified Indians to the US actually did not decrease; whatever decline registered since the mid-1970s was mainly a statistical and legalistic illusion of sorts which also proved to be temporary in retrospect. India’s brain drain to the US actually had become less “visible” rather than had faced after decline the mid-1970s.

After 1992, it was the relatively less noticeable route of temporary migration that started to become predominant. The 1990 Amendments, brought into effect in 1992, explicitly favoured the building up of the human capital capabilities of America by fulfilling its current and future requirements of highly skilled knowledge workers, finally bringing to relevance the immigration of Indians to fulfill the needs of the American labour market. Whatever few restrictive clauses these amendments had, like the introduction of a new definition for the highly skilled temporary workers, viz., the well-known non-immigrant H1-B visa category, with an annual cap of 65,000 visas per year worldwide, the US Senate had to clear a bill for a limited expansion of these visas to 337,500 for the three-year period from 1999 to 2001. This was because the US had faced a decline in key undergraduate science degrees, an acute shortage of staff in high technology industries like software development, and exhaustion of the worldwide annual quota of H-1B visas too quickly in 1998, with 42 per cent (or two out of every five visas) being issued to Indian IT software professionals. Since 2001, when the number of H-1B visas issued to Indians went down (Table 2) because US immigration scenario came to be determined more by post-9/11 security concerns and it bubble rather than by its actual labour market needs, the US government has been under continuous pressure from different lobby groups, including the US industry and business to increase the H1-B visa limit once again.

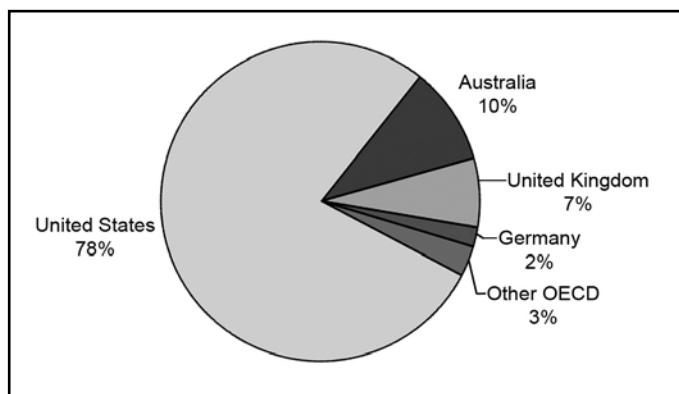
**Table 2**  
**Number of Indian citizens admitted**  
**as non-immigrant workers in the US, by visa type**

Country of Citizenship	Registered Nurses (H1A)	Workers with Specialty Occupations (H1B)	Industrial Trainees (H3)	Exchange Visitors (J1)	Intra-company Transferees (L1)	Workers with Extra-ordinary Ability (O1)
India (2001)	166	104,543	62	5,374	15,531	666
India (2002)	228	81,091	96	4,866	20,413	523
India (2003)	9	75,964	136	4,732	21,748	9

Source: US DHS, Office of Immigration Statistic, *2003, 2002, 2001 Yearbooks of Immigration Statistics*. No disaggregated data available for 2004 in the latest available Yearbook, 2004.

Highly skilled Indians have migrated to the developed countries not only through the “employment gate”. Another stream of skilled migration has been taking place through the “academic gate” as growing pools of revolving students formed a distinct set of actors amongst the Indian migrants – the “semi-finished human capital” of Indian professionals abroad (Majumdar, 1994; Abella, 2006). Data collated by the US Institute of International Education’s *Open Doors 2005* survey revealed that in 2004-05 India retained its No. 1 position in the US university enrolments (followed by China, Korea, Japan, Canada, and Taiwan Province of China) for the fourth year in a row. In 2005-06, the numbers of applications from Indian students have been reported to have registered a 23 per cent increase over the previous year, the highest among all countries (*Hindustan Times*, 23 March, 2006). To serve the dual purpose of sustaining an expensive higher education system, and meeting short-term labour shortages, both the UK and the US, with other developed countries following suit, have adopted a policy of allowing foreign students in their universities respectively, to stay on and work, rather than return to their countries of origin upon completion of their degrees (*The Hindustan Times*, March 2005; Khadria, 2006b). In addition, the destination countries gain political mileage in the form of a bonus: the foreign students become their long-term ambassadors in the international political arena.<sup>7</sup> India has thus become a “must destination for internationally renowned educational institutions shopping for ‘knowledge capital’ – i.e. to woo the Indian student” (*The Hindu*, 26 November 2000). In October 2000, four countries had mounted education “fairs” in Delhi and other Indian cities, and since then it has become a regular feature of bilateral relations in India. Figure 3 shows that Indian students accounted for 4 per cent of all foreign students enrolled in tertiary programmes in OECD countries in 2001. Almost 80 per cent of Indians migrating abroad for higher education went to the US in 2001 (Figure 2), occupying a 10 per cent share amongst all foreign students enrolled in the US (Figure 3). In 2004, the share of Indian students among all foreign students in the US went up to 14 per cent.

**Figure 2**  
**Distribution of Indian tertiary students in receiving OECD countries, 2001**

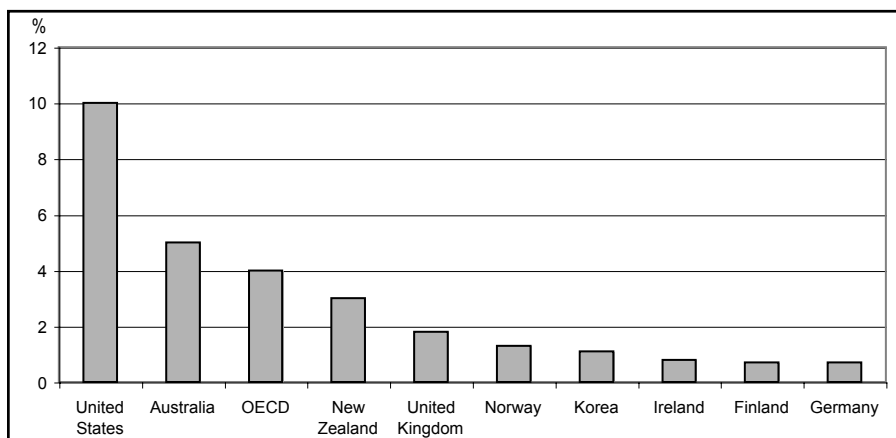


Source: OECD Database.

<sup>7</sup> They play an important role in world politics as they have done in the past as, for example, the Indian celebrity students in the US did during India’s independence struggle.



**Figure 3**  
**Indian students among all foreign students in receiving OECD countries, 2001 (%)**



Note: Excluding data for Canada, Greece, Luxembourg, and Portugal.

Source: OECD Education database.

The growing competition among countries like the US, UK, Canada, Australia, New Zealand, Ireland, and Singapore, as well as non-English speaking countries like France, Germany, and the Netherlands, has brought even the Ivy League institutions to India, and to other South Asian countries, to look for the best students (*The Economic Times*, 24 November 2004).

### **Empowerment of Skilled Indian Migrants in Developed Countries**

The socio-economic and political profile of the skilled Indian diaspora in the developed countries reflects the empowerment of Indian migrants in the developed countries over time. Within the European Union (EU) – the largest economic entity in the world today – two-thirds of the entire Indian migrant community resides in the UK. The Indian community is one of the highest-earning and best-educated groups, achieving eminence in business, information technology, health care, media, library, and entertainment industries. In Canada, forming just 3 per cent share in a population of 30 million, Indo-Canadians have recorded high achievements in the fields of medicine, academia, management, and engineering. The Indian immigrants' average annual income in Canada is nearly 20 per cent higher than the national average, and their educational levels are higher too. Meanwhile, there are 30,000 Indian citizens in Australia. While New Zealand has also witnessed a rise in the entry of Indian professional immigrant, engaged in domestic retail trade, medical, hospitality, engineering, and IT sectors. Countries like Japan, Korea, and Singapore are also trying to attract Indian talent.

The strong profile of Indian immigrants in general supports a proposition that the human capital content in the migration of Indians to the US has been the backbone of the Indian scientific diaspora formation there. No other diaspora preceding the Indian numerical rank

acquired its position as predominantly because as it had of the intense US demand for its skills, which has been the main factor for admitting the Indian skilled workers on a large scale. Therefore it is hardly surprising if, in terms of its place in the US economy, and indexed according to occupation, education and income of the immigrants, the Indian diaspora has continued to rank amongst the top from the 1970s till the present. There are over 1,000 US-based organizations of Indians in North America with branches in Canada. These represent various interest groups in India, ranging from regions to states to languages, etc. Religion, caste, cultural and linguistic identities find significant space in these associations and networks. However, some professional groups are involved in grass-roots development in India as well as in the welfare of their members abroad in the professions. A sample of associations can be seen in Table 3.

**Table 3**  
**Indian diaspora associations of North America**

Category	Associations
1. Cultural/ Religious Associations	Samband, Assam Association of North America, Telugu Association of North America, American Telugu Association (ATA), World Malayali Council, Bengali Cultural Association, Kenada Koota, Gujarati Samaj, etc.
2. Students/Alumni Association	Mayur at the Carnegie Mellon University; Sangam at MIT; Ashoka at California University; Diya at Duke University; SASA at Brown University; Boston University, India Club, Friends of India, IGSA (Houston University) and Indian Students Associations at various universities.
3. Support Association	MITHAS, Manavi, Sakhi, Asian Indian Women in America (AIWA), Maitri, Narika, IBAW (Indian Business and Professional Women), etc.
4. Professional Association	AAPI, SIPA, NetIP, TIE, EPPIC, SISAB, WIN, AIIMSONIANS, AIPNA, ASEI, IPACA, IFORI, SABHA, and IACEF, etc.
5. Development Association	Association for India's Development (AID), AIA, American India Foundation.
6. General/ Umbrella Network	GOPIO, NFIA, The Indian American Forum for Political Education (IAFPE), The National Association of Americans of Asian Indian Descent (NAAOID), and Federation of Indian Associations (FIA), etc.

Sources: Government of India, Ministry of NRIs Affairs ([www.moia.gov.in](http://www.moia.gov.in)); website of Indian Embassy in the US; [www.garmchai.com](http://www.garmchai.com); [www.nriol.com](http://www.nriol.com); [www.google.com](http://www.google.com); [www.indiandiaspora.org](http://www.indiandiaspora.org); [www.Indiaday.org](http://www.Indiaday.org).

## Indian Labour Migration to the Gulf

Although Indians filled clerical and technical positions at oil companies in the Gulf after oil was discovered in the region during the 1930s, the overall numbers of Indian migration had been small. Between 1948 and the early 1970s, these numbers gradually increased from about 1,400 to 40,000. When large-scale development activities started after the 1973 spurt in oil prices in the six Gulf Cooperation Council (GCC) countries of Saudi Arabia, Bahrain, Kuwait, Oman, Qatar, and the UAE, an upsurge in the flow of workers and labourers from India began. India and Pakistan supplied most of such unskilled labour, registering

almost 200 per cent growth between 1970 and 1975. In 1975, Indian expatriates constituted 39.1 per cent, Pakistanis 58.1 per cent, and other Asians 2.8 per cent of the total non-Arab expatriates in the Gulf. Since then, Indian migration has overtaken that of Pakistan and other Asian countries of origin. Since the Kuwait war of 1990-91, Indians have been replacing even the non-national Arabs in the Gulf, viz., the Jordanians, Yemenis, Palestinians and Egyptians. From less than 258,000 in 1975, the migrant Indian population in the Gulf went up to 3.318 million in 2001 (Table 4), and is now estimated to have passed the 3.5 million mark.

**Table 4**  
**Stocks of Indian migrant population**  
**in the Gulf countries, selected years: 1975-2001**

Country	1975	1979	1983	1987	1991	2001
S Arabia	34,500	100,00	270,000	380,000	600,000	1,500,000
UAE	107,500	152,000	250,000	225,000	400,00	950,000
Oman	38,500	60,000	100,000	184,000	220,000	312,000
Kuwait	32,105	65,000	115,000	100,000	88,000	295,000
Qatar	27,800	30,000	40,000	50,000	75,000	131,000
Bahrain	17,250	26,000	30,000	77,000	100,000	130,000
<b>TOTAL</b>	<b>257,655</b>	<b>433,000</b>	<b>805,000</b>	<b>1,016,000</b>	<b>1,483,000</b>	<b>3,318,000</b>

Sources: Rahman (1999), and Rajan (2004).

Admission to the GCC countries was not as difficult prior to the mid-1970s. But after that period, restrictions were imposed by host countries in fear of rapid growth of the non-national population. Thus it has been difficult for families to accompany non-nationals workers to these countries, particularly the unskilled contract workers. Foreigners are not allowed to own businesses or immovable property in the Gulf countries; for running business enterprises they are required to have local citizens or agencies as major partners in their ventures, whether active or as “sleeping” partner. When it comes to human resources, shortage of labour has been endemic in all the countries of the Gulf, for the entire range of work — from professionals like doctors and nurses, engineers, architects, accountants and managers, to semi-skilled workers like craftsmen, drivers, artisans, and other technical workers, to unskilled labourers in construction sites, farmlands, livestock ranches, shops, and stores and households (Rajan and Nair).

However, a large majority of the 70 per cent of the Indian migrants in the Gulf is semi-skilled and unskilled, the rest being white-collar workers and professionals. Table 5 presents their occupational distribution until after the outbreak of the Gulf War in August 1990. The fall in numbers in 1991-92 is directly related to the issuing of an immigration clearance required by the Indian government. The policy was created after the Gulf War in 1990-91 when large numbers of Indians were evacuated from the region by the Indian government. The breakdown more or less continued even after the war although some changes might have

taken place due with the demand tilting more towards skilled professionals as infrastructure development progressed in the Gulf. On the supply side, the Indian government's monitoring and control of labour migration has increasingly streamlined the process of emigration to some extent, in the last couple of years.

**Table 5**  
**Emigration clearances granted by government of India**  
**till after the Gulf War of 1990-91:**  
**Unskilled and semi-skilled labour by occupation, 1988-1992**

Category	1987-88	1988-89	1989-90	1990-91	1991-92
Labourer/Helper	91,196	40,657	58,779	45,028	17,345
Housemaid/House boy	891	2,965	0	1,400	1,938
Mason	8,550	8,731	8,913	6,323	246
Cook	3,550	3,051	2,070	2,386	239
Tailor	5,115	4,361	3,722	3,231	163
Salesman	1,580	4,199	4,121	3,818	147
Carpenter	6,361	12,900	6,939	5,132	145
Technician	3,539	1,450	3,389	2,642	136
Driver	6,562	6,334	6,724	5,123	131
Electrician	3,494	3,689	4,496	2,832	112
Mechanic/incl Air Con.	3,562	4,476	3,263	2,467	111
Agricultural worker	0	0	–	452	108
Painter	2,273	2,501	1,867	1,866	65
Office Staff	3,916	2,211	1,385	1,087	56
Welder	1,497	1,222	3,272	1,291	55
Operator	1,309	1,855	1,342	1,001	39
Plumber	1,971	1,624	2,047	1,831	33
Foreman	927	906	983	764	30
Fixer/Fabricator	1,904	2,008	2,827	1,052	29
Supervisor	1,021	813	1,069	444	21
Paramedical staff	1,349	736	434	437	18
Engineering overseer	354	268	248	173	13
Surveyor	461	264	218	234	12
Fitters	0	1,690	0	0	0
Others	18,284	17,778	2,565	19,302	3,074
<b>Total</b>	<b>169,666</b>	<b>126,689</b>	<b>120,673</b>	<b>110,316</b>	<b>24,266</b>

Source: Various Annual Reports of the Ministry of Labour, Government of India, cited in Rajan (2003).

The demand for low-skilled workers like housemaids, cooks, bearers, gardeners, etc., has been large, though systematic all-India data are not easily available, except for the state of Kerala, where an exclusive state-level ministry for overseas Keralaite affairs has existed for many years. Some data are now in the process of being collected and compiled by the newly formed Union Ministry of Overseas Indians Affairs. The workers in these vocations, however, do not enjoy the protection of any local labour laws. Women working as housemaids or governesses face ill treatment in some Gulf countries, sometimes being subjected to sexual abuse (GOI, MOIA, 2006). Unskilled and semi-skilled workers working in infrastructure and development projects generally live in miserable conditions and are accommodated in small cramped rooms in the labour camps. Often toilet and kitchen facilities are inadequate, and working conditions are harsh. Thus, adverse working condition, unfriendly weather, inability to participate in social and cultural activities, and long periods of separation from families and relatives leading to emotional deprivation are known to have wrecked the lives of low-skilled Indian workers in the Gulf (Zachariah et al., 2002; GOI, MOIA *Annual Report, 2005-6*, 17; GOI, MOIA, 2006).

Unskilled and semi-skilled workers have a high rate of turnover as their contracts are for short periods of employment, usually not more than two years at a time. Those completing their contracts must return home, although a large proportion of them manage to come back with new contracts which are not available before a gap of one year. This has facilitated the proliferation of recruitment and placement agencies, sometimes colluding with prospective employers and exploiting illiterate job seekers.<sup>8</sup> The various forms of exploitation range from the withholding of the passports; refusal of promised employment, wages, and overtime wages; undue deduction of permit fee from wages; unsuitable transport; inadequate medical facilities; denial of legal rights for redressal of complaints; use of migrants as carriers of smuggled goods; victimization and harassment of women recruits in household jobs like maids, cooks, governesses, etc. (*Overseas Indian, 2006*, various issues).

In general, the Indian migrant communities in the Gulf maintain close contacts with their kith and kin in India, involving frequent home visits. They also keep track of political developments and socio-economic changes taking place in India through newspapers, radio and television. At times of natural disasters like an earthquake in India, they have also come forward with donations and deposits in India Development Bonds. Most of the remittances accrued are the unskilled workers whose consumption expenses in the Gulf are minimal since their families do not live with them.

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<sup>8</sup> MOIA and the Protectorate of Emigrants, Government of India has started compiling the number of complaints received on these counts and the action taken. See GOI, MOIA, *Annual Reports, 2004-5, 2005-6*.

## States of Origin and Socio-economic Implications of Labour Migration: The Case of Kerala

Table 6 presents the labour outflow from India to the six GCC countries and Jordan in the Gulf in recent years.<sup>9</sup> Barring Saudi Arabia, Kuwait, and Jordan, the remaining Gulf countries registered an increase in the flow in 2005 over 2004. The table also facilitates comparison of India labour's migration to the Gulf countries against an increasing flow to Malaysia in south-east Asia, a country which has overtaken at least five of the seven countries of the Gulf in recent years.

**Table 6**  
**Indian labour outflow to the Gulf and other countries, 2000-2005**

Destination Country	2000	2001	2002	2003	2004	2005
UAE	55,099	53,673	95,034	143,804	175,262	194,412
Saudi Arabia	58,722	78,048	99,453	121,431	123,522	99,879
Kuwait	31,082	39,751	4,859	54,434	52,064	39,124
Oman	15,155	30,985	41,209	36,816	33,275	40,931
Bahrain	15,909	16,382	20,807	24,778	22,980	30,060
Qatar	n.a.	13,829	12,596	14,251	16,325	50,222
Jordan	n.a.	n.a.	n.a.	n.a.	2,576	1,851
Malaysia (South-east Asia)	4,615	6,131	10,512	26,898	31,464	71,041
Other, incl. Indian Ocean Island Countries	62,600	39,865	83,193	44,044	17,492	21,333
<b>Total</b>	<b>243,182</b>	<b>278,664</b>	<b>367,663</b>	<b>466,456</b>	<b>474,960</b>	<b>548,853</b>

Source: Compiled from GOI, MOIA, *Annual Reports* 2004-5, 2005-6, and *Overseas Indian*, vol. 1, no. 4, April 2006, p.2, New Delhi.

These overseas Indian workers (OIWs) come mainly from the three states of Kerala, Tamil Nadu, and Andhra Pradesh, though Karnataka overtook Andhra Pradesh by a big margin in 2005 (Table 7). However, most of them have originated from Kerala. This had led to the establishment of a separate ministry for non-resident Keralites, and an international airport at Thiruvananthapuram. Some of the other states having sizeable number of total labour emigrants to Gulf are Karnataka, Maharashtra, Punjab and Rajasthan. The emigration clearance data underestimates Keralite worker migration to the Gulf because a person holding a graduate degree is exempt from emigration clearance, and the number of such graduates is very high among the Kerala migrants to the Gulf.<sup>10</sup>

<sup>9</sup> No documentation of international migration data exists in India, not to talk of its various sub-categories. There is indirect documentation of low-skilled emigration of workers in terms of their being ECR (Emigration Clearance Required) category of passport holders and as such from the number of clearances granted by the Protectorate of Emigrants, Government of India. However, these proxies can be an overestimate since not all of them leave the country. On the other hand, these numbers are normally an underestimate of actual migration because many categories are not covered, for example, those above 12 years of schooling certificate holder; migrants staying abroad for over three years and re-migrating, income-tax payers, spouses and dependent children up to 24 years of age of ECNR categories, those going to specified countries, etc.

<sup>10</sup> Southern states such as Kerala, Tamil Nadu and West Bengal have highest number of graduates in the country. There are no data on the state level exemption of emigration clearances but at an all-India level, it has shown an increasing trend during the last ten years.

**Table 7**  
**Workers granted emigration clearance of government of India, by major Indian states, 1993-2005**

State	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Kerala	155,208	154,407	165,629	167,325	156,102	91,720	60,445	69,630	61,548	81,950	92,044	63,512	125,075
Tamil Nadu	70,313	70,525	65,737	64,991	63,672	69,793	47,402	63,878	61,649	79,165	89,464	108,964	117,050
A. Pradesh	35,578	34,508	30,284	29,995	38,278	30,599	18,983	29,999	37,331	38,417	65,971	72,580	48,498
Maharashtra	35,248	32,178	26,312	25,214	25,146	24,657	9,871	13,346	22,713	25,477	29,350	28,670	29,289
Karnataka	34,380	32,266	33,496	33,761	40,396	11,535	5,287	10,927	10,095	14,061	22,641	19,237	75,384
Rajasthan	25,243	27,418	28,374	18,221	28,242	19,824	9,809	10,170	14,993	23,254	37,693	35,108	21,899
Punjab	14,212	12,445	11,852	11,751	12,414	26,876	15,167	10,025	12,422	19,638	24,963	25,302	24,088
Others	68,156	61,638	53,650	62,956	52,174	80,160	32,588	35,207	57,913	85,701	104,330	121,587	107,570
<b>Total</b>	<b>438,338</b>	<b>425,385</b>	<b>415,334</b>	<b>414,214</b>	<b>416,424</b>	<b>355,164</b>	<b>199,552</b>	<b>243,182</b>	<b>278,664</b>	<b>367,663</b>	<b>466,456</b>	<b>474,960</b>	<b>548,853</b>

Source: Author. Various Annual Reports of the Ministry of Labour, Government of India, as cited in Rajan (2003, ESCAP) for data till 1999; GOI, MOIA, Annual Reports 2004-5, 2005-6, for 2000-05.

Compared to the rest of India, Kerala has contributed an average of 25 per cent of emigrants in the 21<sup>st</sup> century, down from an average of 35 per cent in the 20<sup>th</sup> century. In other words, one out of every three or four Indians living in Gulf is a Keralite. A preceding study conducted in 1998-99 had concluded, "Migration has provided the single most dynamic factor in the otherwise dismal scenario of Kerala in the last quarter of the 20<sup>th</sup> century.... Kerala is approaching the end of the millennium with a little cheer in many of its homes, thanks to migration and the economic return that it brings. In Kerala, migration must have contributed more to poverty alleviation than any other factor including agrarian reforms, trade union activities and social welfare legislation (Zachariah et al., 2000). But, another study conducted five years later says, "In the early stages of Kerala emigration, the beneficial effects over shadowed the adverse effects. Now that Kerala emigration has come of age, secondary effects, which are not so beneficial, are beginning to appear." (Zachariah et al., 2004). One important negative effect has been the rise of the unemployment rate due to education and "replacement migration" into Kerala from other Indian states. Emigration had a role in increasing the population with higher levels of education by boosting the willingness and the ability of the Keralite youth to acquire more education. Due to the demonstration effect, a common aspiration is "to emigrate to the Gulf, earn a lot of money, get married, and live happily ever after". In recent years, many countries in the Gulf have made it mandatory to have secondary level education for migrants to enter. This has led to a considerable increase in the demand for secondary level education in Kerala.

An important aspect of Indian labour migration to the Gulf has been the fact that it has the lion's share in the remittances sent home to India by the workers. Beginning in the mid-1970s, there was rapid increase in remittances<sup>11</sup> coming from the developed countries, but as migrants to these countries were gradually joined by their kith and kin, these were gradually overtaken by larger proportions coming from the Gulf. Global remittances to India reached a level of US\$ 2,083 million in 1990-91, to US\$ 8,112 million in 1994-95, US\$ 11,875 million in 1997-98, to US\$ 12,290 million in 1999-2000, and eventually to 21,700 million in 2004 (Figure 4). In terms of share of GDP at market prices, these constituted 0.7 per cent in 1990-91, and 3.0 per cent in 1999-2000.<sup>12</sup>

Thus, remittances sent by expatriate Indians have supposedly contributed positively to the Indian economy. In the middle of 1991, India faced a serious balance of payments crisis. For just a few weeks, foreign exchange reserves fell to a level hardly adequate to meet essential imports. The Indian migrants in the developed countries withdrew their dollar deposits from Indian banks at an alarming rate. These problems warranted immediate action for India to avoid defaulting on its international obligations or a collapse of its economy for want of critical imports (Kelegana and Parikh 2003, 111). It was the slowly but steadily growing remittances from the Indian workers in the Gulf which saved the situation for India. Today India is at the top of the list of countries receiving remittances from its migrants abroad, close to 10 per cent of the worldwide remittances sent home by 191 million migrants<sup>13</sup> (Figure 4).

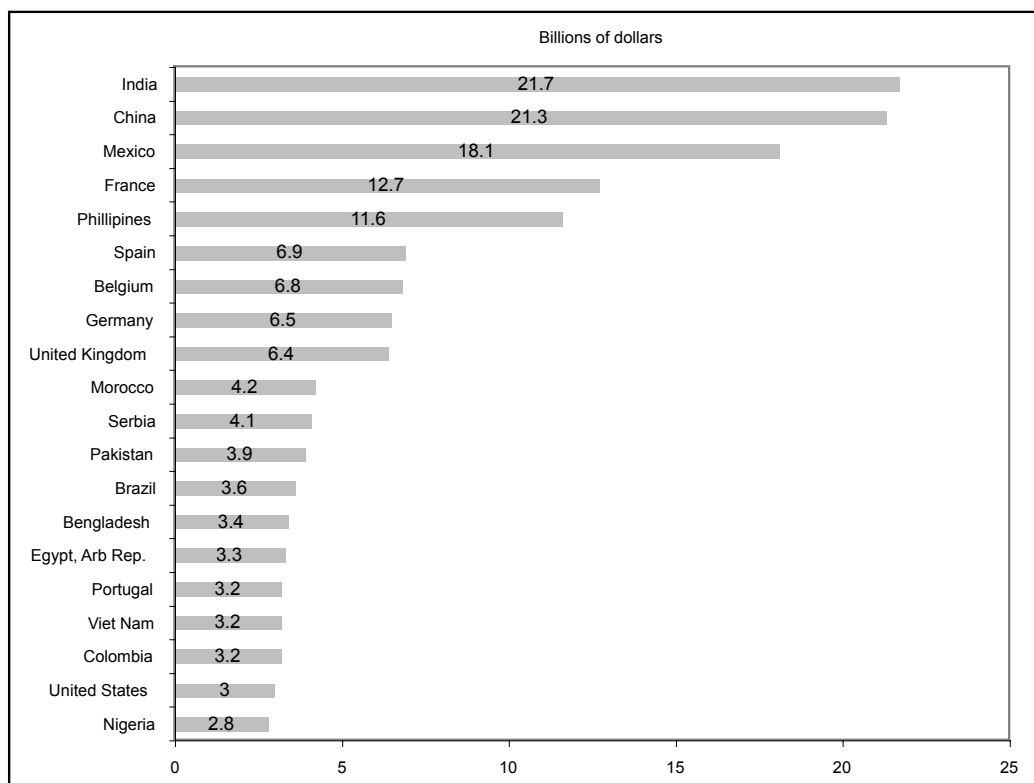
<sup>11</sup> Remittances are officially known as Private Transfer Payments in India's Balance of Payments Accounts.

<sup>12</sup> Reserve Bank of India, Report on Currency and Finance, various years.

<sup>13</sup> *Population Headlines*, No.310, March April 2005, ESCAP, Bangkok.



**Figure 4**  
**Top 20 remittance-recipient countries, 2004<sup>14</sup>**



Source: World Bank, 2005, *World Economic Outlook*, Washington, DC.

Kerala's share in receiving remittances from overseas Indian workers has been significant. Zachariah et al. (2003, p. 214-22) have estimated the total remittances to Kerala households based on their survey carried out in 1998 in each of the districts. According to their estimates, total remittances to Kerala in 1998 stood at Rs. 35,304 million, representing an average remittance of Rs 25,000 per emigrant, and a per capita receipt of Rs. 1,105 by the state population. As a rough proportion of Kerala's Net State Domestic product, this was close to 10 per cent (which doubled to a proportion in the range of 20-22% by 2007).<sup>14</sup> They also constituted about 10 per cent of the country's aggregate remittances of US\$ 12,000 million in 1998 at an exchange rate of approximately Rs. 33 to a dollar.

<sup>14</sup> See "Study reveals unemployment has declined by half in Kerala", *The Hindu*, 18 September 2007, New Delhi edition, p. 7, which put remittances to Kerala in 2006-7 at Rs. 245,000 million as equivalent to 20 per cent of its Net State Domestic Product (NSDP); and Chishti, M. 2007, "The Rise in Remittances to India: A Closer Look", February 2007, Washington, DC: Migration Information Source, <http://www.migrationinformation.org>, which, accessed on 18 September 2007, put it at 22 per cent.

## Policy Debates and Public Discourses in India: Changing Perceptions about Emigration from India

India had a moderate number of universities at the time of independence, but it lacked highly trained scientific and technical human resources and an institutional base in science and technology (S&T) to embark upon the industrialization and modernization planned under the Nehru leadership of the early decades. The first Indian Institute of Technology was established at Kharagpur in 1956.<sup>15</sup> The five IITs, modeled on the Massachusetts Institute of Technology (MIT), were created to train the best engineers who would play an important role in assimilating technological change and revolutionizing India's industrialization programme. The IITs not only created space for hundreds of faculty members, but also attracted a good number of them to return from abroad.<sup>16</sup> As all the IITs in the beginning had intellectual and material support from various advanced donor countries such as the USA, USSR, Germany, and the UK, they introduced the guest faculty system from the respective countries. The exchange put Indian scientists in touch with the cutting-edge of technological research and advanced training (Indiresan and Nigamm 1993). The Council for Scientific and Industrial Research (CSIR), which instituted a National Register of Scientific and Technical Personnel in the late 1940s, created in 1957, a special section – the “Indians Abroad” section of the National Register – towards this end, which of course did not succeed.<sup>17</sup>

The migration of the highly skilled from India to the developed countries was first seen as brain drain when the 1968 Nobel Prize in medicine brought global recognition to the gifted Indian scientist Har Gobind Khorana, who had migrated to the United States and was naturalized as US citizen. The onus, however, was put on the migrants as “deserters” of the “motherland India”, either openly or subtly.<sup>18</sup> From time to time various restrictive measures to contain the problem were conceived, but there has never been a consensus except in the case of the medical sector – where some restrictions were introduced, but with too many escape clauses to be effective.

The most striking feature of the period is still the relative lack of policy attention to the problem of brain drain. Education policy documents of the time did not provide for any mechanism to check the problem of brain drain. The Kothari Commission (GOI, 1966, section 198 on “Brain drain”) had observed, “Not all who go out of India are necessarily first-rate scientists, nor are they of critical importance to the country's requirements” (Chapter 16). Gradually, the failure

<sup>15</sup> Based on the recommendations of the Sarkar Committee, this followed the enactment of the IIT Act 1956 by the Indian Parliament. Leading scientists such as Homi Bhabha, S.S. Bhatnagar, and D.S. Kothari made relentless efforts to identify potential young Indian brains working abroad and persuade them to return for assuming responsible positions in Indian laboratories. It is well known that Homi Bhabha used to first identify a talent and then build the group or sub-area of research around that personality. The Tata Institute of Fundamental Research (TIFR) in Bombay was built by Bhabha this way.

<sup>16</sup> From 1957, this section of the National Register maintained the database for persons holding post-graduate degrees in science, engineering, medicine, agriculture and social sciences. In an effort to create avenues for attracting Indian scientists and technologists from abroad, the CSIR in 1958 launched a scheme called the “Scientists Pool”.

<sup>17</sup> Even socially, crossing the seas was at one time considered a taboo in high-caste communities, e.g. as depicted in Munshi Premchand's novels and stories. Perhaps it was the cumulative effect of the nexus between the diaspora and the aspiring migrants that led to the crumbling of such taboos over time, resulting in swelling streams of migrants joining the Indian diaspora wherever it grew.

<sup>18</sup> “Children instead of Indians” was the slogan given by the leading opposition politician Juergen Ruetters, *BBC World Service News*, “German Right under fire on immigration”, Thursday, 6 April 2000, 20: 12GMT. See also “IT pros may get German green cards”, *The Hindustan Times*, New Delhi, 13 April 2000.

of India's industrialization programme to absorb the increasing numbers of highly qualified personnel from educational institutes coupled with the shrinking of employment space in the science agencies led to a serious problem of supply and demand and aggravated this (Blaug et al., 1969).

The policy discourse during this period thus did not pay attention to the problem in the face of the stark realities of oversupply, unemployment and the exodus of trained human resources to foreign countries (Krishna and Khadria, 1997). As a result, many Indian immigrants who fuelled the Silicon Valley were those educated in the US at the post-graduate level after they had emigrated with a first engineering degree of B.Tech, from the Indian Institutes of Technology. Similarly, many doctors who earned laurels in their respective fields in the US had emigrated with the first MBBS degree from the All India Institute of Medical Sciences (see Table 8).

**Table 8**  
**The 20<sup>th</sup> century brain drain of graduates of top institutions**  
**of S&E education in India**

Indicators	Indian Institute of Technology Bombay, Mumbai	Indian Institute of Technology Madras, Chennai	Indian Institute of Technology Delhi, New Delhi	All India Institute of Medical Sciences, New Delhi
Batches of Graduates	1973-77	1964-87	1980-90	1956-80
Year of Survey	1987	1989	1992	1997
Magnitude of Brain Drain	31%	27%	23%	56%

Source: Author, using various institution-based surveys sponsored by Department of Science and Technology, Government of India, cited in Khadria (1999).

In fact, it was the Gulf war of 1990-91 that woke up the Indian policymakers about the vulnerability of its workers in the Gulf, and the importance of their remittances to the economy. However, with shifts in the paradigm of migration, it was the perception of high-skill emigration to developed countries that changed much more dramatically than that on labour migration to the Gulf. Thus, in the mid-1980s, the political perception of "brain drain" had suddenly given way to the perception of "brain bank" abroad, a concept dear to Rajiv Gandhi when he took over as the prime minister of the country in 1984, after Indira Gandhi was assassinated. Through the 1990s, the gradual success and achievements of the Indian migrants in the US – particularly led by "body shopping" of the software professionals to the US from Bangalore, India's Silicon Valley, and working towards averting the looming global crisis of Y2K – drew real attention of the developed countries in the West and the East alike (Van der Veer, 2005: 279). The paradigm shift in the perception of professional migrants leaving India, thus took place in phases – from the "brain drain" of the 1960s and 1970s to the "brain bank" of the 1980s and 1990s, and subsequently to "brain gain" in the 21<sup>st</sup> century.

However, the IT bubble burst in the wake of the US recession and hordes of technology professionals were sent back to India, having lost their H-1B visa contracts. Western European countries in the EU, including the UK, looked as a more sustainable destination, and East/South-east Asia looked as an emerging destination. However, Germany's Chancellor Gerhard Schroeder's scheme of issuing 20,000 "Green Cards" to computer specialist from non-EU countries, mainly India (between 7,000 to 10,000) and Eastern Europe launched in August 2000 was met with street protests and the wave of xenophobia *Kinder stat Inder* sweeping Germany.<sup>19</sup> Eventually, employment opportunities multiplied within India with the emergence of business process outsourcing (BPO) – MNCs moving their capital to India rather than labour moving out of India and triggering return migration of Indians eventually becoming a boon to the economy of India.<sup>20</sup>

In fact, the latest NASSCOM Strategic Review (2005a) and the NASSCOM-McKinsey Report (2005b), reveals a huge shortage of IT-related as well as BPO-related skills in India. The report said that currently only about 25 per cent of the technical graduates and 10-15 per cent of general college students were suitable for employment in the offshore IT and BPO industries respectively. It also said that by 2010 the two industries would require an additional workforce of about one million workers near five Tier-I cities, viz., New Delhi, Bangalore, Hyderabad, Chennai and Mumbai, and about 600,000 workers across other towns in India (*Economic Times*, 17 December 2005). On talent supply, it said India would need a 2.3 million strong IT and BPO workforce by 2010 to maintain its current market share. The report projected a potential shortfall of nearly 0.5 million qualified employees – nearly 70 per cent of which would be concentrated in the BPO industry. In fact, the BPO industry has also started attracting foreigners to India in search of employment.<sup>21</sup>

This roller coaster of perception in moving from one model of the Indian diaspora-identity formation through migration to the other – between "work-seeking" by workers and "worker-seeking" by employers – gets reflected in the current official and public response in India over the changing immigration quotas of the developed host countries. India's pro active stance towards its population overseas, incorporating a substantial scientific diaspora, is reflective of this paradigm shift only. Not merely economic in their influence, but the political mileage that the NRIs and PIOs can command for India in their countries of abode has

<sup>19</sup> The trend of exporting Indian IT or software professionals is not new. Indian companies have been at it for the last two decades: The practice, of doing on-site software development (in the US) being called "body shopping", was predominant in the 1980s and early 1990s, mainly because the track record of Indian software companies was not proven, and the telecom infrastructure was not fully developed for undertaking jobs in India at that time. As Indian companies made their mark in executing large and complex projects, and telecom and satellite links improved, the trend of offshore software development (i.e. in India) began. This trend had augured well for the industry, boosting its export earnings a great deal.

<sup>20</sup> Nearly 800 Americans are working or interning at information technology companies in India, and the number is expected to grow, according to India's National Association of Software and Services Companies, or Nasscom (Associated Press News, *The Economic Times*, 2 April 2006). Workers from abroad are also seeking lower-end jobs, such as answering phones at call centers, for a pittance compared with what they could earn in their home countries. They have been labelled "adventure workers": Americans and Europeans joining the Indian workforce. Although there are no exact estimates of the number of foreigners answering phone calls in India, the National Association of Software and Services Companies (NASSCOM), the industry trade association, has estimated that there are more than 30,000 expatriates working in Indian IT and offshoring companies, three times the number only two years ago. The total number of foreign nationals working in India is estimated to be more than 50,000, with more than 12,000 registered at the IT hub Bangalore (*Asia Times Online*, 19 January 2006 [www.atimes.com](http://www.atimes.com)).

<sup>21</sup> An elaboration of these regimes is available in Khadria (2002).

also become a focus of pride in recent years, particularly with liberalization, globalization and world competitiveness becoming the agenda of the nations – whether developed or developing.

## Government Measures and Programmes for Better Migration Management

Whereas provision regarding entry, regulation and prevention of “foreigners” into India and Indian citizenship are found in the Constitution, the Citizenship Act 1955, the Passport Act 1967, the Criminal Procedure Code and other regulations, there has been no systematic legal policy framework to deal with emigration out of the country. Despite the debates, discourses, and perspective, the Indian government does not have any comprehensive policy on labour migration or overseas employment, whether for skilled or unskilled workers. However, the paradigm of policy stance in India could be said to have moved over time from one of restrictive regime, to compensatory, to restorative, to developmental.<sup>22</sup> The Emigration Act, 1983, which replaced the earlier 1922 Emigration Act, has been designed mainly to ensure protection to vulnerable categories of unskilled, and semi-skilled workers, and women going abroad to work as housemaids and domestic workers. Under the Act, it is mandatory for registration of all “Recruiting Agents” with the ministry (GOI, MOIA, *Annual Report 2005-6*). The government’s role has been perceived as that of a facilitator in finding gainful employment to maximum number of persons, again a major development concern since India’s independence, whether within or outside the country.

The newly formed Ministry of Overseas Indian Affairs, constituted in 2004, has taken the initiative to amend the Emigration Act, 1983, and introduce a number of measures. In addition, there are various other pro-active programmes that are in the pipeline of the MOIA, including benchmarking of the best practices of other progressive sending countries like the Philippines and Sri Lanka (See GOI, MOIA, *Annual Report 2005-6*). *Overseas Indian*, the house journal of the Ministry, has been launched in five languages with an electronic version accessible online. Of all the government measures and programmes in India, the Overseas Citizenship of India (OCI) is an important landmark in redefining the contours of its **migration policy** in the new millennium. This measure seems to be relevant mainly to the highly skilled migrants in the developed countries. A second measure, that Indian citizens abroad would have the right to exercise their votes from abroad, is primarily meant for the Indian workers in the Gulf – those who send large remittances back home but can never hope to become naturalized citizens of those countries because of restrictive regimes there. However, it is still too early to gauge the impact of these two measures as they are in their infancy.

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<sup>22</sup> The normal issue of forced migration in terms of Indians applying for refugee status in Europe, USA or elsewhere has not drawn much attention in India. Refugee issues are limited to asylees and asylum seekers in India rather than from India.

## Conclusion: A Critical Assessment of the Socio-economic Impact in India

How does one assess whether migration has changed society in India, and whether it has adequately contributed to social and economic development in India? In other words, what have been the socio-economic gains and losses arising from migration? These questions have traditionally been raised in suggesting cost-benefit analysis at the micro level for the individual migrant and the household, and at macro level for society and the economy as a whole.

Even if it is assumed that the micro level assessment of benefits and losses to the households left behind in India can more accurately identify and measure the benefits, there have not been many satisfactory surveys of the psychic loss that separation of family members brings, except for a few studies carried out in the state of Kerala. For example, the emigration of married men who left behind the responsibility of the management of the household to the women in the family, has transformed about 1 million women into efficient home managers, but eventually also created the social and psychological problems of the “Gulf Wives” and the loneliness of the “Gulf Parents”, who unlike the relatives of the skilled migrants to the developed countries were not accompanying the workers to their destination countries (Zachariah et al., 2003: 329-39; Zachariah and Rajan, 2004: 48). Increase in temporary migration over permanent migration of even skilled migrants to developed countries has also led to the creation of what I have elsewhere called “nomadic families” on the one hand and a new kind of “forced return” on the other for the skilled migrants, but these have not been assessed or analysed (Khadria, 2006a).<sup>23</sup> Another related but unattended facet of Indian migration has been the gender issue. No comprehensive data are available on women migrants as dependents or workers, nor are there in-depth analyses of the trend and impacts. Some receiving-country data are available, like the US Census, or the UK workforce data indicating the proportion of women among the Asian-Indian population which comprises migrants, or particular professional groups like Indian nurses. Singapore keeps data on Indian maids. Beyond this, analyses of the gender dimension of Indian migration have remained, by and large, either stereotypical or case-study based.<sup>24</sup>

Of course, there has been concern followed by diplomatic action at the plight of the migrant workers of Indian origin employed abroad whenever a crisis has erupted, be it the Gulf War, or war in Iraq, the random abductions of Indian truck drivers, the recent beheading of an Indian engineer by the terrorists in Afghanistan, the sudden arrests of Indian IT professionals in Malaysia and the Netherlands and so on (*Hindustan Times*, *Times of India*, *Straits Times*, April-May, 2006). However, India virtually exerts no control over migration flows of highly skilled workers. Even unskilled migration flows are controlled only to the extent they fall under the purview of the Emigration Clearance Required (ECR) category for passports, with limitations as mentioned earlier. As a result, what has not been looked

<sup>23</sup> For example, one such neglected gender dimension of high-skill emigration has been the denial of the right to work for the H-4 dependent visa holding spouses, mostly wives, accompanying the celebrated H-1B Visa holder Indian male migrants in the US, leading to financial and mobility dependency on husbands followed by discrimination, exploitation, and sometimes mistreatment. See Devi (2002) as cited in Van der Veer (2005, 283).

<sup>24</sup> The present agitation in India over reservation of seats in higher education institutions for the underprivileged castes is a case in point.

into is how the possibility of migration itself has created a sense of desperation amongst the low-income Indian populace to emigrate for the sake of upward socio-economic mobility of the family left behind in India, in spite of the risks that accompany migration. Similarly, there have been no studies on the impact of skilled migration on career choices and educational choices in India, where there have been a lot of choice distortion and inter-generational or even inter-community conflict over educational choices that have taken place but remained unanalysed if not unnoticed (Khadria, 2004b; NCAER, 2005).<sup>25</sup>

At the macro level, attempts have not progressed beyond identification of the indicators, viz., remittances, transfer of technology, and human capital embodied by returning migrants (Khadria, 1999, 2002). Even in the case of macroeconomic assessment of the much talked about remittances, there has been a “silent backwash flow” from the South countries of origin like India to North countries of destination like the UK, Australia, and the US – in the form of “overseas student” fees (Khadria, 2004c, 2006a). This has remained unestimated and unanalysed so far. The rise in disposable income among Kerala households as a result of remittances have had their effect on the consumption pattern in the state, including enhanced family investment in education for migration (Zachariah and Rajan, 2004).<sup>26</sup> But, consumerism and house-building activities have also drained the state of the development potential of its remittance receipts, leading many families to financial bankruptcy, even to suicides. Apart from this, the increasing economic and political clout of the “new rich” in Kerala is reported to have created a climate of resentment against them from other communities (Zachariah and Rajan, 2004).

Whereas the volume of remittances from Indian labour migrants in the Gulf have drawn a lot of attention, the other two areas that have been thought of as the positive outcome of skilled migration to the developed countries, viz., transfer of technology and return migration, have not received adequate quantitative assessment. Most studies have not gone beyond talking about the need to assess the quantitative outcomes in terms of volumes of flows of technology collaborations and the numbers of returnees. Collection and availability of data have been the main constraints of researchers in these two areas, although sporadic information on the transfer of technology do not necessarily paint rosy pictures arising from the contribution in the field of transfer of technology; rather, the “reverse transfer of technology” – a term used by the UNCTAD studies carried out in the 1970s – from countries of the South to North still seems to be continuing in the form of brain drain of IT professionals and so on (Khadria, 1990). Return migration has become topical in the context of “outsourcing” of business processes to India picking up after the IT bubble burst in the US. But here too there has been no systematic assessment of the numbers and quality of the returnees, although some studies emphasize the return to India as unsustainable because the returnees tend to go back after a short stay in India (Saxenian, 2005). Some involvement of circulating

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<sup>25</sup> At the same time, remittances have led to the opening up of a large number of new schools and colleges on the one hand, and to enabling the youth to buy a costly private education on the other hand – both contributing to unemployment amongst the current generations of Kerala youth who no longer want to work in traditional lines of occupations. Secondly, an equally important “adverse” effect has been the emergence of “replacement migration” of labour into Kerala from the other Indian states. Apart from the fact that wages in Kerala have gone up to be highest in India due to shortage of unskilled and semi-skilled workers, labourers from other states also accept low wages and poor living conditions to work in Kerala, adding to unemployment among the local generations of youth.

<sup>26</sup> Today, Britain is an endless repository of success stories of the Indian professional diaspora, ranging from Lord Swraj Paul, to steel magnate Laxmi Mittal, to icons like Nobel Laureate Amartya Sen.

returnees have of course been noted in NGO activities for socio-economic development at the grass-roots level in India, but these have remained largely anecdotal (as cited in Khadria, 2002).

What would be useful as a policy tool is on “adversary analysis” whereby the contribution to social and economic development in countries of origin would be assessed from the point of view of the stakeholders in countries of destination. To do this in a multilateral international-relations framework at fora like the GATS under WTO, the benefits of remittances, technology, and return migration to South countries of origin can be weighed and even pitted against three advantages of “Age, Wage, and Vintage” that accrue to the destination countries of the North. These are the advantages derived through higher migrant turnover built in temporary and circulatory immigration, and operationalized by (1) bringing in of younger migrants to balance an ageing population, (2) keeping the wage and pension commitments low by replacing older and long-term migrants with younger and short-term migrants, and (3) stockpiling latest vintage of knowledge embodied in younger cohorts of skilled workers respectively (Khadria, 2006a, 194). It remains to be judged and explored what are the cost aspects of these benefits.

The changed perceptions of the destination countries, in which the Indian professional migrants have settled to form a diaspora, might play a catalyst’s role in this exercise. The changed values are now attributed to the Indian diaspora itself that has defied the anticipated doom by rising to unforeseeable economic success in the destination countries of the north, leading to a paradigm shift in the societies and regions where Indians have settled.<sup>27</sup> The reason lies in the realization of the host countries that, given the appropriate help, resources, and local support, one type of migrants – the suspected “social parasite” – can become the other, the social boon, or as someone has phrased it, the white West’s “great **off-white** hope!” (Alibinia, 2000).

This has led to a major paradigm shift in India too – to look at migration as a process leading to the formation of the “Indian Diaspora”, an option for turning the challenge of migration into an opportunity, and therefore making it **gainful**. What remains for India as well as these host countries in the emerging international relations paradigm is to judge where the loyalty of the Indian diaspora would lie? Whether Indian migrants would no longer be treated by India as the “deserters of the motherland” or as “social parasites” by the host countries?

The diaspora option, because it is holistic in identity, would also foster the emphasis that the GCIM (2005) report has made in stating, “...the traditional distinction between skilled and unskilled workers is in certain respects an unhelpful one, as it fails to do justice to the complexity of international migration...While they may have different levels of educational achievement, all of them could be legitimately described as **essential workers** (emphasis added).” While the dichotomy between skilled and unskilled migrant workers is unwarranted, lately India has drawn disproportionately high worldwide attention to the success stories of its highly skilled human resources doing remarkably well in the world labour markets abroad – the IT professionals, the nurses, the biotechnologists, the financial managers, the

<sup>27</sup> See Barré et al., eds., (2003) on diaspora as a policy option.



scientists, the architects, the lawyers, the teachers and so on – there being almost a fray for them among the developed countries – the German Green Card, the US H1-B visa, the British work permit, the Canadian investment visa, the Australian student visa, the New Zealand citizenship, all mushrooming to acquire Indian talent embodied in workers as well as students. In contrast, the Indian labour migrants in the Gulf have been considered more of a responsibility than pride for India. To neutralize this imbalance and empower the Indian labour migrants, the interests of the stakeholders in the Gulf (and South-East Asia too) are gradually being looked into, and innovative programmes are being introduced. The developments following the institution of the *Pravasi Bhartiya Divas* (Expatriate Indians Day) and the creation of a separate ministry by the Indian government reflect a break from the past – a confidence emanating from a paradigm shift towards India taking pride in its diaspora, and vice-versa.

What is required, however, is a long-term policy that aims at establishing India's links with the Indian diaspora for sustainable socio-economic development in the country. To arrive though at a proverbial "win-win" situation in international relations for all the three stakeholders – India as a South country of origin, the Indian migrants as part of its diaspora, and the host destination countries of the North, two specific conditions must be met: A "necessary condition" of dominant or significant global geo-economic presence of the Indian workers; and a "sufficient condition" of India deriving **sustainable** benefits from that global geo-economic presence. In terms of the large demand for Indian skilled as well as unskilled workers abroad, and the migrants establishing excellent records of accomplishment in the labour markets of the destination countries, the first condition has more or less been met. To satisfy the sufficient condition of India deriving significant gains from the global geo-economic presence of the Indian migrants, the flows of remittances, transfer of technology, and return migration must all be directed not "top down" but "bottom up" – not towards trade and business but towards the removal of two kinds of poverty in India – the "poverty of education" and the "poverty of health" – areas where migration has so far failed to change in this country. Large masses of the illiterate and uneducated population, incapacitated further by their poor health status are the root causes of India having one of the lowest levels of average productivity of labour, and therefore lowest average wages in the world – a paradox when Indian diaspora members, on the average, figure amongst the largest contributing ethnic communities in their countries of destination. For example, it is indeed paradoxical that the average per-hour contribution of each employed worker within India to the production of India's gross domestic product (GDP) has been amongst the lowest in the world – a mere 37 cents as compared to the United States' 37 dollars, i.e. one-hundredth of the latter. This is naturally ironic, because the same average Indian employed abroad contributes very high average share to the GDP of the country where one settles and works (Khadria, 2002). The Indian diaspora networks and associations abroad could, therefore, play the catalyst's role – be it economically, politically or culturally – in raising the average productivity of mass Indian workers at home by thinking health and education in India as areas of diaspora engagement, rather than focusing on immediate "profit-making" ventures in industry and business.

This sets a "double challenge" of public policy for a sending country like India: First, to convince its own diaspora community to rethink the development process in India as

a “bottom-up” creation and enhancement of sustainable productivities of labour through development of education and health rather than a “top-down” development through participation in business and industry – one comprehensive, the other dispersed; one long-term, the other immediate. It is not just a matter of willingness; in many instances, it would entail long periods of struggle in creating those decision-making and priority-setting discerning capabilities amongst the leaders of the migrant community. Secondly, India must be able to convince the countries of destination (and the other countries of origin in the south as well) to distinguish between the most “painful” and the most “gainful” socio-economic impacts of migration on its workers – both skilled and unskilled. The “adversary analysis” in multilateral fora would help a country like India press for international norms in the GATS negotiations around the issue of movement of natural persons as service providers under trade, which is just another description for promoting the temporary entry of migrants. At multilateral dialogues, the vulnerability of the migrants and the instability of trends underlying the “open-and-shut policy” of the destination countries in the North could be the two key aspects that the South countries of origin ought to negotiate out of international migration as the most hurting ones.

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## Chapter 6

# THE MEXICO-UNITED STATES MIGRATORY SYSTEM: DILEMMAS OF REGIONAL INTEGRATION, DEVELOPMENT, AND EMIGRATION

by

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## **Abstract**

The aim of this paper is to describe the Mexico-United States migratory system, with particular emphasis on the problems and challenges that have arisen from the implementation of North American Free Trade Agreement (NAFTA). In pursuit of that goal, it analyses four analytical dimensions: (1) the regional economic integration; (2) the transnational labour market; (3) the development model; and (4) the emergence of collective or organized migrants. Our argument underscores the fact that the recent upswing in Mexican migration fulfills a dual function: first of all, it assists the process of productive restructuring ongoing within the US economy by supplying cheap labour and, second, it bolsters the socio-economic stability of Mexico, a country which rather than promoting a development policy that would integrate its diaspora has deepened its dependence on remittances from abroad. The analytical approach is based on the political economy of development and relies on two guiding theoretical propositions: the labour export-led model, and the remittance-based development model.

## **Keywords**

Mexico-United States migratory system, North America economic integration, North America transnational labour market, Mexican Migrant Organization, Development Model – Mexico



## Introduction

The Mexico-United States migratory system has one of the longest histories and highest levels of dynamism in the world. Certain factors such as the countries' proximity (their common border, with a length in excess of 3,000 km, is the most frequently crossed on the planet), unidirectional flows (98% of Mexican emigration is to the United States), and the sheer volumes involved (Mexico's annual exodus is the largest in the world), confer on it a degree of specificity, – the basis for Mexican migration has been labour-oriented, in close relationship with the patterns adopted by the regional integration process. The current dynamics of the system follow the production internationalization strategies of large US, corporations (Gereff, 2001) in conjunction with the move towards transnational and precarious labour markets driven by neoliberal structural adjustment policies under the aegis of North American Free Trade Agreement (NAFTA). Far from following a pattern of mutually beneficial "free trade" between the two countries, these policies have triggered new productive relationships that, in turn, have led to new forms of unequal exchange, placing Mexico in the role of a specialized provider of natural resources and, above all, cheap labour.

In light of the above considerations, the goal of this paper is to present, from the perspective of the political economy of development, a comprehensive overview of the Mexico-United States migratory system within the framework of NAFTA. Four analytical dimensions are essential in this approach: (1) geo-economics and geopolitics: the regional economic integration model; (2) the transnational labour market: the role of the Mexican work force in productive restructuring; (3) the development model: neoliberal development policy in Mexico; and (4) social agents: the participation of migratory and non-migratory social sectors in development processes in migrants' places of origin.

Our analysis proceeds in accordance with two key concepts:

1. The labour export-led model (Delgado Wise and Márquez, 2005; Delgado Wise and Cypher, 2005), which explains the role of cheap Mexican labour in the US economy's restructuring process as a central element in the current process of regional economic integration, and
2. The remittance-based development model (Delgado Wise and Márquez, 2006), which explains the critical dependence on remittances as a support for socio-economic stability and the way in which this distorts the very notion of development in Mexico and, ultimately, becomes unsustainable.

In accordance with those broad premises, the paper is divided into six sections. The first offers a historical overview of Mexican migration to the United States. The second describes the migratory system within the context of NAFTA. Section three analyses the economic and social effects of the labour export-led model in the United States and Mexico. The fourth dissects the remittance-based development model, highlighting its problems and limitations. The fifth explores how the Mexican migrant population is incorporated into US society and the emergence of the collective or organized migrant as a potential agent of development. Section six offers some reflections on a possible alternative model for migration and development in Mexico.

## Historical Background to Mexican Migration

The colonial past and its peripheral inclusion in the trading system established by Spain determined the underdeveloped nature of the Mexican economy. Under colonial rule, the country received high numbers of Spanish immigrants who underwent a process of racial intermingling with the native population. With the arrival of capitalism, the country emerged as a provider of raw materials for the capitalist powers of the time: first, England, and later, the US. During the turbulent period that lasted from independence (1810) to the end of the 19<sup>th</sup> century, there were no major migratory movements. But as capitalism consolidated its presence in Mexico, the economy became more subordinate and dependent with that of the US, and migratory flows toward that country began to emerge. In other words, rather than one of colonial heritage, the roots of Mexican migration are neocolonial and imperialist in nature.

The economic, political, social, and cultural relations created between Mexico and the United States are characterized by asymmetry and subordination. The turning point in Mexican migration dates back to the US military invasion of Mexico, a product of its policy of territorial expansionism, which concluded with the 1848 seizure of more than half of Mexico's territory — a broad strip stretching from the Pacific Ocean to the Gulf of Mexico — as formalized in the Treaty of Guadalupe Hidalgo. Paradoxically, the Mexicans living in that region became *de facto* immigrants solely due to the movement of national boundaries.

In the wake of that event — and, in concrete terms, since the end of the 19<sup>th</sup> century — the labour exodus to the United States, with its different intensities and characteristics, began to unfold. Consequently, in Mexico and the US migration concepts and policies of different kinds emerged, encouraging, restraining, or even suppressing population movements according to the economic dynamics of each country and the regional integration model prevailing between the two countries. In every phase, the migrant workforce played a specific role. In addition, as the phenomenon progressed, a social fabric emerged from below, its elements ranging from social networks to binational organizations.

The following paragraphs offer a brief overview of the main historical phases through which the Mexico-United States migratory system has evolved. Rather than merely following the dynamics of the migration phenomenon and the different migration policies designed by the governments of the two countries, the periods are based on the different models of regional integration and development that characterize each phase:

1. **The hiring of workers (*enganche*) to build railways in the United States (late 19<sup>th</sup> century to 1929).** This period is also associated with an expansion in the economic dynamism of the western United States and the creation of segments of the US labour market with high levels of demand for Mexican workers (Massey, Durand, and Malone, 2002). This demand was covered by workers primarily from the central and western regions from Mexico, where transformations in productive structures had generated a labour surplus that was unable to place itself either locally or in other regions of the country (Delgado Wise and Moctezuma, 1993). Another characteristic

- of this phase was a negative attitude toward the phenomenon in Mexico, together with a policy that discourages emigration (Durand, 2005).
2. **Deportations and agrarian redistribution (1929-1941).** Recession in the United States and the redistribution of agricultural land in Mexico led to an inversion of the migratory dynamic. During this period the flow of emigrants fell notably because of mass deportations (Massey, Durand and Malone, 2002), and the closure of legal channels for emigration, the creation of job alternatives in the country, mainly in the agricultural sector (Delgado Wise and Moctezuma, 1993).
  3. **The *Bracero* Programme (1942-1964).** As a result of the labour shortfall in the US caused by the Second World War, the conditions were again for another round of hiring Mexican labour. Mexico, in turn, embarked on a period of economic growth based on industrialization through import substitution (the so-called “Mexican Miracle”). In spite of the high rates of growth attained during those years, however, there was still a surplus of labour, primarily rural, which was unable to find employment in the cities and industrial centres. This enabled, for the first time ever, the governments of Mexico and the US to conduct negotiations regarding the migration process. It is worth noting that this new institutional character favoured the strengthening of migratory social networks, with circular migratory patterns predominating. Nevertheless, at the end of the period, *Bracero* visa numbers were reduced and undocumented migration began to increase the number of visas issued under *Bracero* programme (Massey, Durand and Malone, 2002).
  4. **Undocumented migration (1964-1985).** During the years, the substitution-based industrialization on which Mexico had embarked entered into a phase of marked decline (indeed, 1982 saw a drastic realignment of the economic model toward one that favoured exports under neoliberal inspired guidelines), while in the US, the social organization of labour markets created rising levels of demand for migrant workers as a structural element. Because of the constrained legal channels for entry to the US, there was a significant increase in undocumented migration, which was stigmatized by the criminalization of migrants shortly thereafter (Delgado Wise, 2004). The circumstances, rather than impeding the migration process, enabled US employers to continue to hire cheap Mexican labour. At the same time, the Mexican government’s attitude was one of passivity and complacency vis-à-vis the phenomenon, tacitly adopting what García y Griego (1988) called the “policy of no policy”.
  5. **Uncontrolled growth in migration and indiscriminate economic liberalization (1986 to date).** In 1986, Mexico joined the General Agreement on Tariffs and Trade (GATT, today’s WTO), thus beginning a process of indiscriminate liberalization that was consolidated with the entry into force, in 1994, of NAFTA, which then became a powerful driving force for Mexican migration. The massive legalization of 2.3 million undocumented Mexicans under the Immigration Reform and Control Act in 1987 was not successful, however, in containing the new migratory dynamic or its sizable undocumented component. In this context, the attempt to negotiate a migration agenda with the United States at the start of the Fox administration (2000-2006) was frustrated following the events of 11 September 2001 which led to a more hard-line attitude in US immigration policy (Delgado-Wise, 2004). On the Mexican side, given the visibility and growing strategic importance of the phenomenon, the government

launched a policy that Durand (2005) has characterized as “damage repair”, geared toward a degree of rapprochement with the migrant population. The development model implemented during this period is the labour export-led model.

## The Migratory System within the Context of NAFTA

In the late 1970s, the US began to promote neoliberal policies for structural adjustment in Latin America, also known as “neo-Monroest” (Saxe-Fernández, 2001), which were enforced by international agencies in conjunction with the dominant sectors of the domestic populations (Veltmeyer, 2000). These provisions caused the economies to realign themselves toward exports, in line with the promotion of new forms of regional integration.

Mexico became Latin America’s leading exporter and the 13<sup>th</sup> largest economy in the world due to the supposedly successful application of such economic reforms. At first glance, manufactured products account for nearly 90 per cent of its current export platform, of which goods classified as those that “disseminate technological progress” accounting for 39.4 per cent (ECLAC, 2002). Because of the optical illusion apparently created by this positioning, it is essential to clarify just what the country actually exports.

In the effort to provide an accurate answer, it should be noted that neoliberal policies and, most particularly, NAFTA define the current process of integration between the Mexican and US economies. The theoretical grounding for this process is found in the concept of the labour export-led model through the operation of the following three complementary mechanisms (Delgado Wise and Márquez, 2005; Delgado Wise and Cypher, 2005):

1. The *maquiladora* industry, conceived of as assembly plants, tied in with internationalized productive processes that have very low levels of integration with the domestic economy.
2. The disguised *maquila* sector, comprised of manufacturing plants with relatively more complex productive processes than *maquiladoras* but operate under the same system of temporary imports.

*Maquiladoras* and the disguised *maquilas* share two important characteristics: (a.) they are practically devoid of productive links, both upstream and downstream, that would tie them in with the rest of the national productive apparatus, and (b.) they are subject to intense processes of precarization labour, with wages in *maquiladoras* standing at around 1/10 those of manufacturing sector wages in the US, or 1/7 of those levels in disguised *maquilas*.

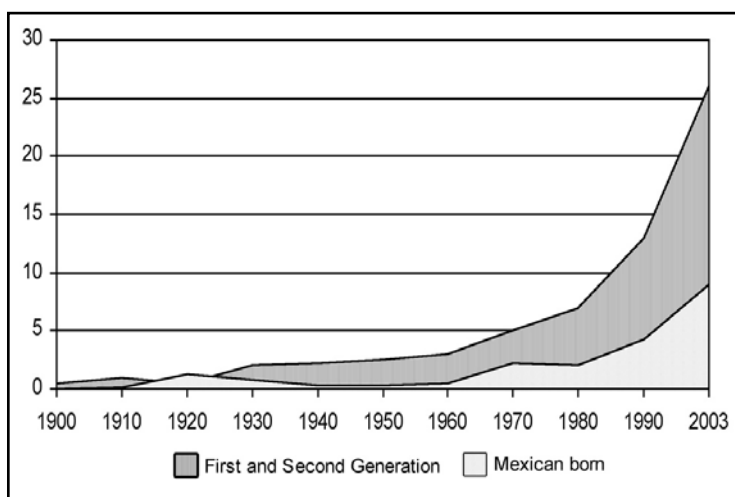
3. The escalating of labour migration, indicating the burgeoning exodus of Mexicans headed abroad. This is the result of the narrowing and increasingly precarious nature of the Mexican job market, in turn caused by neoliberal restructuring. It operates as a labour reserve and as a supply of cheap and highly precarized workers for positions with the US economy.



In order to elucidate property the nature of Mexico’s export platform, the precise meaning of what the country exports through *maquiladoras* and the disguised *maquila* must first be determined. Due to the high imported component levels of both activities, ranging from 80 to 90 per cent of their export values, the benefits for the Mexican economy are basically restricted to the wage earnings – in other words, the value of the labour incorporated into the exports. This means that what is actually taking place is the indirect labour exportation or, alternatively, the work force is being exported without requiring the Mexican workers to leave the country (Tello, 1996). Hence, a crucial conceptual element is envisaged that demystifies the purported orientation of Mexican exports toward manufactured goods and reveals a regressive movement in the export platform. If indirect exports of labour are added to the direct exportation of the work force through labour migration, the true content of Mexican exports is revealed. This is the basis for our characterization of the current model of export growth as the cheap labour export-led model.

Under this model, as clearly seen in Figure 1, migration from Mexico to the US has grown exponentially over the past two decades. This was heightened by NAFTA’s implementation, whereby Mexico became the main source of immigrants for the US.

**Figure 1**  
**Population of Mexican origin in the US**



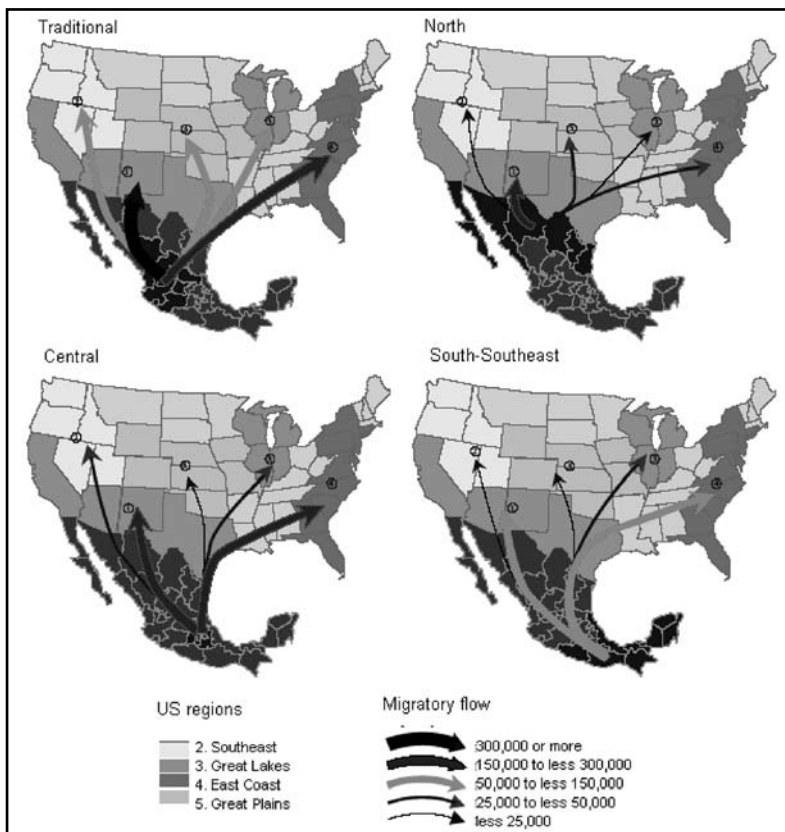
Source: Conapo estimates, based on the Current Population Survey.

The dimensions attained by the migration phenomenon says a lot: in 2004 the population of Mexican origin residing the US was estimated at 26.6 million, including immigrants – both documented and undocumented – born in Mexico (10.2 million) and US citizens of Mexican descent. This is the world’s largest diaspora that has settled in a single country. According to UN estimates (2006), between 1990 and 1995, Mexico was the country with the highest number of people annually establishing their place of residence in a foreign country (400,000,

compared to 390,000 for China and 280,000 for India). In line with this dynamic, Mexico experienced an exponential growth in its receipts of remittances, making it the third largest receiving country in the world (World Bank, 2006). In 2005, total remittances received by Mexico amounted to US\$ 20 billion (Banco de México, 2006).

Practically the entire Mexican territory reports international migration; in 2000, 96.2 per cent of the country's municipalities reported some form of association with the phenomenon. This territorial expansion fueled the emergence of new migratory circuits (historic, indigenous-traditional, emerging, etc.) with contrasting dynamics and sets of problems (Zúñiga, 2004). Parallel to this, the US population of Mexican origin – although remaining concentrated in a handful of states – has expanded in recent years into most of US territory. It should be noted, *inter alia*, that the migratory circuits are currently expanding into the eastern and north-central states (Zúñiga and Hernández-León, 2005), where some of the most dynamic industrial restructuring centres in the US are located (Champlin and Hake, 2006).

**Figure 2**  
Principal Mexico-US migratory flows, 1997-2002



Source: Conapo (2004).

**Table 1**  
**Mexican municipalities: Intensity of migration to the United States, 2000**

Degree of Migratory Intensity	Number of Municipalities	%	Population	%	Households	%
Absolutes	2,443	100	97,483,412	100	22,639,808	100
Very high	162	6.63	2,201,710	2.26	498,466	2.20
High	330	13.51	6,331,134	6.49	1,389,695	6.14
Medium	392	16.05	11,664,651	11.97	2,652,262	11.72
Low	593	24.27	37,765,096	38.74	8,873,610	39.19
Very low	873	35.73	38,887,234	39.89	9,098,931	40.19
Null	93	3.81	633,587	0.65	126,844	0.56

Source: Conapo (2000).

In terms of schooling, 38.9 per cent of those aged 15 years and older, born in Mexico and residing in the US have a level of education higher than a basic high school diploma. This figure rises to 52.4 per cent if the full spectrum of the population of Mexican origin in the US is taken into consideration. In contrast, the average figure for Mexico is 27.8 per cent, which means that, in general terms and in contrast to what is commonly believed, more qualified workers are leaving in the country rather than remain in it. In other words, there is a clear selective trend, in line with the underlying rationale behind international migrations. It should also be noted, however, that in comparison to other immigrant groups in the US, the Mexican contingent is the one with the lowest average levels of schooling. This fact does not attenuate the problem, but rather underscores the serious educational backwardness that still exists in Mexico (OECD, 2005).

One high-profile form of migration that bucks the stereotypes involves Mexican residents in the US who have university degrees or postgraduate qualifications. This figure totals slightly more than 385,000 individuals born in Mexico. Of these, 86,000 have postgraduate studies, and 10,000 have doctorates (CPS, 2005). This indicates that “brain drain” is beginning to emerge as a major problem.

All of these changes have been accompanied by a transformation within migration patterns: from a predominantly circular migration pattern, it is evolving into one in which established migrants prevail, including variants such as greater participation by women and entire families (Delgado Wise, Márquez, and Rodríguez, 2004). Although the trend toward settlement is generally the result of the evolution and maturing of migratory flows, it was in this case accompanied by the unilateral closure of the border which, instead of containing the population exodus as was its aim, encourages migrant flows to extend their stays indefinitely because of the difficulties and risks of returning.

The change in migratory patterns and falling birth rates domestically are leading to a growing and worrisome trend toward depopulation: between 2000 and 2005, of the country's 2,435 municipalities, 832 (one out of every three) reported a negative rate growth (INEGI, 2006).

It should be added that along with this phenomenon, and because of the hemispheric dimension adopted by the regional economic integration policy promoted by the US government, Mexico has also been forced to serve increasingly as a transit country, with all the problems that this entails. Thus, in 2004, the flow of undocumented migrants — chiefly of Central American origin — who crossed Mexico’s southern border totaled slightly more than 400,000 (INM, 2005).

In concluding this section, it should be noted that workforce exports, which are the basis for the Mexico-US migratory system, underscore two symptomatic paradoxes related to the unsustainability of the current economic integration model:

- Economic integration under NAFTA, rather than promoting convergence in the development levels of Mexico and the United States, helps accentuate the asymmetries that exist between the two countries. Whereas in 1994 per capita GDP in the US was 2.6 times that of Mexico, by 2004 the ratio had increased to 2.9. Similarly, average manufacturing wages in dollars per man-hour in the US were 5.7 times higher than those reported in Mexico in 1994, and 6.8 higher in 2004. Paradoxically, while the gap between the wages earned in Mexico and the US is increasing, the same is not true regarding their productivity levels. On the contrary, the difference has been falling and, in some cases, Mexican productivity is higher in certain productive sectors, particularly those that are a part of the labour export-led model.

**Table 2**  
**Asymmetries between Mexico and the United States, 1994-2004**

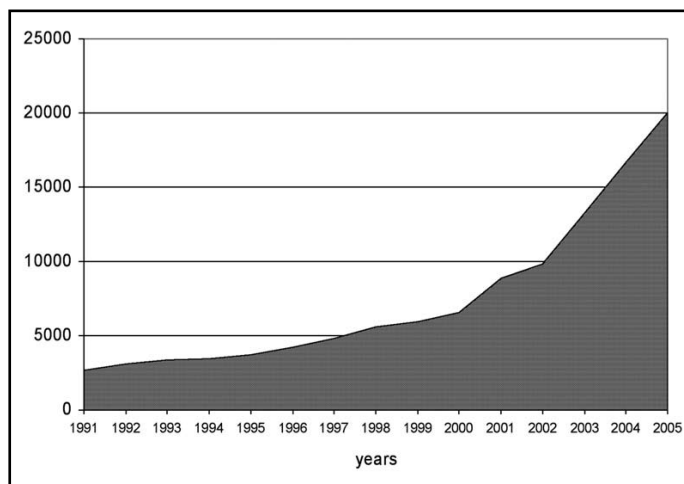
Asymmetry	Mexico		United States	
	1994	2004	1994	2004
Population (thousands)	88,402	104,000	263,126	293,655
Rate of population growth	3.2 <sup>a</sup>	1.3	1.2 <sup>a</sup>	1.0
Per capita GDP in current dollars	7332	10059	19304	29673
Underemployment (% of the EAP)	43.7	37	8.8	7.6
Research and development spending (% of GDP)	0.29	0.43 <sup>b</sup>	2.42	2.68 <sup>b</sup>
Population with university studies (% of population aged from 25 to 64)	11.9 <sup>a</sup>	15.4 <sup>b</sup>	33.3 <sup>a</sup>	38.4 <sup>b</sup>
Manufacturing wages (dollars per man-hour)	2.1	2.5	12	16.2
<sup>a</sup> 1995 <sup>b</sup> 2003				

Sources: OECD, INEGI.

- Instead of creating job opportunities in Mexico, economic integration became the driving force behind the direct exportation of the workforce and heightened socio-economic dependency on remittances. Remittances are the source of foreign exchange with the most consistent rate of growth, which can be seen even more clearly due to the fall in the relative importance of other forms of external funding,

such as foreign direct investments (FDI) and the exports of the *maquiladora* sector. In the period that neoliberal policies have been in force, official figures indicate that remittance receipts have increased thirty-fold.

**Figure 3**  
**Growth of remittances in Mexico (USD millions)**



Source: Banco de México.

## **Socio-economic Impact of the Migratory System in the United States and Mexico**

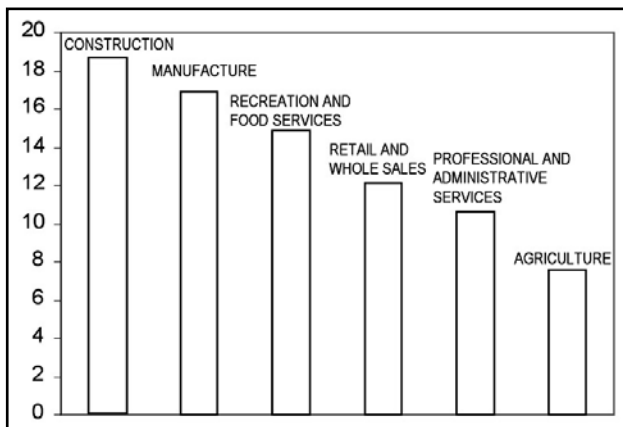
Migration and the regional integration process underlying it have numerous implications for both the US and Mexico, although the impact is differentiated and asymmetric. For the receiving country, on the one hand immigrants, help increase the size and flexibility of the work force in certain segments of the labour market, bringing down wage costs and increasing the benefits for capital. On the other, and to a relatively minor extent, they help (1) increase the dynamics of the domestic market, (2) sustain the social security system (Anderson, 2005), and (3) increase the volume of financial, transportation, and communications operations. According to estimates by Ruiz-Durán (2004), in 2003 Mexican immigrant workers contributed 8.0 per cent of US GDP, which suggests the potential growth that is being lost in Mexico.

Since the 1980s, the US job market has been involved in a process of restructuring and precarization. In broad terms, Mexican immigrants participate in two segments of the employment market: (1) a vast sector of increasingly precarized jobs against a backdrop of wide-ranging social exclusion as a forerunner to productive restructuring (e.g. agriculture, domestic service, and cleaning), and (2) the emergence of a sizeable precarious occupational segment associated with productive restructuring in different areas: cutting-edge sectors, production of wage goods, and mature industries undergoing rescues (Champlin and Hake,

2006). In most cases, the jobs require low qualification levels, pay low wages, offer limited or no fringe benefits and are unstable. Meanwhile, the associated labour relations are unilateral, informal (or authoritarian), risky, and subject to extralegal abuse by employers (wages below the legal minimum, arbitrary dismissals, irregularities in overtime payments).

One thing that is noteworthy in the occupational distribution of Mexican immigrants is their growing presence in construction, manufacturing, services, and commerce, particularly in degraded sectors, also known as the backyard of those industries undergoing restructuring: sweatshops, subcontracting, domestic work, day labour, etc.

**Figure 4**  
**Main occupations of Mexican immigrants in the US, 2004 (percentages)**



Source: Own estimates, based on the Current Population Survey. US Census Bureau.

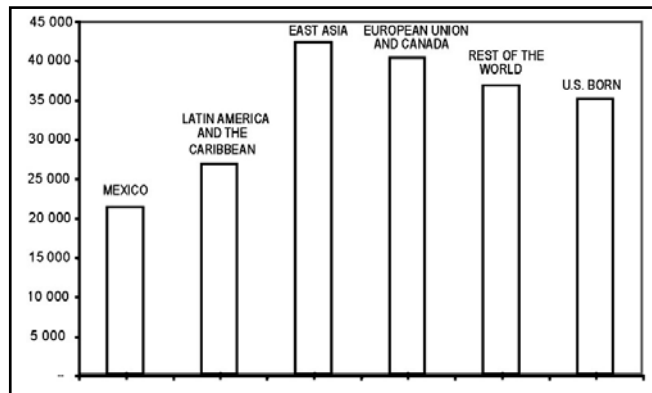
In the manufacturing sector, Mexican immigrants are most concentrated in the basic metals, metallic products, machinery and equipment industries (502,000), and in the food and clothing industries (437,000). The first group encompasses mature industries that are using migrant labour as a rescue strategy, while the second group involves wage goods for the generalized cheapening of the work force. In 2004, 1.2 million Mexicans were employed in manufacturing. Between 1995 and 2005, manufacturing sector employment in the US fell by 17 per cent: from 17.1 to 14.2 million (US Bureau of Labor Statistics, 2005). Here we note a double-movement, US workers are replaced by Mexican emigrants – the logic of this process, often deployed through closing in-plant operations and acquiring subcontractor (outsourcing) is clearly to lower the direct costs of labour while weakening the bargaining capabilities of organized labour.

The role of Mexican labour in US manufacturing, however, is actually higher than the above figures would suggest. If we include under US manufacturing not only production which is physically based in the US, but also that based in Mexico either in the disguised *maquila* sector or in the *maquiladora* industry, we find a total of 1.2 million in the US, an estimated 0.5 million in the disguised *maquila* sector and 1.2 million in the *maquiladora* industry as of

August 2005. Adding these Mexican-based workers into the base number of manufacturing workers (14.2 + 1.7 million) generates a total of 15.9 million manufacturing workers in the amplified US production system, of which an estimated 18 per cent are derived from the labour export-led model.

With the replacement of the better-paid, more experienced, and unionized workforce (generally native), Mexican workers have come to serve the purpose of reducing operating costs in order to increase global competitiveness. This is because Mexican workers earn lower wages compared to the native population and other immigrants.

**Figure 5**  
**US: Average annual earnings by country and region of birth, 2003 (USD)**



Source: Conapo estimates, based on the Current Population Survey.

In spite of the relatively lower importance of agriculture in the job spectrum of Mexican immigrants, the participation of Mexican workers in this sector is overwhelming: three out of every four workers in US agriculture is Mexican born. Most are undocumented (53%), with the participation of indigenous people and women accounting for a large proportion. Differentiated social insertion patterns among immigrants are also reported, in line with migratory circuits: from transnational vulnerability and exclusion (Besserer, 2002), particularly among immigrants of indigenous descent, to a certain level of rising assimilation, found in the historic circuit.

Labour transnationalization obeys the following structural factors that encourage mass migration: (1) productive internationalization, which breaks down and complements intra- and inter-industrial productive chains; and (2) complementary demographic structures: higher relative aging in the US, and Mexico's late "demographic transition". Consequently, the productive restructuring process is assisted by changes in demographic patterns.

Another impact of migration is found in what is known as the migration industry, referred to as the series of economic activities associated, both directly and indirectly, with international migrations between Mexico and the US. In addition to its impact on families, migration fuels a series of related activities that affect local and regional economies. At the macro

level, a range of companies benefit from the demand for goods and services catalyzed by remittances: those sending and receiving remittances, telecommunications, transportation, tourism, and the “*paisano* market.” Given the scant entrepreneurial development of migrants, the migration industry is mostly run by large multinational companies, particularly in the destination countries, such as: Western Union, Money Gram, AT&T, Citybank, Continental, American Airlines, Wal-Mart, etc., and, to a lesser extent, in the sending countries: Telmex, Mexicana Airlines and Cemex, among others. In addition, small and medium-sized businesses have emerged, such as travel agencies and currency exchange bureaus. At the places of origin, remittances reorient consumption patterns toward the purchase of US products and, at the destination point, they encourage the domestic market through the growing purchasing power of the Mexican immigrants (in 2003, their incomes totaled US\$ 272 billion), which is still a part of the machinery whereby the asymmetries are reproduced and the international status quo is maintained (Guarnizo, 2003). In sum, there is a broad range of economic activities at the points of both origin and destination that are caught up in the logic of neoliberal globalization but nevertheless benefit mostly the receiving country — in this case, the United States.

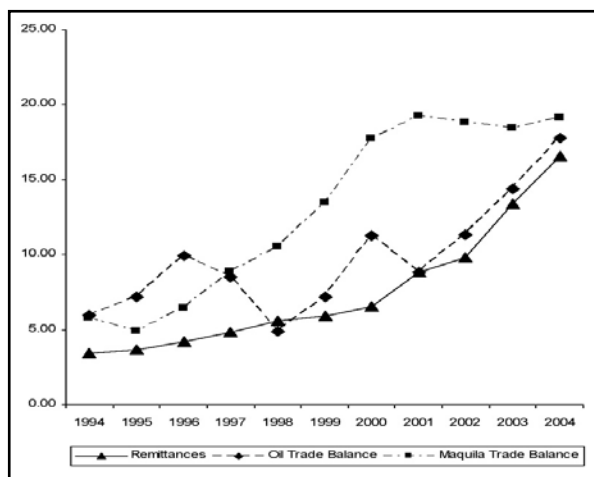
For Mexico, the impact can be summarized in four broad areas:

- 1. The unleashing of deaccumulation processes within the Mexican economy.** Exports from *maquiladoras* and disguised *maquilas* imply net transfers of earnings to the US economy. This reveals a new form of dependence that is more severe than those foreseen by the ECLAC’s structuralist theory and the theory of dependence.
- 2. The transfer of the production costs of the exported labour.** For Mexico, labour migration means a growing loss of human resources that leads to the abandonment of productive activities, the squandering of the money spent training and reproducing those workers, and, to a certain extent, the displacement of qualified labour in relative terms.
- 3. The dismantling of a large proportion of Mexico’s productive apparatus.** The collateral costs derived from the institutional policies intended to promote and maintain the current export model have led to an extensive dismantling of production intended for the domestic market. At least 40 productive chains in the Mexican small and medium-sized business sector have been destroyed following the reorientation of the economy toward overseas markets (Cadena, 2005).
- 4. The critical dependence on remittances for the socio-economic stability of Mexico.** Within Mexican macroeconomics, remittances are the most dynamic source of foreign exchange and the mainstay of the balance of trade, together with oil and the *maquiladora* sector, although the dynamism of the oil industry is unlikely to be maintained and the *maquiladora* business has stagnated. At the same time, remittances represent a source of family subsistence. Conapo (2004b) estimates there are 1.6 million households that receive remittances (8% of the country’s total), for 47 per cent of which they are the main source of income. Family remittances are primarily channeled into satisfying basic needs, including health and education, and a surplus of not more than 10 per cent for savings or small-scale investments in housing, land, livestock, and commercial undertakings. One of the main functions of family remittances has been to act as a palliative against the problems of poverty



(Rodríguez, 2005). This does not mean, however, that they can be seen as substitutes for public policies promoting socio-economic development.

**Figure 6**  
**Mexico: Importance of remittances to the balance of trade**



Source: Banxico.

## The Remittance-based Development Model in Mexico

Most of the labour-led export countries do not have a national development project and, instead, make certain development expectations, particularly at the local and regional levels, depending on the contributions made by migrants through remittances. These same resources, at the macro level, serve as (1) a source of external income to help swell national accounts, and (2) a support for social stability, in that they mitigate poverty and marginalization while offering an escape valve from the constraints of local, regional, and national labour markets (International Migration and Development Network, 2005). This model – found in such countries as Mexico, El Salvador, Philippines, and Morocco – is in reality a perversion of the idea of development that offers no prospects for the future.

In connection with the remittance-based development model, international agencies (United Nations, World Bank, Inter-American Development Bank, Economic Commission for Latin America and the Caribbean, International Organization for Migration, International Labour Organization) have designed an agenda of policies for migration and development that places the role of remittances at the forefront in the development of the countries of origin. In most cases, however, the predominant outlook on immigration involves security, human rights, and managing migration. In the developing nations migration is primarily viewed as a means to moderate pervasive poverty. Thus, by emphasizing security and remittances over international cooperation, the policies address only the manifestations of migration and not its root causes, thereby further intensifying the phenomenon.

Mexico, following the remittances-based model of development, does not have a comprehensive, sustainable policy for migration and development. The three main programmes that supposedly deal with the causes of migration – Contigo, NAFTA, and the Partnership for Prosperity (CONAPO, 2004a) – are oriented in a direction opposite from development and do not tackle the root causes of rising migration. Indeed, Contigo is nothing more than a collection of assistance programmes focusing on extreme poverty.<sup>1</sup> Meanwhile, NAFTA, which came into effect in 1994, has become the institutional framework for the asymmetric integration/subordination of the Mexican economy with that of the US. In terms of the Partnership for Prosperity, signed in 2001, the underlying premise advanced by the Mexican government was that the economic chasm separating Mexico and the US could be reduced through bilateral cooperation and a series of public-private alliances. Subsequently, this programme became known as the “Alliance for Security and Prosperity of North America”, now putting in the centre of the agenda geopolitical issues of security as defined by US interests.

Mexico’s migration policies obey a logic of adaptation through unconnected programmes geared toward addressing partial effects related to those of migration. The government’s basic aim has been to ensure that migration passively fulfills its functions vis-à-vis macroeconomic balance and social stability. The current programmes can be classified into six categories:

1. **Human rights.** Protective measures aimed at covering certain aspects of migrants’ human rights, such as the Beta Groups, the Paisano Program, consular registration documents (MCAS), and expanding the network of consulates itself.
2. **Transnational ties.** Identity-strengthening around the concept of Mexican communities abroad. This has led to the creation of the Institute of Mexicans Abroad (IME), whose efforts partially cover the areas of strengthening ties, education, and health.
3. **Political rights.** The promotion of citizens’ rights at the binational level, based on the 1996 reforms regarding the non-surrender of Mexican nationality and the approval of extremely limited voting rights for Mexicans abroad in 2005.
4. **Social development with collective remittances.** The *Tres por Uno* Programme is an example of negotiation involving a “bottom up” transnationalism for the pursuit of socially beneficial projects. While not a stated goal of the programme, it promotes binational organization. Because of its origins, this programme illustrates the clash between two views of: a neoliberal one (pursued by the government) and a community-based one (promoted by migrants).
5. **Remittance receipts.** Reduced transfer costs and the financial use of remittances, through competition and the recent initiative to incorporate additional users into the formal banking system, particularly through the National Savings and Financial Services Bank (BANSEFI) and the People’s Network.
6. **Investment of remittances.** The productive use of remittances, leading to a small series of individualistic and disperse productive projects, difficult to conceive of as a form of local or regional development. This is the case of the Invest in Mexico programme of the Inter-American Development Bank (IDB) and Nacional Financiera (Nafin).

<sup>1</sup> This programme was based in the office of the Secretaría de Desarrollo Social (SEDESOL) during the Carlos Salinas presidency (1988-1994). The programme was created under the title: “Programa Nacional de Solidaridad (PRONASOL)”. Subsequently in the following presidential term the programme became: “Programa de Educación, Salud y Alimentación (PROGRESA)”.

Table 3 presents an additional detailed description of the main government programmes directed towards the Mexican migrant population:

**Table 3**  
**Principal programmes directed towards the Mexican migrant population**

<b>Investment of Remittances</b>	<p><i>Programa Tres por Uno</i> (Three-for-One Programme): The background for this programme can be traced to a similar programme created in Zacatecas in 1992, then known as “Programa Dos por Uno” (two for one). In 1999 with the emergence of <i>Programa Tres por Uno</i> as a national programme migrant remittances were matched by equal commitments at the municipal, state and federal levels. SEDESOL was charged with the task of coordinating this programme. The combined funds are directed to public works projects: (1) Highways, roads and streets, (2) Drinking Water, (3) Sewage, and (4) Electrification. In 2004 more than US\$ 50 million were committed – 3.24 per cent of all remittances received by Mexico.</p>
	<p><i>Programa Invierte en México</i> (Invest in Mexico): In 2001 the central states of Guanajuato, Hidalgo, Jalisco, Michoacán and Zacatecas, at the initiative of the Inter-American Development Bank and Nacional Financiera (Mexico’s prime development bank), created a programme to encourage and support successful Mexicans abroad to invest in Mexico. This micro-finance programme involves technical support and loans when migrants commit to invest in projects/small businesses such pharmacies, small grocery stores, restaurants, gas stations, etc. The programme at the moment has a small annual budget of US\$ 2.2 million.</p>
<b>Migrant Protection</b>	<p><i>Programa Paisano</i>: Initiated in 1989, the programme aspires to alleviate the abusive treatment, extortion, robbery or other forms of corruption committed by public authorities when Mexican migrants return to their nation. The programme encompasses 15 government departments and two federal government entities along with three judicial agencies under the direction of the second most powerful authority in Mexico – la Secretaría de Gobernación (SEGOB). The programme is administered through a board of directors, a national coordinating mechanism and two Mexican representatives in the US, supported by 29 committees at the state level.</p>
	<p><i>Grupo Beta</i>. The Beta Groups arose in 1990 in Tijuana with the purpose of reducing the level of criminal activities directed towards Mexican migrants. Their objective is to offer protection for migrants in Mexico’s territory regardless of their nationality or migratory status. This programme is also coordinated by SEGOB. The Beta Groups are evolved in rescue operations with police authorities on both sides of the border. Their focus is on the reduction of rights violations or violent acts committed against migrants, by providing counseling on the rights and risks involved in attempting to cross the border. They also undertake patrolling activities in areas of high risk both along the US/Mexican border and along the southern frontier with Guatemala and Belize.</p>
	<p><i>Matrícula consular</i> (Diplomatic Registration): The Mexican government, through its Department of Foreign Affairs, issued a decree whereby its consulates would register all Mexicans living abroad. In recent years a considerable effort has been made to advertise this initiative through the 48 existing consulates in the US: Between 2000 and May of 2005, 4.7 million registrations were completed. This process has been completed in 337 cities, 163 counties, 178 financial institutions, and at 1,180 police departments spread throughout the US.</p>

<b>Health Programmes</b>	<p><i>Semana binacional de salud</i> (The Binational Health Week): This is an initiative to offer medical services to migrants without access to health insurance. Organized by Salud Mexico-California, and the Comisión de Salud de la Frontera México-Estados Unidos, among other public and private agencies, the first Health Week occurred in October of 2001. At that time only five counties participated, but by October of 2005 the initiative included the participation of all the Mexican consulates in the US and Canada. The Mexican government's participation involves the Department of Health, the Social Security agency, the Department of Foreign Affairs, and the local US Health Departments.</p>
	<p><i>Programa vete sano, regresa sano</i> (The Leave Healthy, Return Healthy Programme): This programme began in 2001, designed to address health issues of migrants in their communities, as well as during their migration and at their national or international point of destination. The Social Security agencies are the coordinators of this programme. Since 2004, 31 states participated. The programme is oriented towards prevention and the promotion of health through: (1) distribution of information, (2) bilingual campaigns focused in accordance with health levels, (3) training of leaders within the migrant population on issues of health maintenance and prevention, and (4) providing medical preventive attention and national health cards.</p>
	<p><i>Seguro de Salud para las familias de los migrantes</i> (Health Insurance for Migrant Families): Beginning in 2002, the Mexican government implemented through the Mexican Social Security Administration a basic health insurance programme for those not incorporated into the Social Security System. The programme includes the family members of migrants who are working abroad. This insurance fund is financed with public funds and contributions from those who receive help through the programme. Insurance-holders are provided with medical consultations, laboratory analyses, medication and medical intervention with regards to their health problems.</p>
<b>Political Participation</b>	<p><i>Programa Voto en el exterior</i> (Vote Abroad Programme): Eight years after the Mexican Congress approved a law offering double nationality to Mexican citizens, the Lower House in February 2005 approved an abbreviated reform permitting Mexican residents abroad to vote in presidential elections. After considering various options, the decision was made to conduct a registered mail-in voting process. The National Electoral Institute was charged with the task of administrating the registration process and counting the mail-in votes. The Electoral Institute registered only 40,854 migrants for the July 2006 presidential election (87% from the US), although it was initially assumed that as many as 4.5 million potential voters could be registered. At the same time, the Mexican government prevented the presidential candidates from campaigning abroad.</p>

## Social Integration of Migrants in the United States and Emergence of the Collective Migrant

The largest minority of the US population is that segment called “Hispanic” or “Latino,” which accounts for 40.4 million people (14% of the total population). People of Mexican origin account for 66 per cent of this group; and 40 per cent of them were born in Mexico, with the remainder being first- or second-generation immigrants or more distantly descended. Although historically the Mexican immigrant population was concentrated in a handful of US states, the diversification of destinations has expanded notably in recent years, to the extent that in the year 2000, Mexicans were the largest immigrant group in 30 states. Altogether, Mexico is the world’s largest diaspora concentrated in a single foreign country.

In a prevailing context such as the one in the US, where inequalities in income distribution have been increasing and the productive restructuring strategy is leading to increasingly precarious labour conditions, the process of integrating Mexican immigrants into US society can be seen in terms of labour insertion and access to public services such as health and education. And that is without taking into consideration the fact that most Mexicans live in overcrowded conditions, confined to marginalized *barrios* that keep them separate from the rest of the US population, and that Mexican children are among the most segregated in public schools (Levine, 2005). Thus:

1. Most of the Mexican immigrants are wage-earners who occupy the lowest rung on the US income ladder and, consequently, report the highest levels of poverty.
2. Mexican immigrants’ access to health services is limited. In spite of the contribution they make to the US economy, public policies tend to restrict or completely exclude them from access to such services. In 2003, more than half of those Mexicans were reported having no medical coverage (52.6%), a higher proportion than that found among other immigrant groups from Latin America and the Caribbean as a whole (36.7%), and much higher than the ratio immigrants from other parts of the world (Conapo, 2004b).
3. Mexican emigrants have very low levels of schooling, in comparison to migrants of other nationalities and with US-born Mexican-Americans: 2.2 per cent of Mexican migrants don’t have any formal education whatsoever; only 60 per cent have been schooled 12 years or less, while 5.5 per cent have university degrees or postgraduate studies.

The persistent socio-economic deterioration of first-, second-, and later-generation Mexican migrants in the United States has served to cut off access to social mobility. The serious implications of this process must not be underestimated. It should also be noted that Mexicans report relatively high levels of incarceration and social lumpenization, which affect US society in general. To make matters worse, their levels of participation in political affairs and elections is the lowest among all immigrant groups.

**Table 4**  
**Population of Mexican origin living in the United States**  
**by social characteristics, 2003**

Social Characteristics	Total	2003		
		Mexican Emigrants	First generation	Second Generation
University and postgraduate	6.5	4.6	7.5	8.9
US citizen	68.9	21.8	100.0	100.0
Poor	23.0	25.4	25.6	17.8
No health coverage	34.9	52.6	26.1	22.4

Source: Conapo estimates based on Bureau of Census, Current Population Survey (CPS), March 2003.

In response to the declining levels of social integration, residents of Mexican origin are strengthening their social networks and, more recently, have established many organizations. The spectrum of these organizations ranges from hometown associations and federations to trade unions and media outlets. As noted by Fox (2005), these organizations can be classified according to three organizational criteria: (1) integration into US society (trade unions, media, religious organizations, etc.); (2) ties with places of origin and promotion of development there (hometown associations and federations); and (3) binational relationships that combine the two previous types (pan-ethnic organizations). Together, these organizations strive to bring political, social, economic, and cultural influence to bear on the areas in which they work.

At present, the most dynamic and representative organizational types are the hometown associations and federations. According to the Institute of Mexicans Abroad, 623 hometown associations currently exist (Vega, 2004), covering 9 per cent of the total emigrant population (Orozco, 2002). Collective remittances are funds made available by hometown associations for social projects and other work in their places of origin. Between 2003 and 2005, the *Tres por Uno* (Three-for-One Programme) which combines public resources with collective remittances, spent an annual average of US\$ 15 million on projects ranging from asphaltting streets and refitting churches to laying down roads and building dams. Since the programme's investments are subject to governmental budgetary constraints, some migrants' projects and initiatives are carried out even without government participation.

It can be claimed that the expansion and evolution of these organizations is leading to the emergence of a new social subject: the collective or organized migrant (Moctezuma, 2005). To date, the contribution of collective migrants to development processes in their places of origin has essentially been restricted to their involvement in the *Programa Tres por Uno*. To a lesser extent, there have been other incursions by migrants into the promotion of development through productive investments, microfinancing, and crossborder business partnerships.

The arrival of migrant organizations and their progressive institutionalization and expansion are leading to a crossborder arena that is opening up possibilities for development in the binational context. Their resources and capabilities are useful here: job skills, business culture, “*paisano* market”, productive, commercial, and service infrastructure, capacities for finance and savings. But one dilemma emerges at this point: (1) should these resources and skills be used as one of the elements for keeping the remittance-based development model afloat, or (2) should migrant participation be considered as part of an alternative strategy for local and regional development that is promoted by the state and involves other stakeholders – local agents, social organizations, universities and research centres, non-governmental organizations, international agencies, foundations, public institutions, and government agencies.

At a time when union power has significantly diminished, the largest and most sustained acts of labour protest ever occurring in the US were initiated by Mexican immigrants, along with immigrants from Asia, Europe and throughout the rest of Latin America, and with some support from the African-American population. In protests that occurred on the 25<sup>th</sup> of March, the 1<sup>st</sup> of April and the 1<sup>st</sup> of May, 2006, approximately 5 million immigrants participated in marches and demonstrations in 156 cities across 43 states. This surprising movement arose from the hostile and repressive Congressional proposals under consideration at the time in the US Congress (such as HR 4437, known as the Sensenbrenner Bill) although the movement also reflected the side of racism and exploitation being experienced by many immigrants along side of harassment from failure to pay wages, imprisonment and deportation.

This movement is notable for its degree of decentralization, wherein decisions are taken at the local level, although it is also possible to identify structured organizations that serve as mediums of communication capable of orchestrating programmes of protest, including boycotts, labour stoppages, demonstrations and other similar actions. In addition, this movement is distinguished for its separation from traditional unions and the defining divisions between the two major political parties. Nevertheless, within the mass base of the migrant population, it is possible to identify a large number of organizations that participated in the mobilization: the March 25<sup>th</sup> Coalition, the national leadership of the SEIU, UNITE/HERE, Pioneros y Campesinos del Noroeste, Asociación Nacional de Comunidades Latinas y Caribeñas, Centro por el Cambio Comunitario, Latino Movement USA, Coalición Internacional 1 de Mayo, and the Movimiento Estudiantil Chicano de Aztlán, among others. It is important to note also that the Latin media played an important role in inducing the synergistic energy that drove these protests. This Latin media include 300 Latin radio stations, 700 daily or weekly newspapers, 160 local television stations, 60 cable companies and two national television chains (Contreras, 2006).

The immediate objective of this movement was to confront the legislative initiative to criminalize immigrant workers and to promote a shift towards massive legalization of these workers and their families. For the short term, the migrant organizations are seeking greater participation in the political process, hoping to influence the nature of political decisions

governing the status of the migrants. At the same time, there is an effort to form a national organization of migrants and to create a union of migrant workers. This could, potentially, lead to the migrants having a considerable voice within labour organizations of the US.

Faced with the mood of confrontation fed by racist and xenophobic theses such as those put forward by Huntington (2004), it is important, first, to acknowledge the contribution of migrants to US society and second, to open up appropriate channels for the social mobility of the Latino population, in order to avoid heightened social conflict and polarization. Available data shows how increasing integration to the receiving society, channeled through migrant organizations, in no way conflicts with maintaining ties of solidarity with their places of origin (Portes, 2005).

## **Towards an Alternative Model of Migration and Development for Mexico**

The political debate about Mexican immigration in the United States cannot ignore the growing presence of migrants in social, economic, political, and cultural life. The same can be said of the Mexican government and Congress. The following paragraphs, as a conclusion, offer a series of ideas and guidelines for responding to some of the most urgent challenges posed at present by the Mexico-US migratory system.

One essential condition for redirecting the present migration debate and incorporating development considerations is the full recognition of the contributions made by Mexican migrants to the economies and societies of both the US and Mexico. In connection with this, the following principles are fundamental:

- **Cooperation for development.** In the context of regional economic integration, there is a need for a form of bilateral cooperation that addresses the root causes of migration – namely, increasing socio-economic asymmetries – and that replaces security concerns as the central focus of the two countries' political agenda.
- **Full respect for the labour and human rights of workers.** In light of the forms of precariousness and social exclusion prevailing in the binational arena, there is a need to create legal and political instruments to defend the living and working conditions of workers and to contain the prevailing climate of social exclusion and conflict.
- **Alternative development model for Mexico.** The immorality and clear economic, social, and political unsustainability of the cheap labour export-led model imposes the need for a radical change in the current national development policy (which, in practical terms, is a regressive model for the country and promotes anti-development).
- **Incorporate the Mexican diaspora into the country's development process.** Considering that Mexico has a sizeable population in the United States that maintains its original national identity and keeps strong ties to its places of origin, the participation of this important segment of the Mexican population in an alternative development model for Mexico must be encouraged.



Under these broad premises, and assuming that in the short term there is practically no possibility for a bilateral negotiation, it is mandatory for the Mexican government to assume a proactive activity vis-à-vis the US government and Congress in at least two areas:

- **Promoting the increased integration of the Mexican population into US society.** This presupposes respect for the human and labour rights of migrant workers, be they documented or not, and the social mobility of the first and second generations (Portes, 2004).
- **Promoting new circular patterns for migrants.** Programmes for seasonal workers can adopt a position favouring return with advantageous working and training conditions that will later contribute to development in Mexico. In this regard, better trained workers can make major positive contributions to Mexico. Migrant circularity cannot be seen as a self-regulating process (Massay, Durand, and Malone, 2002); instead, it needs to be seen within the framework of cooperative public policies involving the societies of origin and destination alike (Agunias, 2006).

Since Mexico's migration policy is framed by the remittance-based development model, there is a need for a drastic change in migration and development policies by means of a state policy that addresses, at the very least, the following concerns:

- Guaranteeing the full political rights of migrants so that they are conceived as binational citizens with an active involvement in decision-making about the country's future.
- Promoting the defense of human and labour rights of migrants through all possible channels.
- Working for closer crossborder ties between the migrant community and their regions of origin, within the framework of a development policy.
- Encouraging the autonomous institutional strengthening of migrant organizations within the binational arena, favouring upward integration of migrants into the receiving society while at the same time strengthening their ties and stimulating their contributions to the development of their home towns.
- Designing public policies to work in parallel with the migrants' initiatives, in harmony with local society and with an awareness of the differences that exist between migratory circuits.
- Establishing an institutional framework commensurate with the strategic importance of Mexican migration.
- Setting out guidelines that address Mexico's problems as a transit country, using an approach based on international cooperation.

In Mexico, the underlying process is the high-dogmatic enforcement of neoliberal policies which – in addition to promoting privatization, deregulation, and economic liberalization – ultimately have a grave impact on the working class, their working and living conditions, and their trade-union organization through the increased flexibility and precarization of industrial relations. This has been called “privatizing the benefits and socializing the costs”.

Finally, it is important to recognize that migration policies possess a regionalist stance dominated by the perspective of the migrant-receiving countries. This view is prevalent in the ideas and policies of international agencies. Only to a very small extent have the experiences of the labour-exporting countries been discussed and studied from a comparative analytical perspective, taking into account the variety of contexts of regional integration and development that exist. Without fueling confrontation, the possibility exists for working toward the construction of a new international agenda on the topics of migration and development, wherein the views and initiatives of both sending and receiving countries could converge. Ultimately, the successful management of migration is of no use unless it seeks out mechanisms to address the root causes: growing asymmetries among countries (Castles, 2004).

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## Chapter 7

# **NORTH AFRICAN MIGRATION SYSTEMS: EVOLUTION, TRANSFORMATIONS, AND DEVELOPMENT LINKAGES**

by

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## **Abstract**

This paper first analyses how the evolution and transformation of North African migration systems has been an integral part of more general processes of political and economic change. Subsequently, the extent to which policies can enhance the development impact of migration is assessed by analysing the case of Morocco, the region's leading emigration country. Over 3 million people of Moroccan descent (out of 30 million Moroccans) live abroad, mainly in Europe. Since the 1960s, the Moroccan state has stimulated migration for economic and political reasons, while simultaneously trying to maintain a tight control on "its" emigrants. However, fearing remittance decline, a remarkable shift occurred after 1989. Along with policies to facilitate holiday visits and remittances, the Moroccan state adopted positive attitudes towards migrants' transnational civic activism, integration and double citizenship. Huge increases in remittances (well over \$5 billion in 2006) and holiday visits suggest that these policies have been partially successful. However, these policies could have only work because of macroeconomic stability and continuing emigration, and because they were part a more general process of liberalization of Moroccan society. Although remittances have positively affected living conditions and economic growth in the sending regions, remaining constraints such as corruption, legal insecurity and a lack of trust in the state, explain why many migrants are still hesitant to invest and do not return. The lesson is that targeted "diaspora policies" have limited effects if they are not accompanied by general political reform and economic progress that create attractive environments to return to and invest in.

## **Keywords**

International migration, development, remittances, policies, North Africa



## Introduction

The significant political, social and economic transformations that North Africa<sup>1</sup> has witnessed over the past decades would be impossible to understand without considering the role of the significant migration movements within, towards and particularly from this region. Bordering the wealthy countries of the European Union (EU) and Gulf Cooperation Council (GCC), North Africa has evolved into one of the world's leading "labour frontiers" (cf. Skeldon, 1997). Large-scale migration was a response to a demand for labour in the EU and the GCC countries that fundamentally affected social and economic development in the region.

Over 8 million migrants originating from North African countries are currently believed to live abroad, of whom 4.7 million are in Europe and 2.4 million in Arab oil countries. At the same time, North Africa have witnessed significant intra-regional labour migration, in particular to oil-producing Libya. In particular over the last decade, North Africa seems to have entered into a migration transition. The most salient features of this have been, besides sustained outmigration, increasing immigration from sub-Saharan countries as well as the new role of North Africa as a transit zone for sub-Saharan and even Asian migrants who want to migrate to Europe.

Persistent and increasing migration from and through North Africa has put relations with European countries under considerable stress. In particular the EU has attempted to "externalize" its restrictive immigration policies by putting North African states under pressure to adopt restrictive immigration laws and regulations and to intensify (joint) border controls. The creation of such a buffer zone is part of the association agreements the EU has signed with all North African states except Libya aiming at creating a free trade zone, which is believed to promote migration-reducing development in North African and other Mediterranean sending countries.

Faced with the failure to meet their stated objectives of curbing immigration, there has also been a resurgence in the interest among European states in the potentially positive effects of migration and remittances on social and economic development in migrant-sending societies. Receiving countries often perceive migration-propelled development as a way to alleviate unwanted migration pressures. Particular hope has been recently put on temporary migration which is propagated as a kind of a "win-win-win" strategy to reconcile the interests of the migrants, sending and receiving countries (Ruhs, 2005; for critical reviews see Castles, 2006; de Haas, 2006).

At this particular point, it can be instructive to study the North African experience. Firstly, for North African sending states, "migration and development" is not a new issue, as migration has been an integral part of their national development strategies for decades. Secondly, past policies which European and the GCC countries have pursued to stimulate

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<sup>1</sup> We will limit our analysis to the North African countries bordering the Mediterranean: Morocco, Algeria, Tunisia, Libya, and Egypt. Nevertheless, it should be noted the sharp distinction commonly made between North Africa and sub-Saharan Africa is not only historically incorrect by neglecting the fact that the Sahara *itself* is a huge transition zone between these two sub-continental constructs, but is also contested by significant trans-Saharan migration.

temporary and return migration are often ignored in the debate over new proposals to boost temporary migration from the region.

Migration is both moulded by and helps to mould broader transformation processes. Therefore, the aim of this paper is to understand the evolution and transformation of the North African migration system between 1945 and 2005, and how this process was reciprocally related to broader processes of social, political and economic change in North Africa, Europe, the Middle East and sub-Saharan Africa. By focusing on Morocco, the region's most prominent emigration country, the paper will also address the extent to which governments of sending countries have been able to enhance the development impact of migration.

## **Migration Systems and Migration Transitions**

For analytical purposes, it seems useful to relate the specific North African migration experience to two central theoretical concepts, namely migration systems and migration transitions. Mabogunje (1970), the founder of migration systems theory, defined a migration system as a set of places linked by flows and counterflows of people, goods, services, and information, which tend to facilitate further exchange, including migration, between the places. While Mabogunje focused on rural-urban migration within the African continent, Portes and Böröcz (1987), and Kritz et al., (1992) extended this to international migration. International migration systems consist of countries – or rather places within different countries – that exchange relatively large numbers of migrants, and are also characterized by feedback mechanisms that connect the movement of people between particular countries, areas, and even cities to the concomitant flows of goods, capital (remittances), ideas, ideals, representations and information (cf. Fawcett, 1989; Gurak and Caces, 1992). The fundamental assumption of migration systems theory is that migration alters the social, cultural, economic, and institutional conditions at both the sending and receiving ends – that is, the entire developmental space within which migration processes operate.

The migration transition theory is the notion that societies and countries in parallel with economic restructuring and concomitant social change and demographic transitions tend to go through a sequence of initially increasing emigration, the coexistence of significant but diminishing emigration and increasing immigration, to eventually become net immigration countries (Zelinsky, 1971; Skeldon, 1997). This is linked to the notion of the “migration hump” developed by Martin (1993) and Martin and Taylor (1996), who argued that a temporary increase in migration – a migration hump – has been a usual part of the process of economic development since a certain threshold of wealth is necessary to enable people to assume the costs and risks of migrating.

Increasing incomes, the development of transport and communication infrastructure, improved access to education and information, as well as concomitant processes of social and cultural change, tend to give people the capabilities and aspirations to migrate: initially predominantly internally, in later stages increasingly internationally (de Haas, 2005). Only in the longer term, after sustained growth and decreasing opportunity gaps with destination countries, emigration tends to decrease and countries tend to transform from net emigration

into net immigration countries. In the 19<sup>th</sup> and the first half of the 20<sup>th</sup> century, most Western European countries went through such a migration transition (Massey, 1991; Hatton and Williamson, 1998). In recent decades, countries such as Spain, Italy, Greece and Ireland in Europe, and Malaysia, Taiwan Province of China, and South Korea in Asia completed their migration transition. On the basis of the persistent expansion of the greater European migration system, the challenging question is whether North Africa will also go through similar migration transitions in the near future.

## Evolution of North African Migration Systems

### Colonial and Post-colonial Migration

The pre-colonial population history of North Africa has been characterized by continually shifting patterns of human settlement. Nomadic or semi-nomadic (*transhumance*) groups travelled large distances with their herds between summer and winter pastures. Frequent conflicts between tribal groups over natural resources and the control of trade routes were associated with the regular uprooting, movement and resettlement of people.

In all North African countries, modernization and colonial intrusion occurring since the mid-19<sup>th</sup> century have triggered processes of urbanization and substantial rural-to-urban migration. However, only in the “French” Maghreb<sup>2</sup> colonialism was associated to substantial international movement, in contrast to Libya and Egypt. The French imprint was particularly heavy in Algeria, which was colonized in 1830 and became an integral part of France. The French protectorates over Tunisia and Morocco were formally established in 1881 and 1912, respectively. Labour recruitment in the Maghreb started during the First World War, when an urgent lack of manpower in France led to the active recruitment of tens of thousands of men for the army, industry and mines (Muus, 1995: 198). In the Second World War, labour shortages again led to the recruitment of Maghrebi workers and soldiers (de Haas, 2007b).

In Egypt, which came under full British control in 1882, modernization policies pursued since the second half of the 19<sup>th</sup> century, and symbolized by the completion of the Suez Canal in 1869, intensified traditional patterns of internal migration towards Cairo and, to a lesser extent, Alexandria and the Suez Canal zone. Until the 1950s, few Egyptians except for students migrated abroad, and, in fact, more foreigners from Arab and other countries migrated to Egypt (Sell, 1988; Zohry and Harrell-Bond, 2003).

Between the 1950s and 1973, and depending on their political position, attempts by North African states to either impede or to steer emigration have fundamentally influenced migration patterns. In a striking reversal of the current situation, this was a time in which sending states imposed more restrictions on migration than receiving states through selective passport issuance policies or exit visa requirements.

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<sup>2</sup> Although Mauritania and Libya are also part of the Itihad al Maghreb al ‘Arabi, or the Arab Maghreb Union created in 1989, we will use the more conventional delimitation to its three core states.

Egypt regained full independence from the UK in 1953, and after the 1956 Suez Crisis, President Nasser came out of the war as an Arab hero, which reinforced Egypt's position as a leader in the Arab world. Except for the policies to promote the education of Egyptian students abroad in the 1960s, the Egyptian state actively discouraged labour emigration, mainly through "exit visa" requirements (Choucri, 1977; Sell, 1988). Within Nasserist socialism, migration was seen as endangering national development through the "brain drain".

Meanwhile, migration from the Maghreb to France had continued after the end of the Second World War. Already in 1945, the number of Algerian workers and their families in France numbered about 350,000.<sup>3</sup> After Morocco and Tunisia became independent from France in 1956 "colonial" migration patterns largely persisted. Because France stopped recruiting Algerian workers during the Algerian war of independence (1954-1962), migration of factory and mine workers from Morocco was boosted (de Haas, 2007b). Nevertheless, Algerian migration continued as a result of the upheaval caused by the 1954-62 war but also by the demand for workers in the rapidly expanding French economy (Collyer, 2003). In 1962, over 1 million *colons* and *harkis* (Algerians who served with the French army in the war of independence) left Algeria after the National Liberation Front (FLN) succeeded in pushing France out. Between 1946 and 1968, six years after Algerian independence, Algerians were allowed to circulate freely between Algeria and France (Collyer, 2003).

### The Guest Worker Boom (1963-1972)

Post-colonial migration was only modest as compared to the decade following 1962, in which the Maghreb became firmly integrated in the Euro-Mediterranean migration system. During this period Maghreb countries experienced their great labour migration boom towards Europe. Morocco and, to a lesser extent, Tunisia also went along with a diversification of migration destinations beyond France. Rapid post-war economic growth in North-west Europe created increasing unskilled labour shortages in sectors such as industry, mining, housing construction and agriculture. This triggered an increase in emigration of "guest workers" from poorer countries around the Mediterranean. Until the early 1960s, most were recruited in South European countries. When this migration stagnated, attention shifted towards South Mediterranean countries. Morocco and Tunisia signed formal agreements on the recruitment of workers with France, Germany, Belgium and the Netherlands (see Table 1). In 1968 the Algerian and French governments agreed on a quota of 35,000 migrants per year, which was reduced to 25,000 in 1971 (Fargues, 2004). Migration boomed particularly from 1967, to peak in 1972 (de Haas, 2007b).

**Table 1**  
**Years of signature of labour recruitment agreement with Morocco and Tunisia**

	France	West Germany	Belgium	Netherlands	Libya
Morocco	1963	1963	1964	1969	NA
Tunisia	1963	1965	1969	1970	1971

Sources: Baduel 1980; de Haas 2007b.

<sup>3</sup> Source: <http://www.country-data.com/cgi-bin/query/r-361.html> (Accessed 16 May 2006).

The influence of formal recruitment by specialized agencies was only important in the initial years of labour migration and in “setting the stage” of subsequent chain migration. Already in the 1960s, spontaneous settlement and informal recruitment by companies through migrant networks became far more important numerically. Administrative obstacles, waiting lists and the accompanying bribery incited people to circumvent and to migrate as tourists and subsequently overstay (Reniers, 1999: 683). Most migrants succeeded in obtaining permanent residence papers through a series of legalization campaigns in the Netherlands (1975), Belgium (1975) and in France (1981-1982) (Muus, 1995: 199).

While Algerian migration remained overwhelmingly oriented on France, Germany became the second most important destination for Tunisians, whereas Belgium and the Netherlands developed into secondary destinations for Moroccan migration. Tunisia and in particular Morocco pursued strongly pro-emigration policies, in the expectation that their countries would greatly benefit from the experience, training and financial resources of migrants, which were expected to return.

## The 1973 Oil Crisis Turning Point

The shock of the 1973 Arab-Israeli October war, the Oil Crisis and the ensuing economic recession in Western Europe dramatically reshaped and expanded the North African migration landscape. For Maghrebi-European migration, it heralded the end of the “recruitment phase” and the onset of increasingly restrictive immigration policies pursued by European states, a trend that would persist until the present day. On the other hand, for the Arab oil countries, the events of 1973 marked the beginning of massive labour recruitment.

Political change in Egypt and unprecedented economic growth in the oil producing Gulf countries and Libya coincided to cause unprecedented migration from Egypt and, to a much lesser extent, the Maghreb countries to the booming Arab oil countries. The 1973 Arab oil embargo against the US and a number of its Western allies (the “Oil Crisis”) led to a quadrupling in oil prices. This was followed by ambitious development programmes in the Arab oil-producing countries, leading to a huge increase in the demand for labourers. This particularly affected Egypt, where the number of registered emigrants increased from 70,000 in 1970 to a reported 1.4 million in 1976 and to 2.3 million in 1986 (Zohry and Harrell-Bond, 2003: 27, 31).

This coincided with a turnaround in Egyptian migration policies since Anwar Sadat came to power in 1970. Sadat’s *infitah* or open door policies meant a reorientation from the Soviet Union towards the United States, and a move from a centralized plan economy towards liberalization and opening of Egyptian economy more to foreign investment. Temporary migration came to be seen a means to alleviate demographic pressures and stimulate economic growth. In 1971 all legal barriers to migration were lifted while government workers were allowed to emigrate while maintaining the right to return to their jobs (IOM, 2005).<sup>4</sup> While

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<sup>4</sup> Restrictions on labour migration were already relatively eased after the 1967 Six-Day War and the subsequent economic downturn, which heralded the start of more long-term emigration, while students abroad tended to stay abroad after obtaining their degrees (cf. Zohry and Harrell-Bond, 2003).

removing state constraints and encouraging individualism and consumer desires, the open door policy and liberalization have been widely seen as increasing inequality in Egyptian society. On top of this was “the remarkable reversal of relative economic conditions” (Sell, 1988: 93) between Egypt and its eastern and western Arab neighbours.

The majority of migrants went to Saudi Arabia, although all other Arab oil-producing countries received their share of Egyptian migrants. Both skilled and unskilled workers migrated to the Arab oil-producing countries, although most skilled migrants preferred the Gulf Cooperation Council (GCC) countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates). As a key provider of specific skills (such as nursing and teaching) to these labour markets, some scholars have considered Egypt’s specific education policies as an integral part of its broader emigration policies (Fargues, 2004: 1360). In particular Iraq became a popular destination for unskilled migrants, because of its liberal immigration policies towards fellow Arabs, and its need for foreign labour as a result of the 1980-1988 war with Iran.

The foreign demand for Egyptian labour peaked in 1983, when 3.3 million Egyptian were estimated to work abroad. After 1983, the Iran-Iraq war, falling oil prices, declining demand for construction workers, the immigration of cheaper Asian and South Asian labour and the policy to replace foreign labour with nationals would cause a relative decline in the demand for Egyptian and other Arab workers in the GCC countries. This coincided with substantial return migration (Zohry and Harrell-Bond, 2003: 27-31).

The Oil Crisis also created the condition for the emergence of a new migration pole within North Africa. When Libya gained independence from Italy in 1951, the country possessed a small and impoverished population. The discovery of significant oil reserves in 1959 would radically change this situation. From the early 1960s, the petroleum industry came to dominate the economy, and rapidly increasing oil revenues after 1973 allowed the new Nasserist leader Al-Qadhafi to launch ambitious social and economic development schemes. As in the Gulf states, the concomitant labour demand could not be fulfilled locally, and this triggered substantial migration of mostly temporary migrants. Egyptians represented the largest nationality present in Libya, working predominantly in agriculture and education (Hamood, 2006: 17).

The economic boom in the Arab oil-producing countries also generated significant migration of workers from Tunisia and Morocco. For geographical and political reasons this migration was predominantly oriented to Libya, and mostly consisted of lowly or unskilled migrants who stayed for relatively short periods. Long-term “temporary” migration of skilled workers to the Gulf countries, such as that from Egypt, remained relatively modest.

As a more modest but significant oil producer, socialist Algeria also benefited from the 1973 surge in oil prices (Collyer, 2003). At the same time as Egypt abandoned its restrictive policies, Algeria, which denounced emigration as a form of post-colonial dependence (Fargues, 2004: 1360), formally suspended all migration to France in 1973, based on the assumption that booming oil revenues would allow Algeria to employ its own people.



The European economic downturn provided the mirror image of the boom of the Arab oil economies. In Europe, the 1973 oil crisis heralded a period of economic stagnation and restructuring, resulting in rising structural unemployment and a lower demand for unskilled labourers. This hit guest workers disproportionately and led to their mass unemployment. Not only had most host societies expected that this migration would be temporary, but most migrants themselves, standing in an ancient tradition of circular migration (de Haas, 2007b), also intended to return after a certain amount of money had been saved to buy some land, construct a house, or start their own enterprise. However, contrary to expectations, and notwithstanding significant return migration, large number of Maghrebi migrants ended up staying permanently.

Not only European states but also Algeria and Tunisia (Fargues, 2004: 1359-1360) tried to incite migrants to return. Yet these return policies typically failed. First, this was related to the lack of opportunities for economic reintegration in most countries of origin. Morocco and Tunisia suffered much more than the European countries from the structurally higher oil prices and the global economic downturn, and started to experience increasing unemployment while Morocco also entered into a period of political instability and repression following two failed coups d'état against King Hassan II in 1971 and 1972.

Second, the increasingly restrictive immigration policies and in particular the introduction of visa restrictions had the paradoxical effect of pushing migrants into permanent settlement rather than the reverse (Fargues, 2004; Obdeijn, 1993). Many Maghrebi migrants decided to settle not so much despite but because of the increasingly restrictive immigration policies. Prospective return migrants feared that they would not be allowed to go back to the receiving countries if they failed to re-adapt. Combined with general uncertainty about development in the Maghreb, this made migrants decide to "to be on the safe side" and not to risk their residence abroad (Entzinger, 1985: 263-275).

Subsequent large-scale family reunification heralded the shift from circular to more permanent migration. Besides natural increase and illegal migration, this phenomenon mainly explains why North-west European populations of Maghrebi origin kept on increasing at relatively stable rates throughout the 1970s and 1980s, despite the formal ban on recruitment. The registered population of Moroccans in France, Belgium, the Netherlands and Germany increased from 400,000 in 1975 to almost 1 million in 1992 (de Haas, 2007b). The registered Tunisian population living in France, Germany, Belgium, Italy and Switzerland doubled between 1977 and 1992 from 225,000 to 444,000 (calculations based on Gammoudi, 2006). Despite the formal ban, migration from Algeria to France continued also mainly through processes of family reunification. The number of Algerian descendants (excluding *colons* and *harkis*) in France increased from an estimated 500,000 in 1964 to 800,000 in the early 1980s.<sup>5</sup>

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<sup>5</sup> Source: <http://www.country-data.com/cgi-bin/query/r-361.html> (Accessed 16 May 2006).

## The 1991 Gulf War Turning Point

In the late 1980s, after a period dominated by relatively persistent labour migration from Egypt to the Gulf countries and Libya, and family migration from the Maghreb to France and other North-West European countries, the North African migration landscape witnessed fundamental transformations. Again, a number of political upheavals (the Gulf War, the outbreak of the Algerian civil war, the UN embargo on Libya) occurring in 1991-2 played a major role in setting new migration trends and creating increasing interlinkages between North and sub-Saharan African migration systems while solidifying North Africa's central position in the Euro-Mediterranean migration systems as both an origin and transit zone.

The 1991 Gulf War led to massive forced repatriation of migrants from the GCC countries including 700,000 Egyptians from Iraq, Jordan and Kuwait (Baldwin-Edwards, 2005: 28). These events reinforced the already existent tendency in Gulf countries to increasingly rely on Asian immigrants. This went along with efforts to "indigenize" the labour force of the Gulf countries to decrease dependency on migrants and relieve increasing unemployment among native populations (IOM, 2005: 54, 59). Such reforms were incited by persistently low oil prices over much of the 1980s and 1990s.

Despite the apparently decreasing potential for migration, Egyptian migration to the Gulf has been more persistent and permanent than the policies intended. Although both Egypt and GCC countries stubbornly classify this migration as temporary, Sell (1988) already observed that many Egyptian migrants stay on for longer periods and that substantial family reunification has occurred. Although they are expected to return, thousands leave Egypt each year with the intention of permanently settling abroad (Zohry and Harrell-Bondm, 2003: 31). It has been proven notoriously difficult to implement the indigenization policy while semi-legal migrants continue to enter through intricate systems of visa-trading (IOM, 2004: 60), whereas undocumented labour migrants can also enter the country through making the *hadj*, the Muslim pilgrimage to Mecca. In fact, after the Gulf war migration rates quickly resumed to pre-war levels and the number of labour contracts boomed between 1992 and 1995 (Zohry and Harrell-Bond, 2003: 30, 35).

However, a qualitative change did occur in the structure of the strongly segmented GCC labour markets, with native workers mainly taking over the high-level position in the labour market, but continuing to shun lower-level jobs in the relatively poorly paid private sector (Baldwin-Edwards, 2005: 27). While Asian immigrants increasingly fill manual jobs in the unskilled segments of the labour market (IOM, 2005: 62), Egyptian and other Arab migrants to the Gulf increasingly occupy the middle segments of the GCC labour markets (cf. Zohry and Harrell-Bond, 2003: 35). Unskilled Egyptian migrants such as construction workers have increasingly migrated to Jordan (IOM, 2005: 62) and Lebanon, which have increasingly replaced Iraq as a destination of such workers. The declining potential of migration for unskilled workers to Arab countries has possibly stimulated growing Egyptian migration to Italy (cf. Zohry and Harrell-Bond, 2005: 7).

Until 1990 the history of Algerian emigration to Europe was the history of Algerian migration to France.<sup>6</sup> However, the outbreak of the civil war in 1991, which killed more than 100,000 people, led to an increase of refugee and economic migration to an increasingly diverse array of European countries (Collyer, 2003).

Another major turning point in North African migrations was the air and arms embargo imposed on Libya by the UN Security Council between 1992 and 2000. Disappointed by the perceived lack of support from fellow Arab countries, Colonel Al-Qadhafi embarked upon a radical reorientation of Libyan foreign policy towards sub-Saharan African countries (Hamood, 2006: 17). Al-Qadhafi positioned himself as an African leader and started to encourage sub-Saharan Africans to work in Libya (Hamood, 2006; Pliez, 2002). Consequently, Libya became a major destination and (after 2000) a transit zone for migrants from sub-Saharan Africa (cf. Boubakri, 2004). In the early 1990s, most migrants came from Libya's neighbours Sudan, Chad and Niger, which subsequently developed into transit countries for migrants from a much wider array of sub-Saharan countries (Bredeloup and Pliez, 2005: 6).

Increasing sub-Saharan immigration cannot uniquely be attributed to Libya's new pan-African politics, but is also part of a general trend towards restructuring and segmentation of Libyan and North African labour markets. Similar to the Gulf states, an economic downturn brought by low oil prices and the sanctions led to calls to indigenize the Libyan workforce as of the early 1980s. However, Libyans were not willing to take up the manual and unskilled jobs, which have been increasingly taken up by sub-Saharan African migrants (Hamood, 2006: 18), possibly because of a decreased willingness among North African migrants to work in Libya.<sup>7</sup> Libya has increasingly relied on sub-Saharan migrants for heavy work in sectors such as construction and agriculture, whereas Egyptian and Maghrebi workers appear to be increasingly concentrated in slightly more high status service sector jobs.<sup>8</sup>

## New Migrations to Southern Europe

Since 1990, EU states have further strengthened external border controls and tightened up their visa policies. However, North African migration to Europe showed a remarkable persistence and a diversification in terms of destination countries. Migration to the established destination countries France, Belgium, the Netherlands and Germany primarily continued through family formation. This was partly the consequence of the high tendency among Maghrebi descendants to marry partners living in their parents' regions of origin (cf. Lievens, 1999).

After 1995, however, an unexpected resumption of labour migration occurred from the Maghreb, but also from Egypt, to Southern Europe. In Mediterranean Europe, the remarkable growth in export-oriented agriculture, construction and tourism has generated increasing

<sup>6</sup> In 1990 the Algerian community in France was estimated at more than 1 million people, representing 97 per cent of all Algerians living outside of Algeria (Collyer, 2003).

<sup>7</sup> Compared to the opportunities in Europe, Libya is not a particularly attractive country to work in for Maghrebi migrants. Libya immigration policies have been highly erratic (Hamood, 2006: 18), migrants do not have rights, and salaries are considerably lower.

<sup>8</sup> Source: observations by author in Libya (Tubruq, Benghazi, Tripoli, Zliten), April 2005.

demand for seasonal, flexible and low-skill labour (Fargues, 2004: 1357). There is a high demand for unskilled migrant labour, especially in the relatively large informal sectors of these countries, Italy in particular. This makes it relatively easy to find work given local demand for low-skilled, low-paid workers. Themselves former labour exporters, Spain and Italy have emerged as new major destination countries for Moroccan (to Spain and Italy), Tunisian (mainly to Italy), Algerian (mainly to Spain) and Egyptian (mainly to Italy) migrants since the mid-1980s.

Until Italy and Spain introduced visa requirements in 1990 and 1991, respectively, Maghrebi migrants were able to enter as tourists and often followed a seasonal migration pattern. However, the sustained demand for immigrant workers, the introduction of visas and increasing border controls led to the increasingly undocumented, costly, dangerous and more long-term character of this migration rather than a decline. An increasing proportion of independent Maghrebi labour migrants to Southern Europe are women who work as domestic workers, nannies, cleaners, or in agriculture and small industries (cf. Salih, 2001).

On several occasions since the late 1980s, southern European governments were compelled to grant legal status to migrants, among which a large share of Moroccans and, to a lesser extent, Algerians, Tunisians and Egyptians. For instance, between 1980 and 2004, the combined Moroccan population officially residing in Spain and Italy increased from about 20,000 to 650,000 (de Haas, 2007b). Another development is increasing migration of higher educated Maghrebis countries to Canada (Québec) and the US.

## **Trans-Saharan Migration**

Since 1995, a mixed group of asylum seekers and labour migrants from sub-Saharan Africa and even the Middle East and South Asia have gradually joined Maghrebis crossing the Strait of Gibraltar to Spain or from Tunisia to Italy (Barros et al., 2002; Boubakri, 2004: 3). Since 2000, anti-immigrant riots and increasing repression towards migrants in Libya have incited increasing numbers of sub-Saharan migrants to migrate to other Maghreb countries or to make the Mediterranean crossing (cf. Hamood, 2006).

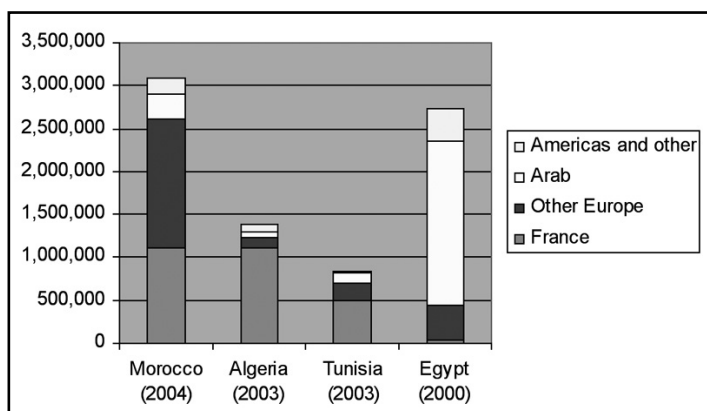
Tougher policing at the Strait of Gibraltar and Tunisian coast by Spanish-Moroccan and Tunisian-Italian forces have presumably led to a general diversification in attempted crossing points (Boubakri, 2004: 5; de Haas, 2007b; Fadloulah et al., 2000: 113-5) from the eastern Moroccan coast to Algeria, from Tunisia's coast to Libya, and from the Western Sahara and most recently Mauritania and other West African countries to the Canary Islands. A substantial proportion of migrants consider North African countries as their primary destination, whereas others failing or not venturing to enter Europe prefer to settle in North Africa rather than return to their more unstable and substantially poorer home countries (Barros et al., 2002; Bredeloup and Pliez, 2005; de Haas, 2007b).

# Current Migration Characteristics

Persistent migration from North Africa over the past four decades has led to the establishment of sizeable migrant communities abroad. Because reliable time series data of migration movements are unavailable, we can only rely on migrant stocks data to estimate the main migration trends from North African countries. Figure 1 displays estimates of “stocks” of North African descendants living abroad based on sending-country data sources. These figures tend to include second and third generations, but may exclude undocumented migrants (see Fargues, 2005). It reveals the concentration of Maghrebi migration in western Europe and of Egyptian migration in the Arab oil-producing countries.

Of a total of 8 million, approximately 4.7 and 2.4 billion North African descendants were believed to live in Europe and Arab countries, respectively, around 2004 (Fargues, 2005). Morocco has the largest emigrant population of all countries involved with 3.1 million expatriates (10.4% of its total population in 2004), followed by Egypt (2.7 billion, 3.7% of total population), Algeria (1.4 billion, 4.3%) and Tunisia (840,000, 8.5%). In all countries, but particularly in the case of Egypt, underregistration related to undocumented migration seems to play an additional role.

**Figure 1**  
**Stocks of North African descendants according to destination region**



Source: Various sending country sources cited in Fargues 2005 (Morocco, Tunisia, Egypt) and Labdelaoui 2005 (Algeria).

North African migration to Europe has generally been the migration of unskilled and semi-skilled workers from rural areas who obtained manual jobs in industry, agriculture and service sectors. Some recruiters preferred illiterate workers because they would not be suspected of trade union activism (cf. de Haas, 2003). Migration has reportedly become more selective for education, more urban and more female in recent decades (cf. Salih, 2001; Labdelaoui, 2005). It is not entirely clear whether this reflects a veritable change in migration selectivity, or *general* processes of urbanization and improvements in educational achievement in the

source countries (Fadloullah et al., 2000: xvi, 83; de Haas, 2003). However, in Algeria the refugee dimension of much recent migration has reportedly contributed to the selective out-migration of the relatively higher educated (Collyer, 2003).

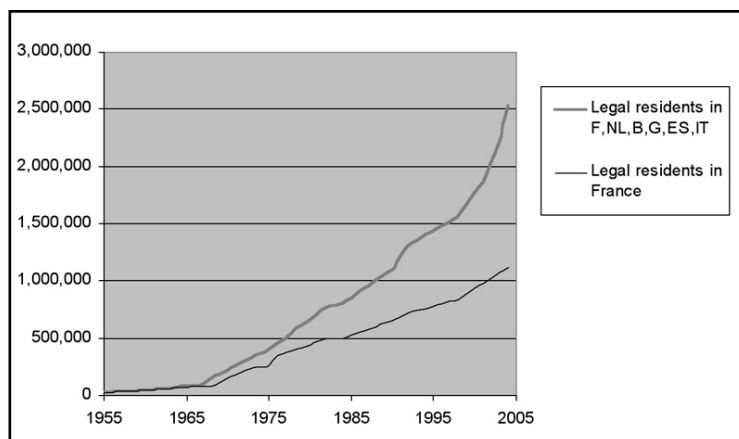
Migration from Egypt to the Gulf has traditionally comprised a relatively high proportion of well-educated professionals (cf. Schoorl et al., 2000: xvi). High-skilled migration from Egypt beyond the Arab world has traditionally been focused on the US, Canada and Australia. Skilled emigration from students and professionals from the Maghreb was traditionally focused on France, but after 1990 there has been an increasing orientation toward the US and Canada. Increasing migration of the higher skilled is related to the very high unemployment among university graduates in the Maghreb (cf. Boubakri, 2004: 10; de Haas, 2003) and a general lack of career opportunities and job satisfaction (Baldwin-Edwards, 2005: 4). On the basis of an extensive data analysis, Fargues et al., (2005) revealed a striking pattern in which Europe attracts the lower educated while the US and Canada succeed in attracting most higher skilled North Africans.

A final trend is the increasing feminization of labour migration from the Maghreb countries, which apparently concurs with improved education of women, their partial emancipation and high female unemployment rates, as well as an increasing demand for domestic labourers, nannies, cleaners and other jobs in the (informal) service sector of Europe (Fadloullah et al., 2000; Labdelaoui, 2005).

## Country-level Data

Over the past four decades, Morocco has evolved into one of the world's leading emigration countries. Moroccans form not only one of the largest, but also one of the most dispersed migrant communities in Western Europe. Out of a total population of 30 million, over 3 million people of Moroccan descent lived abroad in 2004. This does not include the approximately 700,000 Jews of Moroccan descent currently living in Israel (de Haas, 2007b). Figure 2 illustrates the remarkably increase of the Moroccan migrant stock living in the main European receiving countries since the late 1960s as well as the decreasing spatial focus on France. Between 1974 and 2004 Moroccan expatriate communities in Europe have increased at an average rate of 72,000 people per year in defiance of the increasingly restrictive immigration policies; although part of this increase represents natural growth. The post-1997 acceleration largely reflects the large-scale regularization campaigns in Italy and Spain.

**Figure 2**  
**Evolution of Moroccan descendants living in main receiving countries 1955-2004**



Source: Various sources in de Haas 2007b.

France is still home to the largest legally residing population of Moroccan descent (more than 1,100,000), followed by Spain (424,000), the Netherlands (300,000), Italy (299,000), Belgium (293,000), and Germany (102,000). Smaller but rapidly growing communities of higher-skilled migrants live in the United States (100,000) and Canada (78,000).

**Table 2**  
**Moroccan citizens residing abroad (2004)**

Europe Countries		Non-European	
France	1,113,176	Algeria	79,790
Netherlands	300,332	Libya	120,000
Germany	102,000	Tunisia	25,637
Belgium	293,097	Other Arab countries	57,345
Spain	423,933		
Italy	298,949	US	100,000
UK	35,000	Canada	77,713
Other European	50,384		
		Other	11,734
<b>Total</b>	<b>2,616,871</b>	<b>Total</b>	<b>472,219</b>

Source: Consular data; in Fargues 2005: 231-232.

Although France is still the main focus of Algerian migration with 1.1 million expatriates reported in 2003 (Labdelaoui, 2005: 10), a diversification has occurred after the outbreak of the Algerian civil war. Between 1995 and 2003 the population of Algerian descent living in France increased by 18 per cent, against 113 per cent in other European countries, with

the largest increases occurring in Spain (547%) and Italy (126%). A 96 per cent increase in Algerian presence in Germany reflects the influx of refugees to this country in the early 1990s. The biggest increase has been in migration to Canada, increasing from 10,000 to 35,000 (see table 3).<sup>9</sup>

**Table 3**  
**Algerian citizens residing abroad (approximately 2003)**

Europe		Country	
Belgium	19,095	Arab countries	76,795
France	1,101,253	Morocco (1995)*	25,000
Germany	17,641	Tunisia (1995)*	30,000
Italy	13,000		
Spain	45,791	Canada	35,000
Scandinavia	10,000	US	18,000
UK	14,152		
Netherlands	7,341	Other	19,365
<b>Total</b>	<b>1,228,273</b>	<b>Total</b>	<b>149,160</b>

Source: Labdelaoui 2005: 12-13 (2003 data); \* CNES (1997), cited in Fargues 2005: 89-91.

Compared to Algeria, Tunisian emigration, traditionally more focused on France than Morocco but less than Algeria, has also become more diversified. Besides an estimated 493,000 Tunisian descendants in France, approximately 54,000 Tunisian descendants are living in Germany (see Table 4). In more recent years, neighbouring Italy has rapidly developed in the new principal destination for Tunisian labour migrants.

**Table 4**  
**Tunisian citizens residing abroad (2001-2003)**

Destination County		Destination Country	
France	493,028	Algeria	13,554
Italy	101,042	Libya	60,023
Germany	53,925	Morocco	4,082
Belgium	17,084	Other Arab countries	7,217
Switzerland	6,909		
Netherlands	7,058	Canada	12,347
Other European	16,719	US	9,800
Sub-Saharan Africa	1,149		
Asia	669	Other	653
<b>Total</b>	<b>697,583</b>	<b>Total</b>	<b>107,676</b>

Source: Consular data, *Ministère des Affaires Etrangères*; in Fargues 2005: 316.

<sup>9</sup> Own calculations based on Fargues 2005 and Labdelaoui 2005.



Egyptian statistical services make a formal distinction between “temporary” migration to Arab countries and “permanent migration” to western countries. Table 5 shows the predominance of migration to Saudi Arabia (924,000 migrants), Libya (333,000), Jordan (227,000) and Kuwait (191,000). Remarkably, the US (318,000), Canada (110,000) and Australia (70,000) host the largest Egyptian communities outside the Arab world. More recently, mostly undocumented migration of Egyptians to Italy has gained momentum (Zohry and Harrell-Bond, 2005: 7). The reported migration stocks in the Arab and South European countries are likely to be underestimates due to substantial undocumented migration.

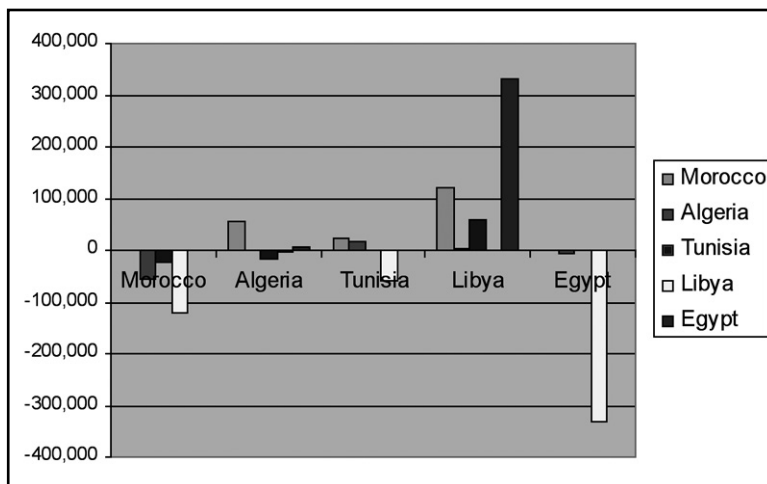
**Table 5**  
**Egyptians citizen residing abroad by country of residence – 2000**

“Temporary” Migration		“Permanent” Migration	
Bahrain	4,000	Australia	70,000
Iraq	65,629	Austria	14,000
Jordan	226,850	Canada	110,000
Kuwait	190,550	England	35,000
Lebanon	12,500	France	36,000
Libyan Arab Jamahiriya	332,600	Germany	25,000
Oman	15,000	Greece	60,000
Qatar	25,000	Netherlands	40,000
Saudi Arabia	923,600	Italy	90,000
UAE	95,000	Spain	12,000
Yemen	22,000	Switzerland	14,000
		United States	318,000
<b>Total</b>	<b>1,912,729</b>	<b>Total</b>	<b>824,000</b>

Source: CAPMAS 2000 and 2001, in Fargues, 2005: 109.

Based on migrant stock data, we can estimate the net intra-regional migration movement. Figures 3 illustrates Libya’s role as a host country of migrants from within the region, particularly from Egypt. Nevertheless, these figures are likely to severely underestimate the true level of intra-regional mobility, especially since short-term migrants are unlikely to register with their consulates.

**Figure 3**  
**Estimated net intra-regional migration based on migrant stock data (2002-2004)<sup>10</sup>**



Source: Own calculations based on various sources cited in Fargues 2005.

## Immigration

There are no reliable estimates about the increasing number of sub-Saharan migrants living in North African countries. Alioua (2005) estimates the number of sub-Saharan migrants and refugees living in Morocco at several tens of thousands. Libyan local authorities estimate the number of legal foreign workers at 600,000, while illegal immigrants are estimated to number between 750,000 and 1.2 million (Bredeloup and Pliez, 2005: 6; EC, 2004). Another source claims that Libya houses 2 to 2.5 million immigrants (including 200,000 Moroccans, 60,000 Tunisians and 20,000 to 30,000 Algerians and 1 to 1.5 million sub-Saharan Africans), representing 25 to 30 per cent of its total population (Boubakri, 2004: 2). Cairo hosts one of the largest urban refugee populations in the world, mainly Sudanese but also Palestinians, Somalis, Ethiopians and Eritreans. The current refugee and migrant population in Egypt (mainly Cairo) is estimated at levels of anywhere between 0.5 and 3 million (Zohry and Harrell-Bond, 2003: 49).

<sup>10</sup> Algerian data on expatriate populations are from 1995.

# The Development Dimensions of Migration: The Case of Morocco

## Migration and Remittances as a National Development Strategy

For all four North African migrant-sending countries, migration has played a major role in relieving tensions on the labour market. Morocco, Tunisia and (since 1971) Egypt have pursued a persistent policy of openly or tacitly stimulating migration as a development tool. While the attitude of the Algerian state towards migration has been more ambivalent, it has gradually adopted a *laissez faire* approach to emigration largely out of economic necessity.

When sending and receiving countries gradually realized that many migrants would not return, the policies of sending states increasingly focused on securing remittances, stimulating investments by migrants as well as symbolic policies aimed at fostering bonds between expatriate populations and their imagined or real homelands (for an overview, see Fargues, 2004). To illustrate the development impacts of migration in their relation to policies to enhance such impacts, this section will further concentrate on the case of Morocco, the region's most prominent emigration country.

Throughout the post-independence period, the Moroccan state has actively stimulated international outmigration for political and economic reasons. International migration was seen as a "safety valve" to prevent political tensions in certain rural, predominantly Berber areas (Rif, Sous and south-eastern oases), which have a rebellious reputation vis-à-vis the central "Arab" state (de Haas, 2007b). These policies were mainly pursued through selective passport issuance policies and directing recruiters to these areas.

Apart from being a political instrument, migration was also seen as a tool for national economic development. The utility of migration was primarily seen through the skills and knowledge that migrants were expected to acquire by working and studying abroad. However, the belief that migrants would be particular actors of change gradually faded over the 1970s. Efforts to stimulate returned migration and migrants' investments programs generally failed, mainly because of an unfavourable investment climate and a general distrust among migrants of government agencies (Fadloulah et al., 2000: 32; Obdeijn, 1993).

In contrast to policies aiming to stimulate investments by migrants, policies to increase remittance transfers through the creation of a network of consulates, post offices and bank branches abroad over the 1970s and 1980s have been more successful. At the same time, the Moroccan state attempted to maintain a tight control on migrant communities in Europe through a system of control and spying networks abroad. Until the early 1990s, the state actively discouraged migrants' integration in the receiving countries, out of fear that migrants would form a political opposition "from the outside". Integration was also perceived as endangering the vital remittance transfers (de Haas and Plug, 2006).

## From Controlling Emigrants to Courting the Diaspora

However, an ominous stagnation in remittances in the 1990s and a growing consciousness that repressive policies alienated migrants rather than binded them closer to the Moroccan state prompted the Moroccan state to adopt a more positive attitude (de Haas and Plug, 2006). This concurred with a process of relative political liberalization and a substantial improvement of Morocco's human rights record. Furthermore, a neoclassical turn in economic policies implied deregulation and opening up the Moroccan economy. After years of scepticism, this also created renewed hope in the role migrants may play in encouraging foreign direct investment.

This has resulted in a more positive attitude towards naturalization, dual citizenship and voting rights for migrants abroad. This marked a striking reversal of policy analysis, in which the integration of migrants is no longer seen as a danger, but as a beneficial process which enables migrants to send more money home and to invest (de Haas, 2007b). Increasing general civic liberties also implied more freedom for migrants to establish Berber, cultural and "hometown" associations (cf. Lacroix, 2005). In November 2005, King Mohammed VI announced that migrants will obtain the right to vote. However, the Moroccan state has not given up a number of policy instruments to exert a certain level of control. This is most evident in Morocco's systematic opposition against Moroccan descendants in Europe relinquishing Moroccan citizenship.

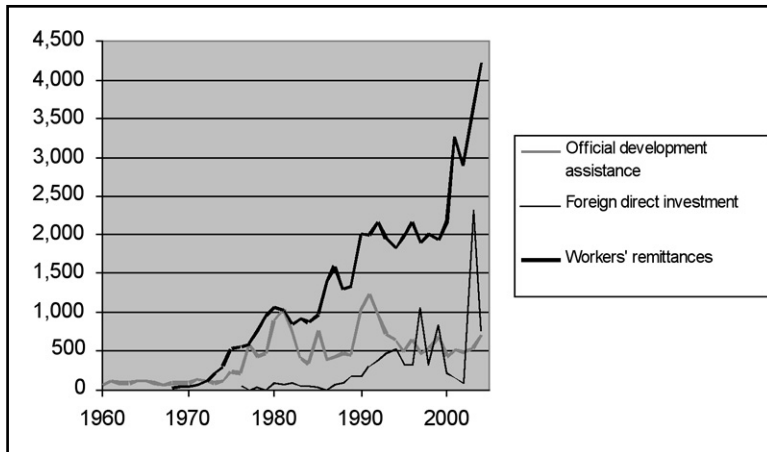
Besides establishing a ministry for Moroccans residing abroad, the Moroccan state established the *Fondation Hassan II pour les Marocains Résidant à l'Étranger*, which aims to reinforce its links with Moroccan emigrants. The state also started to clamp down on the long delays, corruption and harassment by state officials that migrants-on-vacation used to experience at the borders and inside Morocco. This is likely to have contributed to the enormous increase in the number of migrants entering Morocco's northern harbours during the summer holidays: from 848,000 in 1993 to 2.2 million in 2003. On the economic side, new monetary policies have been applied in Morocco since the end of the 1980s, involving the lifting of restrictions on exchange and on the repatriation of money (de Haas and Plug, 2006). Remittances are further encouraged through fiscal policies favouring migrants (Refass, 1999: 98).

At first glance, the new Moroccan diaspora policies seem to have reversed the earlier stagnation in remittances. In 2001, a spectacular increase in remittances occurred to US\$ 3.3 billion from US\$ 2.2 in 2000. This increase was partly attributed to the so-called "Euro effect", concomitant money laundering,<sup>11</sup> and, perhaps, the effect of 9/11. However, after a minor relapse in 2002, remittances have shown a continuing steep upward trend in subsequent years, to reach an unprecedented level of US\$ 4.2 billion in 2004 (see Figure 4). 2006 remittances have been estimated at a level of US\$ 5.2 billion.

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<sup>11</sup> It has been argued that the introduction of the euro has incited Moroccans living in Morocco to convert their ready pre-euro cash into Moroccan dirham. The euro-effect may particularly apply to the Netherlands, where most Moroccan immigrants originate from the northern Rif region, where smuggling and the hash drug trade are prevalent, and large amounts of foreign cash circulate (de Haas and Plug, 2006).

**Figure 4**  
**Total volume of Official Remittance, ODA, and FDI flows to Morocco (1960-2003)**



Source: Office des Changes Maroc, IMF *Balance of Payments Statistics Yearbook (annual)*.

However, the structural solidity of Moroccan remittances should primarily be explained by the unforeseen persistence of migration to North-western Europe; the unexpected durability of transnational and transgenerational links between migrants and “stay behinds”; and, last but not least, new labour migration towards Spain and Italy (de Haas and Plug, 2006). Also the huge increase in the number of migrants visiting Morocco is likely to have contributed to increasing remittances.

Thus, the most effective instrument for securing remittances has been securing continued migration and stimulating holiday returns. Nevertheless, targeted policies to attract remittances, the expansion of financial services, low inflation and the absence of a large black market for foreign exchange have also stimulated remittances and can particularly explain why Morocco has been relatively successful in directing remittances through official channels in comparison with other emigration countries in the region.<sup>12</sup>

## Development Impacts of International Migration

For the Moroccan state, remittances are a crucial and relatively stable source of foreign exchange and have become a vital element in sustaining Morocco’s balance of payments. Remittances have proved to be a substantially higher and less volatile source of foreign exchange than official development assistance (ODA) and foreign direct investment (FDI) (de Haas and Plug, 2006) (see Figure 4).

<sup>12</sup> Remittances in kind in the form of goods taken to Morocco as gifts or as merchandise by migrants have been estimated to represent one quarter to one-third of official remittances (Refass, 1999: 100-102).

For households, international migration is often an extremely effective way of improving their financial situation and living conditions. It has been estimated that 1.17 million out of 30 million Moroccans would fall back to absolute poverty without international remittances (Teto, 2001). In regions with high international outmigration, the contribution of remittances to household income growth can be far higher (de Haas, 2007a; Schoorl et al., 2000).

A recent review of the empirical literature on developmental impacts in Morocco (de Haas, 2007a) showed that migration and remittances have considerably improved living conditions, children's education and spurred economic activity in migrant-sending regions through agricultural, real estate and business investment from which non-migrants indirectly profit through income multiplier and employment effects. This challenges the conventional view that migrants indulge in conspicuous consumption. There seems to be a sequence in which expenditure on durable consumption goods and real estate investments occur relatively early in the migration cycle, whereas agricultural and non-agricultural business investments only take off after one or two decades after migration.

Through urban-based real estate, business investments and consumption expenditure, international migrant households have simultaneously capitalized on, and actively contributed to, the concentration of economic activities in existing urban centres and migrant boomtowns. This has transformed major migrant-sending regions such as the Rif, Sous and southern oases into relatively prosperous areas that now attract "reverse" internal migrants from poorer areas.

By offering new livelihood opportunities, migration has also enabled members of formerly subaltern socio-ethnic groups, such as the *haratin* in southern Morocco, to escape from the constraints that traditional society imposed upon them. Instead of increasing or decreasing intra-community inequality as such, migration has created new forms of intra-community inequality largely based on access to international remittances, which have superimposed upon "traditional" forms of inequality based on hereditary factors such as complexion, ethnicity and land ownership.

Nevertheless, the middle and higher income classes profit relatively more from remittances than the lowest income groups because migration itself has proved to be an increasingly selective process (Teto, 2001). In comparison to the 1960s and 1970s, when immigration policies were less restrictive, access to international migration has become increasingly selective on wealth and dependent on access to largely kinship-based international migrant networks (de Haas, 2007a).

Although migration impacts are often more positive than previously assumed, it is also clear that migration impacts are fundamentally heterogeneous across space, socio-ethnic and gender groups, and tend to change over time and household migration cycles. More importantly, there is also agreement that the developmental potential of migration is not fully realized due to several structural development constraints. These include the generally unfavourable investment climate, characterized by an inadequate infrastructure and the absence of public services; failing credit and insurance markets; excessive red tape and corruption; difficulties in obtaining title deeds on property; an inefficient judiciary and a lack of

legal security; as well as a general lack of trust in government institutions and doubts about future political and economic stability (Bencherifa and Popp, 2000; De Haas, 2007a).

As Heinemeijer et al. (1977) already observed, although migrants exhibit a relatively high willingness to invest, the investment opportunities for migrants in their regions of origin are often limited. In this respect, it is important to observe that there is no predetermined impact of migration on development. After all, depending on the specific development context, migration and remittances may give people the capability and freedom to retreat from, as much as to invest in, social and economic activities in origin countries (de Haas, 2007a).

## Conclusion

The imminent danger of conceiving “the” North African migration system would be to assume a false degree of regional unity and communality of national migration experiences. The specific international migration experiences of North African countries and regions within countries reveal striking differences. It therefore seems to be more appropriate to conceive North Africa as a region in which countries are connected to several and partly overlapping trans-continental and intra-regional migration system to varying degrees. At the most general level, we can make a distinction between the core Maghreb countries (Morocco, Algeria, Tunisia), which have been firmly integrated into the Euro (EU) – Mediterranean system, and Egypt, which is predominantly connected to the Gulf (GCC) migration system and other Arab countries such as Libyan Arab Jamahiriya, Jordan and Lebanon. Nevertheless, over the past decade there has been an increase of Egyptian migration towards Europe.

A one-sided focus on the massive net emigration occurring from North Africa would also conceal the existence of an intra-regional migration subsystem centred on Libya. This country has not only evolved into the main intra-regional migration pole, but Libyan pan-African policies of the 1990s have also played a role in mounting trans-Saharan migration to North Africa and what might lead to the progressive integration of North African and sub-Saharan migration systems.

The transformations that have taken place in these North African migration systems cannot be understood without taking into account broader changes in the political and economic development context. General migration trends have been fundamentally affected by (colonial, civil and inter-state) wars and major political-economic change. The process of colonization initially went along with immigration and settlement, in particular in Algeria, but concomitant processes of state formation, capitalist penetration, infrastructure development and increased population in combination with the demand for migrant labour in European and, at a later stage, the Gulf countries, would soon create a counter-movement of emigration. Similarly, major turning points like the Oil Crisis, Egypt’s *infitah* policy, the 1991 Gulf War and the Algerian civil war and the embargo on Libya triggered new forms of migration.

Such general changes also created the room for specific migration policies by sending and receiving states. Through recruitment, selective passport issuance and exit visa policies, states have played a crucial role in initiating migration patterns, after which such initial patterns however tended to gain their own momentum (cf. Castles, 2004; Massey, 1989).

The persistent character of North African migration to Europe over the 1990s exemplifies the limited ability of specific migration policies to counteract the structural demand for migrant labour and the migration-facilitating working of networks.

The North African case also exemplifies the “permanency of temporary migration” (cf. Martin, 1999). Although the receiving states in Europe and the Gulf have insisted that migration was temporary, even the authoritarian Gulf States have not been able to prevent long-term settlement and substantial undocumented immigration. Paradoxically, restrictive immigration policies in Europe have even pushed people into permanent settlement to a certain extent.

The literature seems to suggest that it can take many decades before positive development impacts of migration gain full momentum, that “integrated” and settled migrants possess greater capabilities to remit and invest, and that migrants possessing residency rights or (double) citizenship have a higher propensity to return and circulate. This casts doubt on the assumption that temporary migration programmes can be effective and that they will favour development in sending countries.

The Moroccan case has shown that policies to increase remittances through formal channels or to stimulate investments can only be successful if they coincide with general macro-economic stability and a banking infrastructure. Although migration and remittances have enabled households to increase their income and to radically improve their living conditions, migration is however too limited a phenomenon to remove more structural development constraints.

Although they can play a certain positive role, “diaspora policies” have limited effects if they are not accompanied by general reform and progress. The only way of genuinely releasing the development potential of migration and migrants resources seems to creating attractive investment environments, generating economic growth and building trust in political and legal institutions of sending countries, along with sensible immigration policies that do not deter migrants from circulating.

In particular in southern Europe, a combination of unprecedented low fertility rates and the presence of large and booming informal sectors is likely to sustain the demand for unskilled (and skilled) immigrant labour. Extensive migrant networks and the long, southern European coastline make this migration notoriously difficult to control. However, this does not imply that current migration patterns will necessarily persist. Over the past two decades, the boundaries between the North African migration systems have become increasingly blurred, and the striking diversification and diffusion of migration itineraries point at the growing complexity of migration systems. This points to the necessity of conceptualizing and explaining change in established migration systems (cf. Collyer, 2003).

Combining the spatial notion of migration systems with the temporal notion of migration transitions, we can conceive that the transformation of South European countries into immigration countries has provoked the southward shift of the Euro-Mediterranean “labour frontier”, a development which has offered renewed and reinforced labour migration



opportunities for North African countries, which in their turn seem on top of their migration hump. The challenging question here is whether increasing trans-Saharan migration to North African countries is indeed heralding their future transition into immigration countries for sub-Saharan and other countries, as transitional migration theory would suggest (de Haas, 2007b).

Some current trends might herald such a migration transition. Nevertheless, we also need to be aware of the specific internal structure and evolution of the increasingly complex segmentation of North African labour markets to understand the paradox of sustained out-migration from most North African states and what appears to be the settlement of sub-Saharan migrants in the same countries. Such complex “migration hierarchies” cannot be explained by simplistic push-pull models. Even in poorer Maghreb countries there is a striking structural unemployment among native higher educated who at the same time shun unskilled jobs. The economic growth in and migration to some northern parts of Tunisia and Morocco might indeed indicate a future southward shift of the Euro-Mediterranean labour frontier across the Mediterranean further into North Africa.

These trends might be reinforced by demographic transitions. Most North African countries have almost reached the point where the dramatic reductions in fertility since the 1970s will result in the reduction of the number of people attaining working age beginning in 2010 to reach full momentum in the period 2015-2020. The next generations entering the labour market will theoretically face less labour market competition and also bear an exceptionally light demographic burden compared to past and future generations (Fargues, 2004).

This might eventually lead to declining international outmigration and increasing labour immigration from sub-Saharan countries. Whether, and the extent to which such a migration transition will really happen, crucially depends on internal political and economic reform leading to democratization, stability and more attractive investment environments. However, it is also contingent on various exogenous factors, in particular, on how association agreements with the EU will be implemented, how this will affect competitiveness and to what extent market integration will increase access of North African producers to the EU market.

Even successful economic integration might in the short term encourage migration. Adjustment to new market and policy environments is never instantaneous, while the negative impacts of trade liberalization (on protected sectors) often are immediate. The expansion of production in sectors potentially favoured by trade reforms always takes time, which seems a recipe for a migration hump in the wake of trade reforms (Martin and Taylor, 1996: 52). Furthermore, economic development and increased trade and transportation are likely to enable more people to migrate abroad at least in the short term.

However, genuine market integration combined with domestic political and economic reform might in the longer term indeed lead to sustained economic growth and the transformation of North African countries into labour importers. If that were the case, economic development and democratization are also likely to incite migrants to invest and return, and thereby further reinforce these positive trends. In the recent past this has happened

in countries such as Spain, Italy, South Korea, and Taiwan Province of China. Without such broader development, migration is likely to continue also in the longer term. The paradox is that development in migrant-sending societies is a prerequisite for circulation, return and investment by migrants rather than a consequence of migration.

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## Chapter 8

# **HOW INTERNATIONAL MIGRATION CAN SUPPORT DEVELOPMENT: A CHALLENGE FOR THE PHILIPPINES**

by

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## **Abstract**

In the last 30 years, the Philippines have gained prominence as a major source country of international migrants. From modest beginnings, the Philippines have successfully managed to tap the global labour market as a source of employment for its nationals. This paper examines the factors and dynamics that enabled the Philippines to promote labour migration on the one hand, and to extend protection to migrant workers and overseas Filipinos, on the other. The role of the state is identified as key in institutionalizing labour migration while advocacy by civil society contributed to the inclusion of migrants' rights in policy formulation. The next challenge for the Philippines is to explore how international migration may be a vehicle for promoting sustainable development.

## **Keywords**

International migration – Philippines, labour migration policy – Philippines, Migrant NGOs – Philippines; overseas Filipino workers, remittances – Philippines



## Introduction

The Philippines has come a long way from the 1970s when the country started to participate in international migration. The Filipino diaspora has ballooned to 8 million since then, roughly 10 per cent of the country's 85 million population.<sup>1</sup> As of December 2005, the 7.9 million overseas Filipinos comprised of 3.7 overseas workers, 3.4 permanent settlers, and the rest are migrants in an unauthorized situation.<sup>2</sup> Compared with other migrants in the Asian region, Filipino migrants are occupationally diverse, women are as migratory as men, and they are more widely distributed throughout the world. As global workers, Filipinos have carved niches in domestic work, seafaring (25% of the world's seafarers are from the Philippines), and nursing.

This paper examines the factors and dynamics behind the Philippines' rise as a major country of origin of international migrants and the (future) role of international migration in contributing to national development. Although Filipinos engage in different forms of international migration, the paper highlights the country's long experience with international labour migration. The first part describes the East and South-East Asian migration systems, which provides the regional context against which the migration experience of the Philippines is situated. The following three parts of the paper focus on the Philippines. Part two begins with a review of international migration trends and patterns from the Philippines since the 1970s, discusses the factors that initiated and sustained international migration, outlines the process of institutionalization of migration, and describes initiatives to engage with the Filipino diaspora. Part three presents the vexing questions that international migration has generated in the Philippines, particularly those relating to development questions. The concluding section reflects on the development implications of future trends: will the future be just an extension of the same trend, featuring continuing deployment of human resources for the global labour market? What other policy options may be explored to maximize the development impacts of international migration?

## East and South-east Asia as Sites of Migration<sup>3</sup>

Following the end of World War II and the granting of independence, newly independent Asian countries devoted their energies to reconstruction and nation-building. Between 1945 and 1970, international migration did not merit much comment in the region's life. In keeping with the more domestic orientation at the time, there was more discussion on internal migration, especially the growing rural-to-urban migration. This changed in the 1970s, when economic and political changes unleashed processes promoting international migration in all the world's regions.

From the 1970s, East and South-east Asia emerged as major regions of origin, transit and destination of international migrants. Asia became an important source of immigrants to

<sup>1</sup> Projected population as of 1 June 2005 (NSCB, 2006: 11).

<sup>2</sup> The estimates are from an unpublished document of the Commission on Filipinos Overseas.

<sup>3</sup> The East Asian countries/areas considered here include: People's Republic of China, Hong Kong SAR, Japan, Taiwan Province of China, and South Korea. The South-east Asian countries covered in this paper include: Indonesia, the Philippines, Viet Nam, Burma, Cambodia, Laos, Thailand, Malaysia, Brunei and Singapore.

traditional countries of settlement (the United States, Canada, Australia, and New Zealand) due to the dismantling of national origin as a basis for admitting new immigrants. Up until the passage of the 1965 Immigration and Nationality Act in the United States, followed by similar changes in the 1970s in Canada, Australia, and New Zealand, this criterion favoured immigrants of Western European background. Family reunification, humanitarian and labour market considerations became the new bases for admitting immigrants, a change that resulted in tremendous immigration from Asia. The “new” (post-1965/1970s) immigration altered the profile of Asian communities in the settlement countries. The bachelor societies and mostly less-skilled immigrants of the “old” wave of immigration gave way to more gender-balanced, more occupationally diverse Asian communities. Several Asian countries account for a significant share of Asian immigration to the United States, Canada, and Australia (Table 1).

**Table 1**

**Top 10 countries of origin of immigrants to Australia, Canada, and the United States**

<b>Australia, 2002</b>	<b>Canada, 2000</b>	<b>United States, 2003</b>
1. United Kingdom	1. <i>China (exc. Taiwan Province of China)</i>	1. Mexico
2. New Zealand	2. <i>India</i>	2. <i>India</i>
3. <i>China (exc. Taiwan Province of China)</i>	3. <i>Pakistan</i>	3. <i>Philippines</i>
4. <i>India</i>	4. <i>Philippines</i>	4. <i>China (exc. Taiwan Province of China)</i>
5. South Africa	5. <i>South Korea</i>	5. El Salvador
6. <i>Philippines</i>	6. <i>Sri Lanka</i>	6. Dominican Republic
7. <i>Indonesia</i>	7. United States	7. <i>Viet Nam</i>
8. <i>Iraq</i>	8. <i>Iran</i>	8. Colombia
9. Sudan	9. Yugoslavia	9. Guatemala
10. <i>Malaysia</i>	10. United Kingdom	10. Russia

Source: Asis (2005d: 10, Table 1).

The fall of Viet Nam to communist forces in 1975, followed by similar developments in Cambodia and Laos, resulted in a massive refugee crisis. More than 3 million people left Viet Nam, Cambodia and Laos during this period, including boat people desperately seeking safer shores. The Comprehensive Plan of Action (CPA) was later formulated to affect a more orderly process of resettling refugees and repatriating non-refugees. When the CPA ended in 1997, some 2.5 million were resettled in other countries, with the US receiving over a million refugees; another 0.5 million, those who did not qualify as refugees, were repatriated (Castles and Miller, 2003: 172). Other refugee migrations broke out in the next decades, but the flights were confined within the region (e.g. Burmese refugees fleeing to Bangladesh and Thailand in the 1990s, or the more recent flight from North Korea to China), and resettlement ceased to be an option. As in other parts of the world, refugee migration has been mixed up with unauthorized migration, a situation which has rendered refugees more vulnerable and disadvantaged.

International labour migration began in the region in the 1970s, with the demand for huge numbers of workers in the oil-rich Gulf countries. The hike in oil prices in 1973 resulted in an “oil crisis” for the rest of the world but a bonanza for the oil-producing countries. With their petrodollars, the Gulf countries – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates – recruited Asian workers on a work contract basis (typically two years per contract, with the possibility to renew) to carry out their infrastructure projects. South Korea, the Philippines, and Thailand, along with South Asian countries – Bangladesh, India, and Pakistan – responded to the call for workers. Indonesia and Sri Lanka entered the scene later, just in time for the emerging demand for foreign domestic workers. These two countries became the primary sources of foreign domestic workers in the Middle East. Recruitment agencies and brokers stepped in to “facilitate” the matching of workers and employers. These entities and related businesses developed into what came to be known as the “migration industry”, which has played an important role in sustaining migration in the region. The completion of infrastructure projects by the 1980s shifted the demand of workers and brought in women migrants. Health personnel, clerks, sales workers, professionals, domestic workers, cleaners and service workers were recruited. In later years, other countries in the Middle East – Lebanon, Jordan and Israel – also became labour importing countries. Decades later, the Gulf region continues to rely on migrant workers to run its industries, businesses, service sector and households. Concerned about their dependence on foreign workers, rising unemployment, and demographic imbalance (e.g. more than 70% of the UAE’s population are foreign), all the Gulf countries have embarked on nationalizing their workforce. Progress has been slow. In particular, the private sector in these countries will continue to draw on migrant workers for some time to come. Except for South Korea, which became a labour-importing country in the 1990s, Asian countries are still relying on the Middle East as a major destination for their nationals, especially South Asian countries and Indonesia.

### **Intra-regional Labour Migration**

From the 1980s, the export-led economies of Japan, Hong Kong SAR, Singapore, South Korea, and Taiwan Province of China soared. Malaysia and Thailand later joined the league of high performing economies in the region. On the road to development, these countries had to recruit workers from the developing neighbouring countries (the Philippines, Indonesia, Viet Nam, Burma, Cambodia, and Laos) to work in dirty, difficult and dangerous sectors that were shunned by local workers. Increasing female labour force participation resulted in the shortage of care workers in the new industrialized countries, prompting them to recruit foreign domestic workers, which contributed to the feminization of labour migration. Thus, labour migration in the region proceeded along gendered lines – with male migrants responding to labour shortage in “public” economic sectors (e.g. construction, manufacturing, agriculture) and female migrants responding to the shortage of care workers in “private” households (Asis, Huang and Yeoh, 2005).

Receiving countries in East and South-east Asia also adopted a no-settlement, temporary labour migration policy. To ensure that workers do not settle, migrant workers’ stay are limited to two-year contracts (which may be renewed); workers cannot transfer sectors or

employers; and family reunification is not allowed (some receiving countries do not allow marriage with locals; in the case of women migrants, those found pregnant are repatriated). Initially, countries of origin also thought of labour migration as temporary; however, it has persisted, and more recently, sending countries are targeting to send more of their nationals to work abroad. Once begun, intraregional migration, both legal and unauthorized, intensified in the region, especially in East and South-east Asia (Table 2).

**Table 2**  
**Stock of foreign workers in receiving countries in East and South-east Asia,**

Country	Legal [Year]	Unauthorized [Year]	Total	Source(s)
<i>South-east Asia</i>				
Brunei	150,000 [2004]	n.a.	150,000 [2004]	<i>Asian Migration News</i> , 30/09/04 cited in <i>Bloomberg</i> , 2005;
Malaysia	1,470,000	400,000	1,870,000	
		(other ests: 300,000; 500,000)		<i>Asian Migration News</i> , 15/04/05; 31/03/05 cited in Orozco (2005)
Singapore	621,000	n.a.	612,000	
Thailand	1,269,074 [2004]	400,000 [2004]	1,669,074 [2004]	<i>Asian Migration News</i> , 15/05/05
		800,000		Country statement of Thailand (2005) cited in Orozco (2005)
<i>East Asia</i>				
Hong Kong SAR	340,000	n.a.	340,000	2004 figure is cited in <i>Migration News</i> , n.d.
Japan	1,973,747 [2004]	219,428 [2003]	2,193,175 [2003/2004]	
				Ministry of Justice cited in Iguchi (2005)
	870,000 [2003]		1,089,428 [2003]	Estimate by Iguchi (2005)
South Korea	179,000 [April 2005]	199,000 [April 2005]	378,000 [April 2005]	<i>Migration News</i> (2005)
Taiwan Province of China	312,664 [Nov 2004]	16,000 [Nov 2004]	328,664 [Nov 2004]	
<b>Total</b>	<b>6,315,485</b>	<b>1,234,428</b>	<b>7,549,913</b>	
	5,211,738	1,634,428	6,846,166	

Notes: For Japan, the legal figure refers to the registered foreign population; the shaded figure is based on Iguchi's (2005) estimate of foreign workers; the unauthorized figures refer to overstayers. For Taiwan Province of China, the unauthorized migrants refer to absconders. The shaded figures are alternative estimates.

Source: Asis (2005a:20, Table 1).

## Unauthorized Migration<sup>4</sup>

Although there is a legal framework to regulate labour migration in the region, unauthorized migration is substantial and country variations are significant. Among the receiving countries, the problem is most serious in Malaysia, Thailand and South Korea, while it is relatively under control in Singapore, Brunei, Hong Kong SAR, Japan, and Taiwan Province of China (Asis, 2005a). There are four types of unauthorized migrants: (1) migrant workers who do not have authorized work permits (e.g. a tourist turned worker); (2) undocumented migrants refer to those without travel and/or work documents (this is common in cross-border flows between neighbouring countries, such as between Burma and Thailand); (3) overstayers are those who legally entered as workers but remained in the destination countries after their work permits have expired; and (4) runaways or absconders are migrant workers who run away from their employers or sponsors, including those who run away due to difficult working and living conditions. The distinction between legal and unauthorized migration is not as clear-cut as it appears. In the case of runaways, for example, migrant workers may have met the entry and work permit requirements, but harsh conditions may compel them to leave their designated employer or sponsor. Furthermore, unauthorized migration is not just about migrants committing unauthorized practices; the role of employers, brokers and recruitment agencies, and even state policies must be examined as well.

The study on unauthorized migration in South-east Asia suggests the importance of context in understanding cross-border flows in areas that have shared histories, borders and cultural affinities: Indonesia to Malaysia; Mindanao, Philippines to Sabah, Malaysia; and Burma to Thailand. Population movements in these areas tend to be more “regional” rather than international migration, a fact that needs to be considered in managing these cross-border movements (Wong and Teuku Anwar, 2003, as cited in Battistella and Asis, 2003). Findings from the same study indicate that legal and unauthorized migration are basically driven by the same causative factors on the supply and demand sides; both are mediated by middlemen and brokers; the major difference is in the access of migrants to legal or unauthorized (including traffickers and human smugglers) channels. Migration policies thus must consider both legal and unauthorized migration in a comprehensive manner instead of treating one as independent and different from the other.<sup>5</sup>

Concerns with unauthorized migration initiated regional discussions, beginning with the conference convened in Bangkok in 1999. The focus of the international community on trafficking (and the greater amount of resources for research and action) drew more attention to the issue – South-east Asia, especially the Greater Mekong Sub-region, was an arena for research and advocacy. After 9/11, unauthorized migration became more linked to security issues, and the discussion since then has veered towards more border control, surveillance, crackdowns and similar measures. Policies and approaches to unauthorized migration must be reviewed, but linking such reform with the fight against terrorism breeds a climate of

<sup>4</sup> Unauthorized or irregular migration refers to “any population movement that violates legal migration regimes, either in the state of origin, transit or in the state of destination” (IOM, 1999: 4, as cited in Battistella and Asis, 2003: 11).

<sup>5</sup> A comparison of legal, unauthorized, trafficking in persons and human smuggling is elaborated in Asis (2005). This comparison also suggests that while there may be differences in the modes of migration, legal and unauthorized forms of migration may have similar outcomes for migrants – i.e., the working and living conditions of migrants may be similar regardless of whether they are legal or unauthorized migrants, although the level of vulnerability may vary.

mistrust and hostility against migrants. In framing migrants as potential terrorists, it is easy to disregard the rights of migrants, especially those of unauthorized migrants and trafficked persons.

## **Other Population Movements**

Skilled migration has always been part of population movements in the region, but they have been overlooked because it involved small numbers. Several changes took place since the 1990s. Firstly, the number of skilled migrants increased. Secondly, where before Asia was a source region of skilled migrants (hence, the concerns over brain drain), in the 1990s, the more developed Asian countries started competing with other developed countries to attract skilled migrants. Thirdly, while previously skilled migration was viewed as “brain drain”, more recent discussions see possibilities for knowledge transfer and “brain gain” (e.g. see Wescott, 2006).

In the future, skilled migration is likely to increase. Countries of destination in the region are targeting to attract more skilled migrants and countries of origin are aiming to deploy more skilled and professional migrants abroad. The boom of India’s ICT industry provides an inspiring example of how the migration of skilled personnel can benefit origin countries. Meanwhile, a cautionary note is posed by the issue of nurse migration, particularly its likely impact on the health service delivery in origin countries. These contrasting cases seem to suggest that the impact of the migration of the highly skilled on the origin countries may depend on who leaves and the possibilities for transfer or circulation of knowledge/service.

The new prosperity of Asian countries has also increased the number of self-funded students migrating to foreign countries to further their studies. Student migration may be a prelude to other migrations in the future. Some destination countries, such as Australia, are looking at foreign students who have acquired higher education from their own institutions as possible skilled immigrants. The non-return of students to their home countries can be a loss of skilled human resources – or in the long term, they may be avenues for knowledge transfer.

There has been a rise in international marriages in the region, alongside the rise of international migration. Before the 1970s, international marriages were between Asian women and western men. After the 1970s, international marriages involving Asian partners increased – typically they involve women from less-developed countries (also the source countries of migrant workers) and men from the more developed countries (also the destination countries of migrant workers). Migration, thus, is emerging as a solution to the shortage of brides in more developed countries such as Japan, Taiwan Province of China, and South Korea. International marriages have contributed to increased female migration. The probable links to trafficking (such as the trafficking of Vietnamese women as brides to Chinese farmers), the involvement of brokers, the use of marriage as a ploy to recruit women into the sex industry or forced labour, and the use of marriage to gain entry and/or residence in another country have provoked questions about the authenticity of these marriages and the well-being of women migrants.



## Future Prospects

Trends, thus far, point to an increase in international migration in the future. Economic and demographic differentials will continue to generate both demand and push factors to sustain migration. Most likely, demand factors will assume more importance than they have played in the past. Faced with declining and aging populations, immigration looms as one of possible solutions mulled by countries of destination.

While both origin and destination countries are looking forward to sending and receiving skilled migrants in the future, the demand for less-skilled migrant workers will not diminish. The 3-D sectors, including the household sector, are unlikely to attract local workers. Female migration is also likely to persist as the demand for household workers tends to be stable; further demand for health care personnel will also involve more women migrants. Thus far, migration policies in the region basically approach migration as the transfer of labour and skills. There is a need to broaden the scope of discussion and to foster more regional cooperation to address migrants' rights, shared responsibility in promoting migrants' rights, and a regional view on how migration can promote a more equitable development.

## The Philippines: A Successful Country of Origin?

From the beginning of the 20<sup>th</sup> century until the 1970s, the United States was the primary destination of Filipinos who ventured in international migration. As a US territory, Filipinos were considered US nationals (but not citizens), which facilitated the migration of Filipino workers to the US.<sup>6</sup> The first batch of Filipino workers arrived in Hawaii on 20 December 1906. Many more Filipinos, mostly men, were recruited as plantation workers in subsequent years; many later migrated from Hawaii to the Pacific West Coast. Some 120,000 to 150,000 Filipinos arrived in the US between 1906 and 1934, with the majority based in Hawaii. Some workers returned to the Philippines, those who remained in the US built communities made up largely of bachelors.

The turning point in Filipino immigration to the US and in the other settlement countries came after the immigration reforms. The Philippines rose to become an important source of immigrants in these countries. Based on data from the Commission on Filipinos Overseas, between 1981 and 2003, an average of 55,000 Filipinos left the country each year as permanent emigrants.

## The 1970s Context

The imposition of Martial Law on 21 September 1972 by then President Ferdinand Marcos changed the political and economic course of the Philippines. Political repression during the Martial Law period (1972-1981) led to exile migration by political figures opposed

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<sup>6</sup> The Philippines was ceded by Spain to the United States at the conclusion of the Spanish-American War. Under the Treaty of Paris, signed between Spain and the US on 10 December 1898, the US acquired the Philippines from Spain for US\$20 million.

to Marcos. Many middle-class Filipinos, anxious about their future prospects, also left. These flights were mostly to the US, where they continued to fight for the restoration of democracy in the Philippines. A reprise of exile migration and the flight of the middle class occurred following the assassination of Benigno Aquino, Jr., Marcos' foremost critic, on 21 August 1983.<sup>7</sup>

Martial law also had a hand in triggering population displacement in Mindanao. The conflict between the government and secessionist forces reached its apogee with the burning of Jolo, the stronghold of the Moro National Liberation Front, in 1974. The episode led to massive displacement; many fled to Sabah, Malaysia, which recognized them as refugees (Asis, 2005c; Abubakar, 1999). By the late 1970s the refugees were no longer welcome, as Sabah increasingly regarded later arrivals as economic migrants.<sup>8</sup>

Finally, martial law interrupted the country's march to economic development. Crony capitalism, (i.e. the undue advantages enjoyed by Marcos' cronies and supporters), and widespread corruption damaged the once-promising economy. External factors, such as the oil crisis of 1973, added to the worsening domestic economic situation. These created emigration pressures, which fortuitously, coincided with the demand for workers in the Middle East. This convergence of forces, push factors in the Philippines and pull factors in the Middle East, initiated the Philippines into the world of labour migration.<sup>9</sup>

Promulgated in 1974, the Labor Code of the Philippines (Presidential Decree or PD 442), launched the country's labour migration programme. PD 442 provided for the creation of the Overseas Employment Development Board (OEDB) and the National Seamen Board (NSB) "to promote the overseas employment of Filipinos and to secure for them the best possible terms and conditions of employment" (Abella, 1978: 24). Inspired by Korea's success in securing infrastructure projects, which made use of Korean resources and products (workers, know-how, construction materials and shipping), OEDB and NSB were envisioned to achieve the same feat (Abella, 1978: 29-30).

## Labour Migration: The Later Years

In anticipation of better economic prospects, labour migration was conceived as a temporary measure to address pressing unemployment and balance-of-payments problems. Instead, the legal deployment of land-based and sea-based workers has been on an upward trend since the 1970s (Table 3). The Overseas Filipino Workers (OFW) population is the largest component of the Filipino diaspora (3.7 million) and much more spread out geographically (see also Table 4). On 21 November 2006, another landmark event was

<sup>7</sup> Those who left the country during these critical periods were somehow seen as jumping ship (Vergara, 1996; Aguilar, 1999), a view that contrasted sharply with the celebration of the overseas contract workers (OCWs) as the new heroes.

<sup>8</sup> Clashes between government troops and Muslim groups (including the extremist group, Abu Sayyaf) continue and have resulted not only in massive internal displacement but also protracted displacement – some communities have been caught up in displacements for as long as 35 years (see Canuday, 2006).

<sup>9</sup> The public, formal and legal deployment of male migrant workers in the 1970s was paralleled by the less visible and spontaneous movement of women migrating to take up domestic work in Southern Europe (Italy, Spain and Greece) during the same period (see Asis, 2005b). Female migration became more visible from the 1980s, when more Filipino women migrated as domestic workers (and entertainers, largely to Japan).

“celebrated”: the realization of the government’s target to send a million workers every year. From 1 January to 21 November 2006, a total of 1,011,138 workers were deployed. The target-setting is part of the Arroyo government’s employment-generation strategies.<sup>10</sup> Correspondingly, remittances have been increasing (Table 3). In 2006, remittances are expected to hit US\$ 12 billion. Migrants’ remittances have contributed much to the economy, and for this, the state has hailed overseas Filipino workers as the country’s new heroes (*bagong bayani*).<sup>11</sup>

The demand for migrant workers, particularly the preference for Filipino workers, is significant in sustaining labour migration. As the demand for migrant workers expanded from the Middle East to East and South-east Asia and even beyond the region, the Philippines has successfully managed to stake a foothold in emerging markets and sectors.

Factors internal to the Philippines, however, are equally (if not more) significant in perpetuating migration. I divide these factors into three: persisting economic push factors; the institutionalization of migration; and the development of a culture of migration.

- **Push Factors.** From the 1970s, the Philippines have been moving from one economic crisis to another. In the 1970s, it was the oil crisis; in the 1980s, the economy nose-dived towards the end of the Marcos years; in addition, the imposition of structural adjustment programmes during this period and military coups in the post-Marcos years kept the economy from moving forward; and in the 1990s and beyond, the economic crisis in Asia and political instability in the domestic front stalled economic growth. In short, the political and economic environment has not been conducive for investments, which are critical for generating employment. At the same time, it is not poor enough to receive development assistance. The challenge of generating jobs is especially daunting given the demographic profile of the Philippines (Table 4). The country’s population has grown to 85 million in 2005 – and since the population is young (median age is 21.4 years), this calls for investments in human capital formation and huge capacities for creating jobs. In the absence of sustainable development (Table 5), push factors continue to exert pressure on families and the country to pursue overseas employment.

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<sup>10</sup> Veronica Uy, “Filipino Deployment Abroad Exceeds 1M Target – Labor Department,” *Philippine Daily Inquirer*, 1 December 2006, [http://globalnation.inq7.news/view\\_article.php?article\\_id=35819](http://globalnation.inq7.news/view_article.php?article_id=35819), accessed on 1 December 2006.

<sup>11</sup> Many public events are dedicated to overseas Filipinos. These include: National Migrants Sunday (held on the first Sunday of Lent; it is a special day designated by the Catholic Church in the Philippines to remember migrants and their families), 7 June is Migrant Workers Day (a government-inspired event to commemorate the signing of the Migrant Workers and Overseas Filipino Act in 1995); Seafarers Sunday (held on the last Sunday of September) pays tribute to seafarers; December is the month of overseas Filipinos (as provided by Proclamation 276, signed by President Corazon Aquino on 21 June 1988), and 18 December is International Migrants Day (an initiative of migrant-oriented NGOs).

**Table 3**  
**Annual deployment of Filipino workers by sector and remittances, 1975-2005\***

Year	Land-based*	Sea-based*	Total Deployed*	Amount**
1975	12,501	23,534	36,035	103.00
1976	19,221	28,614	47,835	111.00
1977	36,676	33,699	70,375	213.00
1978	50,961	37,280	88,241	290.85
1979	92,519	44,818	137,337	364.74
1980	157,394	57,196	214,590	421.30
1981	210,936	55,307	266,243	545.87
1982	250,115	64,169	314,284	810.48
1983	380,263	53,594	434,207	944.45
1984	300,378	50,604	350,982	658.89
1985	320,494	52,290	372,784	687.20
1986	323,517	54,697	378,214	680.44
1987	382,229	67,042	449,271	791.91
1988	385,117	85,913	471,030	856.81
1989	355,346	103,280	458,626	973.02
1990	334,883	111,212	446,095	1,181.07
1991	489,260	125,759	615,019	1,500.29
1992	549,655	136,806	686,461	2,202.38
1993	550,872	145,758	696,030	2,229.58
1994	564,031	154,376	718,407	2,630.11
1995	488,173	165,401	653,574	4,877.51
1996	484,653	175,469	660,122	4,306.64
1997	559,227	188,469	747,696	5,741.84
1998	638,343	193,300	831,643	7,367.99
1999	640,331	196,689	837,020	6,794.55
2000	662,648	198,324	841,628	6,050.45
2001	662,648	204,951	867,599	6,031.27
2002	682,315	209,593	891,908	6,886.16
2003	651,938	216,031	867,969	7,578.46
2004	704,586	229,002	933,588	8,550.37
2005	733,970	247,707	981,677	10,689.00

\*Figures for 1975 to 1983 refer to number of contracts processed; figures for 1984 to 2004 refer to number of workers deployed abroad.

\*\* Amount is in US\$ (in millions).

Sources: (Cols 1-3): Table 5 (Battistella, 1995: 265) for figures from 1975 to 1983; [www.poea.gov.ph/doc/Depl;oyedOFWsByDestination1998.2003.xls](http://www.poea.gov.ph/doc/Depl;oyedOFWsByDestination1998.2003.xls); for figures from 1983 to 2003; and [www.poea.gov.ph/AR2004/AnnualReports/ar2004.pdf](http://www.poea.gov.ph/AR2004/AnnualReports/ar2004.pdf) for 2004 data. Internet sources were accessed on 12 September 2005 and 2 May 2006.

Sources: (Col 4): Table 5 (Battistella, 1995: 265) for data from 1975 to 1994; [www.poea.gov.ph/AR2004/AnnualReports/ar2001.pdf](http://www.poea.gov.ph/AR2004/AnnualReports/ar2001.pdf) for data for 1995 and 1996; and [www.bsp.gov.ph/statistics/spei/tab11.htm](http://www.bsp.gov.ph/statistics/spei/tab11.htm) for data from 1997 to 2005. Internet sources were accessed on 12 September 2005 and 2 May 2006. Data for 1995 and 1996 are from the POEA Annual Report 2001.

**Table 4**  
**Overseas Filipino population, stock, and flow data, 2005**

<b>A Stock of Overseas Filipino Population, December 2005</b>				
<b>Region/Country</b>	<b>Permanent</b>	<b>Temporary</b>	<b>Irregular</b>	<b>Total</b>
<b>World Total</b>	<b>3,391,338</b>	<b>3,651,727</b>	<b>881,123</b>	<b>7,924,188</b>
Americas/Trust Terr.	2,758,067	304,457	357,923	3,420,537
<i>United States</i>	<i>2,326,675</i>	<i>111,835</i>	<i>157,998</i>	<i>2,723,182</i>
Asia, West	2,330	1,565,726	112,750	1,680,806
<i>Saudi Arabia</i>	<i>244</i>	<i>976,427</i>	<i>18,000</i>	<i>994,671</i>
Asia, East & South	186,906	891,088	238,238	1,316,232
<i>Japan</i>	<i>114,980</i>	<i>139,791</i>	<i>30,619</i>	<i>285,390</i>
Europe	211,351	523,442	123,282	858,075
<i>United Kingdom</i>	<i>52,977</i>	<i>72,638</i>	<i>7,480</i>	<i>133,095</i>
Oceania	232,366	57,692	31,770	321,828
<i>Australia</i>	<i>211,664</i>	<i>930</i>	<i>2,900</i>	<i>215,494</i>
Africa	318	61,525	17,160	79,003
Seabased Workers		229,002		229,002
<b>Top Ten Destinations of Land-based OFWs</b>				
<i>(Deployment, 2005)</i>				
Rank				
1	Saudi Arabia	193,991		
2	Hong Kong SAR	94,553		
3	United Arab Emirates	81,707		
4	Taiwan Province of China	46,714		
5	Japan	42,486		
6	Kuwait	40,248		
7	Qatar	31,418		
8	Singapore	27,599		
9	Italy	21,261		
10	United Kingdom	16,799		
<b>Total Land-based</b>		<b>733,970</b>		
<b>Total Sea-based</b>		<b>247,707</b>		

Sources: Data on the stock of overseas Filipinos as of 2005 are from an unpublished document of the Commission on Filipinos Overseas; data on the deployment of land-based OFWs in 2005 are from the Philippine Overseas Workers Welfare Administration ([www.poea.gov.ph/stats/2005/deployment.xls](http://www.poea.gov.ph/stats/2005/deployment.xls), accessed on 23 May 2006).

**Table 5**  
**Economic-demographic profile of the Philippines**

Total population, 2005 (projected)	85,258,000
Ave. annual growth rate, 1995-2000	2.36%
Ave. annual growth rate, 2005-2010	1.95%
% Population below 15 years old, 2000	37.00%
% Population 60 years old & over, 2000	6.00%
Simple literacy rate of pop. 10 & up, 2000	92.30%
Simple literacy rate of pop. 10 & up, 2003	93.40%
Unemployment rate, January 2006	8.10%
Unemployment rate, January 2005	11.30%
Poverty incidence, 1997	28.10%
Poverty incidence, 2000 (rev)	27.50%
Poverty incidence, 2003	24.70%

Source: Sectoral statistics of the National Statistics Coordinating Board ([www.nscb.gov.ph/secstat/d\\_popn.asp](http://www.nscb.gov.ph/secstat/d_popn.asp); [www.nscb.gov.ph/secstat/d\\_popnProj.asp](http://www.nscb.gov.ph/secstat/d_popnProj.asp); [www.nscb.gov.ph/secstat/d\\_educ.asp](http://www.nscb.gov.ph/secstat/d_educ.asp); [www.nscb.gov.ph/secstat/d\\_labor.asp](http://www.nscb.gov.ph/secstat/d_labor.asp); [www.nscb.gov.ph/secstat/d\\_educ.asp](http://www.nscb.gov.ph/secstat/d_educ.asp); [www.nscb.gov.ph/secstat/d\\_labor.asp](http://www.nscb.gov.ph/secstat/d_labor.asp); [www.nscb.gov.ph/panguna.asp](http://www.nscb.gov.ph/panguna.asp); [www.nscb.gov.ph/poverty/2000/povertyprov.asp](http://www.nscb.gov.ph/poverty/2000/povertyprov.asp), accessed on 23 May 2006 and 1 December 2006).

- The Institutionalization of Migration.** The Philippines' success in securing a niche in the global labour market did not happen by chance. The role of the state in shepherding the country to this path is critical. The Labor Code of 1974 served as the template for the programme, but over the years, many innovations have been introduced resulting in the institutionalization of migration. To date, the Philippines have perhaps the most extensive institutional and legal framework governing the international migration of its people.

There are separate government agencies dealing with permanent migrants and OFWs. The Commission on Filipinos Overseas (CFO), established in 1980, is the agency primarily concerned with permanent emigrants and permanent residents abroad (see [www.cfo.gov.ph](http://www.cfo.gov.ph)). CFO offers orientation and educational programmes to prepare departing emigrants, including a guidance and counseling programme specifically designed for women migrating abroad as *fiancées* or as spouses of foreign nationals. It has also developed various programmes to promote closer ties between emigrants and the Philippines.<sup>12</sup>

Several government agencies are involved in the labour migration programme: the

<sup>12</sup> LINKAPIL Programme (*Lingkod sa Kapwa Pilipino – Service to Fellow Filipinos*), also known as Link for Philippine Development, was developed in 1989 to match the donations of Filipinos with the needs of communities in the Philippines (see [www.cfo.gov.ph/linkapil.htm](http://www.cfo.gov.ph/linkapil.htm)). Presently, CFO is lobbying the US government for the following causes: equity rights for Filipino veterans who served in World War II, permanent residency to some 30,000-52,000 Amerasian children (children fathered by American soldiers), the portability of Medicare benefits (in support of Filipinos in the US who wish to retire in the Philippines), and inclusion of the Philippines as a testing centre for the National Council Licensure Examination for Registered Nurses (NCLEX-RN).

Department of Labor and Employment (DOLE), the Department of Foreign Affairs (DFA), the Philippine Overseas Employment Administration (POEA), and the Overseas Workers Welfare Administration (OWWA). OWWA and POEA are attached agencies of the Labor Department. The main tasks and functions of these agencies are summarized below:

- Created in 1982, POEA, integrated and took over the functions of the Overseas Employment Development Board and the National Seamen Board. It oversees the licensing and regulation of recruitment and placement agencies; it handles adjudications related to recruitment violations; it processes the documents, contracts and work permits of departing Filipino workers; and it is responsible for market development and the placement of workers in government-to-government hiring.
- OWWA evolved out of the Welfare Fund, which was established in 1977. OWWA takes care of the welfare of OFWs and the families left behind. To serve OFWs abroad, it manages the Overseas Filipinos Resource Centers; it deploys welfare officers to major destination countries to assist OFWs with welfare-related problems; and it is the focal agency for reintegration programmes. Recently, the workers' education programme was transferred from POEA to OWWA.
- The DOLE sends labour attachés to Philippine missions abroad; 34 Philippine Overseas Labor Offices (POLOs) are present in various regions. POLOs provide assistance on employment-related matters and undertakes labour market studies in their areas of jurisdiction.
- The DFA represents the face of the government to overseas Filipinos. As stated in the Migrant Workers and Overseas Filipino Act of 1995, "The protection of the Filipino migrant workers and the promotion of their welfare, in particular, and the protection of the dignity and fundamental rights and freedoms of the Filipinos abroad, in general, shall be the high priority concerns of the Secretary of Foreign Affairs and the Philippine Foreign Service Posts" (Sec. 72). The same act also provides for the establishment of the country-team approach in Philippine missions (Sec. 28) wherein "all officers, representatives and personnel of the Philippine government posted abroad regardless of their mother agencies shall, on a per country basis, act as one country-team with a mission under the leadership of the ambassador". A specific office under the DFA, the Office of the Undersecretary of Migrant Workers Affairs (OUMWA), provides legal and repatriation assistance to overseas Filipinos in distress.

The Philippines has elaborated legislations, policies and programmes to promote the empowerment of migrants; it has also ratified international instruments protecting migrants' rights.

The Philippines is the first sending country in Asia to come up with a law, the Migrant Workers and Overseas Filipinos Act of 1995 (Republic Act or RA 8042), for the specific purpose of protecting its migrant population.<sup>13</sup> Following are some key provisions aimed at protecting migrants from pre-departure to their return to the Philippines:

- limiting the deployment of workers to countries that ensure protection, and banning deployment if necessary;
- imposing stiff penalties for illegal recruiters, including legal recruiters committing irregular practices;<sup>14</sup>
- free legal assistance and witness protection programme for victims of illegal recruitment;
- providing support and assistance to overseas Filipino, whether legal or in an unauthorized situation;
- establishing the protection of Filipino migrant workers and the promotion of their welfare as the priority concern of the Secretary of Foreign Affairs and the Philippines Foreign Service Posts;
- establishing the Migrant Workers and Overseas Filipinos Resource Centers in countries where there are many Filipinos;
- creating the Office of the Undersecretary of Migrant Workers Affairs and the Legal Assistance Fund; and an
- institution of advisory/information, repatriation and reintegration services.

The state initially promoted overseas employment to solve domestic problems. As labour migration expanded, reports of abuses against workers multiplied. Early on in the programme, rampant reports of illegal recruitment and irregular practices prompted the state to prohibit the participation of recruitment agencies. However, because of the huge demand for workers in the Middle East, the state had no choice but to relegate recruitment and job placement to the private sector. The state concentrated on regulating and monitoring the migration industry (Asis, 1992). As the labour market increasingly became a buyers' market, and with the participation of women in labour migration, the welfare dimensions of labour migration loomed larger. The advocacy and conscientization work by migrant-oriented NGOs played an important role in raising the issue of workers' protection and holding the state accountable for the welfare of its people.

The enactment of the Migrant Workers and Overseas Filipinos Act of 1995 (RA 8042) is important for what it signified rather than for what it has actually achieved. Although RA 8042 has some fundamental limitations and conflicting provisions,<sup>15</sup> it establishes the protection of the Filipino migrant worker as a foremost priority. As Sec. 2(a)

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<sup>13</sup> The title of RA 8042 is "An act to institute the policies of overseas employment and establish a higher standard of protection and promotion of the welfare of migrant workers, their families and overseas Filipinos in distress, and for other purposes". It was signed into law on 7 June 1995, just months after the execution of Flor Contemplacion in Singapore in March 1995. Contemplacion was a domestic worker found guilty for the death of a Singaporean boy and another Filipina, Delia Maga. Many Filipinos believed she was innocent and was a victim of the government's lack of concern for OFWs.

<sup>14</sup> This provision is being challenged by the recruitment agencies. Also, the recruitment agencies are pushing for the deregulation of labour migration, which will make overseas employment a matter between the worker and employer. Both amendments are being opposed by the NGO sector.

<sup>15</sup> For details on conflicting provisions, see Battistella (1995) and PMRW (2003).



states, “In the pursuit of an independent foreign policy and while considering national sovereignty, territorial integrity, national interest and the right to self-determination paramount in its relations with other states, the State shall, at all times, uphold the dignity of its citizens whether in [the] country or overseas, in general, and Filipino migrant workers, in particular”. RA 8042 also provides in Sec 2(c) that the state “does not promote overseas employment as a means to sustain economic growth and achieve national development. The existence of the overseas employment programme rests solely on the assurance that the dignity and fundamental human rights and freedoms of the Filipino citizen shall not, at anytime, be compromised or violated”.

In addition to RA 8042, the Philippines enacted other laws to protect migrants’ rights:

- The Philippines is one of the few countries in the region that has a law, the Anti-Trafficking in Persons Act of 2003, which establishes policies and institutional mechanisms to provide support to trafficked persons.
- The state went a step further by granting overseas Filipinos the right to vote. The Absentee Voting Act of 2003 (RA 9189)<sup>16</sup> grants qualified overseas Filipinos to vote in the national elections (president, vice-president, senators and party-list representative).<sup>17</sup>
- Another step to extend the state to overseas-based Filipinos was the enactment of the Philippine Citizenship and Retention Act of 2003 (RA 9225),<sup>18</sup> which grants Filipinos who have acquired another citizenship the right to reacquire or retain their Filipino citizenship.<sup>19</sup>
- The Philippines has ratified the following international instruments: the 1951 Convention relating to the Status of Refugees, the 1976 Protocol relating to the Status of Refugees, the 1990 International Convention for the Protection of the Rights of All Migrant Workers and Members of Their Families; the 2000 Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children; the 2000 Protocol against the Smuggling of Migrants by Land, Sea and Air.<sup>20</sup> It has also ratified ILO Conventions 97 (Migration for Employment Convention) and 143 (Migrant Workers (Supplementary) Provisions).<sup>21</sup>

<sup>16</sup> The title of the law is “An act providing for a system of overseas absentee voting by qualified citizens of the Philippines abroad, appropriating funds therefore and for other purposes”. It was signed into law on 13 February 2003, after more than a decade of lobbying.

<sup>17</sup> Some 364,000 overseas-based Filipinos registered – Filipinos based in the Middle East and Africa and Asia-Pacific, i.e., overwhelmingly migrant workers, accounted for 86 per cent of all registered overseas Filipinos; those in the Americas accounted for 4 per cent of the total registered. Sixty-five per cent (233,092) cast their votes in the May 2004 elections. ([www.dfa.gov.ph/news/pr/pr2006/budget/2005/oavdual.pdf](http://www.dfa.gov.ph/news/pr/pr2006/budget/2005/oavdual.pdf), accessed on 30 April 2006).

<sup>18</sup> The title is “An act making the citizenship of Philippine citizens who acquired foreign citizenship permanent, amending for the purpose Commonwealth Act No. 53, as amended and for other purposes”. It was signed into law on 29 August 2003.

<sup>19</sup> As of December 2005, some 14,600 applications for dual citizenship have been approved, of which 37.1 per cent were from the Americas (including Guam) ([www.dfa.gov.ph/news/pr/pr2006budget/2005/oavdual.pdf](http://www.dfa.gov.ph/news/pr/pr2006budget/2005/oavdual.pdf), accessed on 30 April 2006).

<sup>20</sup> The Philippines are among the 143 state parties to the 1951 Convention on Refugees and its 1967 Protocol; it is among the 97 and 89 state parties to the 2000 Trafficking Protocol and Smuggling Protocol, respectively (UN, 2006: 78). As of 22 January 2007, it is one of 35 countries that ratified the 1990 Migrant Workers Convention ([www.december18.net](http://www.december18.net), accessed on 31 January 2007).

<sup>21</sup> The Philippines is listed among 21 countries that have ratified C143 ([www.ilo.org/ilolex/cgi-lex/ratifce.pl?c143](http://www.ilo.org/ilolex/cgi-lex/ratifce.pl?c143), accessed on 1 December 2006). The Philippines has reportedly ratified C97, but it is not yet included in ILO’s list of state parties ([www.ilo.org/ilolex/cgi-lex/ratifce.pl?c097](http://www.ilo.org/ilolex/cgi-lex/ratifce.pl?c097), accessed on 1 December 2006 and 31 January 2007).

In summary, the overseas employment programme has built an extensive bureaucracy, it has passed several landmark legislations, and it has developed the institutional, legal and policy framework to address various aspects of the programme. On the whole, the set-up looks good. However, from the point of view of NGOs and migrants' associations, the picture is far from perfect. There are glaring gaps between legislation and policy on the one hand, and enforcement and on-the-ground realities on the other. The comprehensive programme aimed at protecting migrants at all stages of the migration process, from pre-departure to onsite to return and reintegration is hampered by the lack of resources to implement the provisions effectively. One programme area in need of radical refinement and improvement is reintegration. Due to the lack of economic opportunities in the Philippines, the temporary work abroad has become the *de facto* source of employment for many Filipinos. Migrants, thus, extend their employment abroad for as long as it is possible to do so. The failure of development that pushes people out is the same reason that keeps migrant workers from returning to the Philippines for good.<sup>22</sup>

- **Culture of Migration.** After more than three decades of large-scale migration, Filipinos have become a people who have grown quite at home with mobility. In addition to the 8 million Filipino diaspora, many of those who remain at home are thinking of migrating. A nationwide survey of adult Filipinos conducted in 2005 revealed increasing numbers of Filipinos – 26 per cent in July, 33 per cent in October – agreeing with the statement, “If it were only possible, I would migrate to another country and live there”. Even children have plans to work abroad someday. In a nationwide survey of children in the ages 10 to 12 years old, 47 per cent said they had plans of working abroad someday; the percentage is higher, 60 per cent, among the children of migrants (ECMI/AOS-Manila, SMC and OWWA, 2004).

Aside from the state's role in facilitating migration, other institutions in Philippine society have also become migration-savvy and are playing supporting roles to the migration dreams of Filipinos. One of these is the migration industry. There are over 1,000 licensed recruitment agencies for land-based workers, and another 300 to 400 manning agencies for the seafaring sector. The illegal practices of licensed agencies and the outright abuses of unauthorized brokers are exacting heavy costs on migrants and their families. The educational system, particularly the commercialization of education in the country, is highly responsive to the demands of the global labour market, coming up with curricula and training programme promising to produce trained workers in the soonest time possible. In a milieu that is heavily oriented to leaving, fostering a sense of hope that the good life can be possible in this country is a formidable challenge.

## Pros and Cons of International Migration

The non-economic impacts of international migration on Philippine society and institutions have been the subject of speculation for many years. Discussions on the social,

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<sup>22</sup> One example of a good practice is the Development Action for Women Network's (DAWN) training and livelihood programme for former entertainers to Japan, a means to provide them with an alternative to migration (see [www.dawnphil.org](http://www.dawnphil.org)).

cultural and political ramifications of migration tend to be laced with ambivalence, disquiet and concern. Fears over the negative impacts of international migration on the family have received much attention. The extended separation of family members is feared to erode the stability of the family unit, raising concerns about marriages and parent-child relationships. The participation of women, especially mothers, in labour migration has been met with much more alarm than male migration. Firstly, the concentration of women in domestic work and entertainment brought out anxieties about their safety and well-being. Secondly, concerns about the left-behind families, especially the well-being of young children, evoked worst-case scenarios of neglected children, delinquency, and dropouts.

When male migration was the typical pattern in the 1970s, families generally fared well because the women left behind assumed the responsibilities of the migrant fathers. When women migrated and men were the ones left behind, studies noted that fathers do not necessarily take on the caregiving roles of the migrant mothers; instead, these were passed on to other female family members. When mothers leave, families go through more adjustments. On the whole, even if migration has expanded women's roles, it has not resulted in fundamental gender role changes in the family (see also Parreñas, 2005). As to the impacts of parental absence on the left-behind children, on the whole, the 2003 children and families study in the Philippines found that the children of migrants are doing well or are even better off than the children of non-migrants in school performance and health indicators. Children of migrants tend to attend private schools and they are more active in extra-curricular activities. Remittances, thus, are being used to invest in children's education (ECMI/AOS-Manila, SMC, and OWWA, 2004; Asis, 2006a; 2001).

Despite the separation of family members, the family continues to be an important point of reference for the children; the migrant parents and the left-behind caregivers (see also Asis, Huang and Yeoh, 2005). While the importance of the family has not diminished, the practices of "being family" have changed because of the separation of family members. Children of migrants continue to regard their parents as their role models. Improvements in communications technology have immensely helped in maintaining family ties, although family members acknowledged that communication is not adequate substitute for presence. On the whole, the survey data show children and families as adjusting to migration. However, qualitative data reveal that the emotional costs for the children, the migrants and the left-behind caregivers cannot be ignored (ECMI/AOS-Manila, SMC, and OWWA, 2004).

The economic impacts of international migration are more easily appreciated, particularly at the level of families and households. Since remittances are private transfers, families and households are the ones who directly benefit from them. Typical uses of remittances include the purchase of land, construction or renovation of houses, underwriting the education of family members, especially children, starting small businesses, the purchase of consumer durables, and savings. Findings from studies confirm that remittances translate into better material conditions for migrants' families. Children of migrants in a nationwide survey reported higher levels of home ownership and ownership of consumer durables compared to children of non-migrants (ECMI/AOS-Manila, SMC, and OWWA, 2004). However, the impact of remittances beyond the family is less clear. There are, in fact, concerns about growing inequality between migrant and non-migrant households, and apprehensions about

materialism, conspicuous consumption, careless use of remittances, and families becoming dependent on remittances. Findings from research indicate that OFW families put remittances to good use (Asis, 2006c).

Recent pioneering studies inquiring into the development potentials of migration suggest that collective remittances by overseas Filipinos are contributing to local development (see, for example, Baggio and Asis, 2006; Powers, 2006; Ateneo Center for Social Policy, 2005; Opiniano, 2005; Maas, 2005; [www.filipinodiasporagiving.com](http://www.filipinodiasporagiving.com)). Overseas Filipinos have banded into some 4,000 to 12,000 organizations (Bagasao, 2005, as cited in Powers, 2006: 16). These organizations include hometown associations, provincial/regional/ ethnic groups, family or clan associations, alumni associations, professional organizations, sports clubs, faith or church-based, labour unions, e-groups or web-based organizations, federations of migrants' associations, and so forth. Based on the database of 129 overseas organizations listed in the Philippine Diaspora portal ([www.filipinodiasporagiving.org](http://www.filipinodiasporagiving.org)), an overwhelming majority (99 out of 129) are based in the US and Canada; some 25 are in Europe; and the remaining ones are distributed in the other regions (Powers, 2006: 17). Most migrants' associations have been formed for purposes other than to promote or support development efforts in the home country. Nevertheless, they are open to the idea of contributing to development goals. In times of disaster, for example, migrants' associations are quick to mobilize resources to contribute to relief efforts back home. Some migrants or migrants' groups have been supporting some projects in the Philippines on their own initiative – e.g. medical missions and other humanitarian projects. Migrants and migrants' associations also welcome the idea of supporting festivities, programmes or community projects if requested (Baggio and Asis, 2006). The various modes of cooperation between migrants' associations and selected institutions in the Philippines are outlined in Opiniano (2005).

Aside from the government-led programme to link overseas Filipinos' donations with the development needs of communities in the Philippines, the initiatives of several NGOs – e.g. mobilizing migrants' savings programmes to support enterprises in migrants' communities or in preparing migrants for their return (see, [www.unladkabayan.org](http://www.unladkabayan.org), [www.atikha.org](http://www.atikha.org), among others) – and the participation of the private sector (see Asis, 2004) – are worth looking into.

## Conclusion

One of the conclusions that came out of the report of the 2005 Global Commission on International Migration (GCIM) and the report of Secretary-General Kofi Annan to the UN General Assembly (released on 6 June 2006) is the need to harness the development potentials of international migration. The Philippines, with its extensive migration experience, is one country which needs “to forge this linkage between migration and development” (GCIM, 2005: 24). It is a success story in terms of becoming the primary source of workers and skilled personnel in the global labour market. The Philippines can also be adjudged successful in developing good practices to promote migrant empowerment. In turn, the higher wages commanded by Filipino workers, their access to support, and their level of empowerment

translate into economic empowerment as well. The Philippines is also successful in terms of remittance inflows from its overseas population. But beyond the social mobility experienced by the families of migrants and the community projects supported by migrants' collective remittances, the development impacts of migration are not that evident. Migration may be one of several strategies to promote development (specifically, employment generation), but it cannot suffice as a major development strategy. None of the Asian countries that had made the transition from country of origin to country of destination made it on the strength of deployment and/or remittances (Asis, 2006c).

The momentum for further migration is certainly great and the Philippines may be "typecast" into the role of producer of workers for the world. As noted earlier, going abroad has been woven into the life plans of ordinary Filipinos. Even young children are interested to work abroad, and are inclined to choose courses that would prepare them for the global labour market (ECMI/AOS-Manila, SMC, and OWWA, 2004). Young adults are also on the lookout for job prospects abroad, regardless of their family's migration background (Asis, 2006b). The nursing example illustrates the thorny issue of respecting personal decisions and dealing with social impacts. The renewed demand for nurses is finding its way into the choices individuals and families make about education. Nursing programmes have proliferated in response to increased demand. An interesting development is the phenomenon of "second courses", i.e. those who have completed a university education who are taking up nursing as a second course to increase their chances of working abroad. The case of doctors enrolling in nursing programmes highlights the lengths that people will go through to be able to work abroad.

If left unchecked, these trends may result in the Philippines having an oversupply of nurses, who may end up unemployed. The glut in the number of maritime graduates is one sad example: the POEA has registered about 550,000 seafarers, but at least 300,000 are waiting for the opportunity to land a job (Bernardi, 2005: 4). Another possible consequence is that the proliferation of nursing programmes may result in sub-standard training, resulting in half-baked graduates who may not be able to pass the licensure examination. The more successful ones get to leave, but when they do, their personal decisions can have repercussions on the larger society. In the case of nurses' migration, there have been reports of provincial hospitals or rural clinics closing down or on the verge of a shut-down because of the departure of nurses. The large numbers of nurses leaving the country has revived discussions on how to stem this migration, including imposing compulsory service. At the same time, the government is also lobbying with the US to include the Philippines as a testing centre for NCLEX.\*

Similar discussions have also cropped up in relation to pilots and airline mechanics who are being pirated by foreign airlines (Flores, 2006). On the one hand, there are calls to impose a moratorium on the departure of these skilled professionals, but on the other hand, there is also the recognition of the right of individuals to seek jobs abroad. A short-term solution that the Department of Labor and Employment came up with is to require departing workers to inform their employers six months ahead instead of one month. This will delay the departure of prospective migrants for some time, but they will eventually leave.

\* At the time of publication, the US has approved to include the Philippines as a testing centre.

The government's announcement to send a million OFWs every year is an unprecedented policy and a clear departure from the spirit of Sec 2 (c) of RA 8042. This target is also mentioned in the Medium-Term Development Plan (2004-2010). The statement of former Labour Secretary Patricia Santo Tomas in the 2001 POEA Annual Report (and which were echoed in the 2002, 2003, and 2004 reports) presages an emphasis on market development:

... We used to be primarily concerned with welfare. I think in most of the countries of the world, while welfare continues to be a vital concern, the standard for taking care of the well-being of our compatriots have significantly improved. **What we probably need now is a greater focus on marketing** and how to ensure that the deployment of our workers can be done faster, better, and at the least cost to them. We probably also ought to set the ground rules for being able to meet market demands very quickly (Annual Report, POEA, 2001: 1).

There was much jubilation at the Department of Labor and Employment when the 1 million mark was breached in November 2006. The challenge for the Philippines is to reflect long and hard on how international migration can be an instrument for sustainable development. It is clear that the Philippines will have to go beyond a labour deployment orientation in its approach to international migration. It will require, first and foremost, the integration of international migration scenarios in development planning. Trends in labour and skilled migration have to be considered in relation to a national human resources development plan, and appropriate actions must be developed to address present and future needs. Career or vocational guidance in high schools needs to be strengthened to help young people make choices about careers and life plans. Scholarship programmes or subsidies may be offered to students taking up courses or training that are in short supply. Corollary to this is the monitoring of academic and training institutions to ensure that they provide quality education.

The state will also need to explore prospects to cooperate on development programmes engaging by receiving countries that draw on workers and skilled personnel from the Philippines. The policies and programmes on the return and reintegration of OFWs, the ties with skilled and highly trained overseas Filipinos, and transfer of knowledge and resources must be laid out. In relation to its diaspora population, the Philippines should continue to build on the good practices it has initiated in the area of migrant protection. Cooperation with migrant-oriented NGOs, faith-based organizations, and migrants' associations must be sought and strengthened. More studies are needed on how migrants' associations are formed (or disbanded), their transnational links to the home country, how they can be partners in development, and how the state and its institutions can play a more positive role in the transfer of contributions from overseas Filipinos to the country. The Philippines can also benefit from the experiences of other countries of origin and their engagement with their diaspora to bring about development in the home country – Mexico's *Tres por Uno* model of cooperation with migrant and government counterparts, Taiwan Province of China's success in reversing the brain drain, and other examples may offer some insights on possibilities and much-needed proactive and fresh approaches.

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## Chapter 9

# TURKEY'S IMMIGRATION AND EMIGRATION DILEMMAS AT THE GATE OF THE EUROPEAN UNION

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## **Abstract**

This paper examines the emigration and immigration system of Turkey and its correlated visions of development. For that purpose, the paper will study the major characteristics and dynamics of emigration from Turkey into Europe (in particular Germany and the Netherlands), and the major impact on host societies as well as on Turkey. The analysis gives particular attention to the extent to which Turkish emigration and the Turkish diaspora have influenced economic, political and social development in Turkey. In a similar manner, we will examine the evolving nature of immigration into Turkey. Finally, we give attention on how these issues are placed within EU-Turkish relations. The parallel development of Turkish migrants becoming permanent residents in Europe and of Turkey receiving new and potentially permanent migrants from surrounding regions and the kind of impact this has on Turkey itself are discussed closely.

## **Keywords**

Turkey-European Union integration, Turkish Diaspora, Turkish immigration, Development



## Introduction

### Emigration, Immigration and Development

The migration and development nexus in the Turkish case is a complex and unsettled one. Any attempt to understand it requires an extensive look into the dynamics of both emigration from and immigration into Turkey. In the 1960s, **emigration into western Europe** started as a promising means for the development of Turkey and was also considered to be beneficial for the receiving European countries. The push-pull model was the driving vision behind policymakers' decision in Europe and Turkey to recruit and send guestworkers from Turkey. This model, which is primarily economic, identifies a number of pull and push factors, which are influential in shaping migration. Push factors, which motivate people to leave, are low living standards, demographic growth, lack of economic opportunities and political repression. Pull factors, which attract migrants, are the need for labour, availability of land, political freedoms and good economic opportunities. As a result of this movement, wages increase and the supply of labour decreases in the capital-poor country, while wages decrease and supply of labour increases in the capital-rich country. Migrants working in rich European countries are also considered a valuable source for development via remittances.

The results of the push-pull model are mixed for the sending and receiving countries involved. A large part of the Turkish emigrants were relatively skilled workers who were not unemployed at the time they emigrated. Also, the export of labour accelerated by the existing process of mechanization of agriculture in Turkish villages, and made more people available for emigration. As European countries stopped issuing new labour permits in the mid-1970s, emigration to Turkish cities rather than European countries began to speed up. The majority of the Turkish emigrants did not return. Few returning migrants tried to become self-employed through small businesses relating to trade and service. Ironically, for this they did not need the qualifications learned during their work in industries in western Europe. Contrary to conventional belief: it seems that the incentives to attract emigrants' remittances have not been very successful. Research demonstrates that Turkish remittances have responded to changes in government in Turkey and hence to political confidence rather than to policies aiming to channel remittances through manipulation of either the exchange rate or the interest rate. Nevertheless, remittances overall have been very important for Turkey as an economic tool.

Diaspora formation, political interconnectedness and the transnational features of Turkish migrant communities have entered the picture as important political "remittances". The role of Turkish migrant associations and their linkages to Turkey have important political implications both in terms of Turkey and the receiving countries. Many migrants are involved in political activities that influence and transcend both Turkey and the countries they live in. Some Turkish migrants or their descendants serve as members of parliaments at local or national levels in European countries or in the European Parliament. At times the migrants are involved in political activities that have a direct bearing on Turkey's political transformation. Political movements ranging from Kurdish nationalism to Islamic fundamentalism in Europe have an impact on Turkish politics. Furthermore, an important proportion of this migrant community has been facing problems in adjusting and integrating themselves to their host

societies. At a time when Turkey is starting accession negotiations with the European Union (EU), the presence and characteristics of this immigrant community is weighing heavily on EU-Turkish relations. Integration issues are critical since anti-immigrant feelings, especially towards Turks and Muslims, are on the rise in many European countries.

Since the 1960s, Turkish policymakers have perceived the EU as an important tool for development. The idea was that anchoring Turkey in the EU would ideally mean enhanced economic welfare and more or less linear democratization. In terms of migration, this would mean that with economic development there will be less economically driven migrants and with more democracy there will be less politically motivated asylum seekers. Nonetheless, this view has not necessarily been mirrored on the EU-side. The EU's approach to candidate countries (in particular when it comes to migration) has been defined by security concerns. The main principle of the EU's immigration policy since the 1990s is the creation of a "buffer zone" in accession countries. This meant that candidate countries have to consider new visa requirements, establish bilateral readmission agreements between the EU and themselves, redefine with the help of EC funding and technical assistance the jurisdiction of immigration and border police authorities, be able to declare themselves as safe for the return or protection of refugees, and finally meet the condition that they implement the EU Justice and Home Affairs *acquis* before they join the EU. This has also been the case for Turkey.

Turkey has a very rich history of immigration, and contrary to general belief, has actually always been an immigration country. Initially, immigration took the form of Turks and Muslims from the former Ottoman territories in the Balkans migrating to Turkey. It was encouraged by the Turkish state as part of a nation-building exercise. Since the end of the Cold War, other movements such as asylum seekers have replaced this kind of immigration. Irregular migrants try to transit Turkey while others are either stranded or work as un- or semi-skilled workers. There is also a growing number of Europeans settling in Turkey as professionals and retirees. Pendular migration between former Soviet Bloc countries and Turkey is becoming very common. Trafficking in women as well as human smuggling are issues that are attracting growing governmental as well as civil society attention. These developments have very important economic and political developmental implications.

Ultimately, the aim of this paper is to examine the emigration and immigration system of Turkey since they are closely correlated to visions of development. For that purpose, the paper will study the major characteristics and dynamics of emigration from Turkey into Europe (in particular Germany and the Netherlands), its impact on host societies as well as on Turkey. Particular attention will also be given to the extent to which Turkish emigration and the existence of a Turkish diaspora have influenced economic, political and social development in Turkey. In a similar manner the evolving nature of immigration into Turkey will be examined. Finally, attention will be given how these issues are placed within EU-Turkish relations. The parallel development of Turkish migrants becoming permanent residents in Europe and Turkey receiving continuously new (and potentially permanent) migrants from its surrounding region and the kind of impact this has on Turkey itself is discussed closely.



# I. Turkish Emigration to Western Europe

## Turkish Guestworkers

Turkish emigration to western Europe is a textbook case for the transformation of small-scale “temporary” guestworkers into a larger, diverse, and permanent immigrant population. Turkish labour movements to Europe started in the 1960s and peaked in the early 1970s. Push and pull forces could easily be identified in the countries of origin and destination. The workers were recruited via a series of bilateral agreements with Germany, the Netherlands, Austria, Belgium, France, and Sweden from 1961 to 1967. Germany is the most significant recipient country among them, with Turks still constituting the largest foreign group in the country. Today, there are approximately 4 million Turks living in Europe, out of which close to 2.5 million live in Germany. Most of them came from small villages in central Turkey or along the Black Sea coast; those from large cities are in the minority. Some districts in central Turkey provided large numbers of migrants over the years, dispersed over various European countries (i.e. Afyon) or some from specific villages concentrated in specific locations in European countries (e.g. people from Kulu in Sweden).

The mutually beneficial end result predicted according to the push-pull model was not achieved in the case of Turkish emigration to Europe. Most Turkish guestworkers stayed in the host countries despite the expectation that they were temporary and would leave when economic conditions changed. Remittances – though substantial at times – did not lead to a take off in Turkey. Return migration and repatriation programmes were not accomplished at the levels expected when they were initiated. Active recruitment ended, which is also apparent in the numbers of workers sent abroad via the Turkish Employment Service. According to the Turkish Ministry of Labor, from 1961 to 1973, 790,195 workers were sent abroad via the Turkish Employment Service (out of which 648,029 went to Germany). Ninety-nine per cent of these were destined to Europe. From 1974 to 1987, 455,451 left the country but only 7 per cent went to Europe (9,888 to Germany). Remittances rose continuously (with ups and downs) since the 1960s. Return migration peaked in 1987 at 150,000, but since then it has also been in steady decline (OECD-SOPEMI, various years).

With the dramatic decline in employment-based migration in the 1980s, the composition of the Turkish population in Europe changed substantially. In the beginning, there was a notable imbalance in the structure of the Turkish population abroad. According to the Turkish Employment Agency, between 1961 and 1976, less than 20 per cent of all Turkish migrant labour was female. As a result of family reunification, a more even distribution emerged. This can be seen in the activity rates of the labour force or numbers of non-working dependents. Today, family reunification remains the largest source of Turkish migration to western Europe. Nonetheless, “in the second half of the 1990s, there was a considerable decline in family-related movement”.

**Table 1**  
**Turkish workers and total Turkish nationals abroad, 1973-2003**

Years	Turkish Population	Turkish Nationals Abroad	(2)/(1)	Turkish Civilian Labour Force	Turkish Workers Abroad	(4)/(3)
	(1)	(2)		(3)	(4)	
1973	38,072,000	948,531	2.49%	14,670,000	735,363	5.01%
1980	44,736,957	2,018,602	4.50%	17,842,451	888,290	4.98%
1990	56,473,035	2,539,677	4.49%	20,163,000	1,149,466	5.70%
1991	57,326,000	2,857,696	4.98%	20,145,000	1,250,964	6.20%
1992	58,584,000	2,869,060	4.89%	20,073,000	1,313,014	6.54%
2000	62,865,574	3,603,000	5.73%	20,025,000	1,180,420	5.89%
2001	65,380,000	3,619,000	5.53%	20,242,000	1,178,412	5.82%
2002	66,039,000	3,574,164	5.41%	20,287,000	1,194,092	5.89%
2003	69,584,000	3,576,804	5.14%	20,811,000	1,197,968	5.76%

Sources: Gökdere (1994), various reports of State Institute of Statistics (SIS) and State Planning Organization (SPO), Annual Reports of the General Directorate of Services for the Workers Abroad, Attached to the Ministry of Labour and Social Security, MiReKoc.

## Asylum as a Source of Migration to Europe

Turkey has also been a country of origin for asylum seekers. The authoritarian and repressive aspects of the Turkish state have forced Turkish nationals and especially Kurds to seek asylum mostly in West European countries. Political disturbances in the 1970s followed by the military intervention in 1980 led to an ever-increasing number of people (especially leftists) to flee Turkey. The adoption of a new constitution in 1983 and the return to civilian rule did not change this trend. Instead, the growth of violence in east and southeast Turkey as a result of the Kurdish problem, coupled by human rights violations, led to an increase in asylum applications by Turkish nationals. This was also aggravated by the fact that there were many Turkish nationals who were abusing the “asylum” channel to enter Europe as other ways of reaching Europe legally remained closed (Boecker, 1996; UNHCR, 2000). There were approximately 1 million Turkish nationals who sought asylum from West European countries between 1983 to 2003 (Icduygu, 2005). Even though the recognition rates of refugees remained low, a great number of these asylum seekers were allowed to stay in Europe for humanitarian reasons. Over the last few years asylum applications from Turkey have been falling while more and more rejected asylum seekers simply return to Turkey (see Table 3). Tighter asylum policies adopted by European governments play a role in this as well while many political reforms adopted in Turkey have significantly reduced cases of human right abuses and persecution. According to UNHCR, between 2001 and 2005, the number of Turkish asylum seekers decreased by 61 per cent. At the same time the share of these in the total of applications submitted has remained relatively stable.

**Table 2**  
**Distribution of Turkish nationals abroad by host countries, 2000-2003**

Host Countries	2000		2001		2002		2003	
	Absolute Figure	Share in Overall Total (%)	Absolute Figure	Absolute Figure	Share in Overall Total (%)	Absolute Figure	Share in Overall Total (%)	Absolute Figure
Germany	2110	59	1999	55	1999	55	53	1924
France	301	8	326	9	326	9	9	342
The Netherlands	300	8	320	9	320	9	9	331
Austria	138	4	140	4	134	3	3	131
United Kingdom	73	2	80	2	80	2	2	90
Belgium	71	2	56	2	56	*	1	46
Denmark	37	1	33	1	33	*	*	32
Sweden	36	1	36	1	36	1	*	32
Other EU	20	*	25	1	30	*	*	30
<b>EU Total</b>	<b>3086</b>	<b>86</b>	<b>3 015</b>	<b>83</b>	<b>3019</b>	<b>82</b>	<b>82</b>	<b>2958</b>
Switzerland	80	2	80	2	80	2	2	79
Other non-EU European Countries	25	1	30	1	11	*	*	25
<b>EUROPE Total</b>	<b>3191</b>	<b>89</b>	<b>3 125</b>	<b>86</b>	<b>3086</b>	<b>85</b>	<b>85</b>	<b>3063</b>
Saudi Arabia	115	3	100	3	100	3	2	100
Kuwait	4	*	3	*	3	*	*	3
Libya	3	*	2	*	2	*	*	3
Other Arab Countries	2	*	3	*	2	*	*	1
<b>ARAB Total</b>	<b>124</b>	<b>3</b>	<b>108</b>	<b>3</b>	<b>107</b>	<b>3</b>	<b>3</b>	<b>107</b>
Australia	51	1	54	1	54	1	1	56
Canada	35	1	40	1	40	1	1	40
USA	130	4	220	6	220	6	6	220
CIS	52	1	42	1	36	1	1	40
Others	20	*	30	1	46	1	1	50
<b>Total</b>	<b>3603</b>	<b>100</b>	<b>3619</b>	<b>100</b>	<b>3574</b>	<b>100</b>	<b>100</b>	<b>3576</b>

\* Less than 1%

Sources: General Directorate of Services for the Workers Abroad, Attached to the Ministry of Labour and Social Security (2001), MiReKoc.

**Table 3**  
**Turkish asylum applications submitted in Europe, 1990-2003**

Year	Number
1990	48,771
1991	45,492
1992	37,121
1993	25,499
1994	26,124
1995	41,385
1996	38,462
1997	33,200
1998	21,770
1999	19,724
2000	28,219
2001	30,148
2002	28,455
2003	23,321

\* Figures for Europe are for the following countries: Austria, Belgium, Bulgaria, Czech Republic, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, and the United Kingdom.

Source: UNHCR

## Family Reunification and Family Formation

In the 1970s, the arrival of women for family reunification allowed for a more even balance among Turkish migrants in Europe. Today, the gender ratio is roughly even. **Family reunion** migration of Turks in the late 1960s and the 1970s was followed by increasing **family formation** migration in the 1980s. Since the 1980s, the number of Turks that have come via family reunification programmes has declined. Family formation is now more common than family reunification.

Family formation is largely due to spouse migration. For example, in the Netherlands in 2002 and 2003, three out of ten immigrants arrived for family formation. In the period between 1993 and 2003, family formation migration to the Netherlands rose by more than 8,000, which makes it the largest category of immigrants. One in four immigrants comes to the Netherlands to marry or live with someone already there. Most family formation immigrants, one in three in 2003, come from Turkey and Morocco. In 2001, 3,300 Turkish people came to the Netherlands to form a family. Family reunification from Turkey for the same year was 1 thousand. Second-generation Turks and Moroccans also tend to prefer partners from their home countries. Since 1996 family reunion migration to the Netherlands has declined. In Germany, granted visas for subsequent immigration of dependents from Turkey (in all categories, i.e. wives of foreign husbands, husbands to foreign wives, husbands to German

wives, wives to German husbands and children under the age of 18) totalled 21,908 in 2003 and 17,543 in 2004.

The choice of the second generation to “import” their wives or husbands from Turkey is a contested issue in the receiving countries and has led to restrictive admission criteria in terms of income, accommodation, waiting periods and recently, language requirements. In the Dutch case, spouses have to take and pass a Dutch language exam while they are still in the country of origin. The argument against family formation migration is that with continuous migration from Turkey the integration process is prolonged and never ends.

## **Integration Debates and Selected “Classic” Indicators of Integration**

There is an important degree of divergence among integration policies in the various receiving countries in Europe. National approaches differ based on the historical experience of and thinking on national identity, citizenship and the role of the state. There are also different understandings of what it means to be a participating member of society. When it comes to discussions around integration, countries typically focus on classic key indicators of integration, such as labour market participation and education. But recently more controversial measures such as naturalization and dual citizenship, political participation, use of homeland-originated media and levels of intermarriage have been brought up in national debates.

## **Unemployment**

Integration policies are first and foremost focused on increasing labour market participation and educational attainments among the second generation of migrants (Doomernik). The underlying idea is that integration without labour market participation is very difficult. In the 1960s immigrant workers were hired because the labour market in Europe was booming. They obtained jobs in industries with low-paid labour. This changed in the early 1970s. For example, since the beginning of this decade, the Dutch labour market has undergone radical changes: the number of part-time jobs has more than doubled, the number of flexible employment contracts has doubled and the female participation ratio has increased from 26 per cent in 1970 to 57 per cent in 1998. At the same time, the share of immigrants in the Dutch labour force has risen from 7.8 per cent to 9.3 (Sociaal Cultureel Planbureau, 1998). During this period, the Dutch economy went through a process of radical post-industrial restructuring, resulting in high levels of unemployment that reached double-digit levels in the mid-1980s. Since the industries with low-paid labour were predominantly affected by the economic recession of the 1980s, many immigrant workers lost their jobs and became long-term unemployed.

The labour market position of many immigrant workers is weak because of low educational level and lack of language skills. Although it seems that Turkish workers usually have higher unemployment rates than nationals, it is also quite difficult to compare rates across countries. The Dutch-German example illustrates that very well.

Comparing the Dutch and German cases is difficult since there are different ways of looking at it. In the Netherlands, the unemployment rate among ethnic minorities has gone down substantially since 1995. Still, the unemployment rate for Turks in the Netherlands is almost three times as much as the Dutch average. At the same time, only 8 per cent of the Dutch Turks are unemployed (compared to 18% in Germany). In Germany, the Turks have twice more unemployment than the natives, but about 18 per cent of German Turks are unemployed. Of course, one important consideration for both cases is that integration policy cannot be decoupled from larger economic policies and should be evaluated in a grander scheme than with just integration policy.

## Self-employment

In Europe, similar to the North American experience, self-employment among immigrants has been growing steadily. This is often seen as a positive sign. Immigrants of Turkish descent have also increasingly turned to self-employment. Nonetheless, one has to be very careful with self-employment among Turks. Despite a declining failure rate and a small tendency toward diversification, immigrants are still overrepresented in the cleaning, retail, and restaurant trades, as they tend to reproduce the entrepreneurial strategies of fellow countrymen. As a consequence, immigrant entrepreneurs are primarily active in markets that are easily accessible and have low-growth potential. This implies that due to crowding-out effects, their existence as entrepreneurs is uncertain. This leads to a relatively high failure rate, low profitability, long working days and weeks, and a high level of informality.

**Table 4**  
**Turkish labour force in the EU (2002), in thousands**

Country	Turkish Population	Employed	Self Employed
Belgium	110	35	2.3
Denmark	53	21	1.0
Germany	2,637	842	56.8
France	367	120	8.2
The Netherlands	270	92	6.0
Austria	203	73	5.0
Sweden	40	17	0.9
UK	70	30	1.6
Other EU countries	0.5	0.6	0.6
EU15	3,767.0	1,237.0	82.3

Source: Centre for Turkish Studies, Essen.

Turkish immigrant entrepreneurs in the Netherlands have increased over time. Their absolute numbers were 1,895 in 1986-7, 5,385 in 1992, 6,561 in 1998 and 9,047 in 2000 (Tillaart, 2001). The respective numbers for Dutch were 28,748 (1992), 35,796 (1998) and

43,926 (2000).<sup>1</sup> In Germany, it is estimated that in 1998, there were 51,000 businessmen of Turkish origin, providing jobs to 265,000 persons. This represents 18.3 per cent of the total number of economically-independent non-Germans (Zentrum für Türkeistudien, 1999).

## Education

Relevant indicators for educational status are school attendance rates, educational performance of school pupils and students, highest educational attainments of graduates and dropouts, dropout percentages and repeater rates. Crul and Vermeulen have done the most extensive research on second-generation Turks in Europe (year). In their work they state that comparing the different European countries is extremely difficult. At the point a comparison could be made, the emerging picture is fairly mixed. There are large differences in the schooling experience of second-generation children. In France, Belgium and the Netherlands, between one-third and one-half of second-generation Turks begin their secondary school careers in lower vocational school, whereas in Germany, Austria and Switzerland the figure is between two-thirds and three-quarters. This overall lower level of qualification results in difficulties when entering the labour market and therefore ultimately influences their prospects for economic success. At the same time it can be observed that second-generation Turks in France also have higher school dropout rates than those in other countries. Of the second-generation Turkish young people in France who have already ended their school careers, almost half have gained no secondary school diploma at all, compared to only one-third in the Netherlands and substantially less in Germany, Austria and Switzerland. In the latter three countries, the majority of Turkish second-generation children enter an apprenticeship system that enables them to work and study while gaining job qualifications and experience. Turkish schoolchildren generally reach a lower level of education. Turkish children are also over-represented in special education classes designed for children with learning disabilities.

Since 1985, the Educational Priority Policy (EPP) has been in effect in the Netherlands. This policy is aimed at reducing the educational disadvantage of children due to their social, economic and cultural circumstances. In terms of education, two big problems stand out for the Turkish community. A high percentage of people (between 15 and 24 years) leave secondary school without any qualifications. There is a relatively low level of participation of Turks in higher education. "Black schools" are a problematic phenomenon. Furthermore, many Turkish kids have problems with the Dutch language (Lindo, 2000). Analyses show that social class largely determines test results (Driessen and Dekkers, 1997). As most Turks (and Moroccans) belong to the lowest socio-economic category, the factor of ethnic origin has become so closely intertwined with the factor of social class that it is not really possible to differentiate the two. Gender barely plays a role, while the influence of ethnic origin is also limited (Crul, 2000).

The children of first-generation Turkish migrants are now adolescents. They are at a stage where they are now moving into the labour market or completing their education. Research in this field cautiously points to an optimistic change among the second generation

<sup>1</sup> There are no numbers available for the total Dutch economy in 1986-7.

(Crul, 1998). There are fewer dropouts and more students in higher education. It can be observed that there is a gradual inter-generational change to higher education levels (Ode, 2002: 50). Given that “education is the prime factor for the socio-economic position of the minorities in the Netherlands, particularly for the second generation minorities,” (Ode, 2002: 109) this is promising. However, there is still much to be desired in terms of educational achievements.

In Germany the situation is not much different when it comes to the performance of Turkish students in the educational system. While almost a quarter of all Turkish students go to the *Hauptschule*, the lowest track of secondary education (and only 13% of all West German students do), the situation is the opposite with regards to the **Gymnasium**: almost a quarter of German students attend this most advantageous school type whereas only 6 per cent of Turkish students do so. There is also a higher probability that Turkish students end up in the *Sonderschule*, which are special schools for pupils with learning disabilities. The lack of language skills makes it more likely for them to end up in these special schools (see also Oezcan and Soehn, 2006).

## Contested Features of Integration

An entire literature has grown in the social sciences around the concept of “transnationalism”. What it means in effect is that people can move easily between different national, linguistic, and cultural spaces, while keeping professional and family contacts in each. Integration is no longer spatially bounded in the way it was (or was believed to be) in the past. It is argued that transnational activities emerge because they become sources of information and offer opportunities for political mobilization despite existing barriers (Yalcin-Heckmann, 1998). The consequences and impact of transnational activities on integration is disputed. Some argue that transnational political loyalty and political incorporation are not mutually exclusive (Oostergard-Nielsen, 2000; Fennema and Tillie, 1999). Still others argue that it may inhibit integration.

Transnationalism is also disputed in the sense that some scholars like Ewa Morawska argue that it is nothing new and has always been part of migration. She argues that “life worlds and diaspora politics of turn-of-the-century immigrants share many of the supposedly novel features of present-day transnationalism” (Morawska, 2001). Still it cannot be denied that given today’s opportunities, there is much more room for transnationalism (for extensive discussions, see Levitt, 2001; Guarnizo, 2001; Glick Schiller, 1999). In the American example, transnationalism is considered interwoven with integration and not necessarily seen as counter-effective to the logic of integration. Mexican migrants in the United States and their continued political involvement in their home country’s politics is a good example for this (Jones-Correa). In the case we are presenting, the relevant realms of transnational tendencies can be seen in dual citizenship, media, political activism of migrants and low rates of intermarriage / high rates of “imported” spouses from Turkey.



## Naturalization and Dual Citizenship of Migrants

Naturalization rates of Turkish citizens reflect the diversity of host country policies. Thus, the “democratic deficit” experienced by some Turkish citizens is magnified with continuing European integration. Besides disenfranchisement, there is also the problem of protection relating to racism or plain discrimination, especially if there is no legislation pertaining to these issues (e.g. Germany). According to the (Center for Turkish Studies), there are 3.86 million Turks living in the EU, of whom 1.3 million are EU citizens.

**Table 5**  
**Percentage of Turkish population that has naturalized**  
**in the various countries of residence (from highest to lowest)**

Countries	Proportion of Turkish Citizens Naturalized
The Netherlands	64.4
Sweden	62.2
Austria	53.0
UK	47.1
France	47.0
Belgium	39.1
Germany	27.7
Denmark	26.4
Other EU countries	5.0
EU Total	<b>34.5</b>

Source: Eurostat, Federal Office of Statistics, Centre for Studies on Turkey.

Residence requirements for naturalization for the first-generation immigrants range between three and four years in Belgium and Ireland respectively and ten years in Austria, Italy and Spain. Besides proof of sufficient income and of a clean criminal record, it is increasingly expected that the migrant knows the dominant language (all countries except Belgium, Ireland, Italy, and Sweden) and the country’s history or constitution (Austria, Denmark, France, Germany, Greece, the Netherlands and United Kingdom) (Bauboek, 2006).

The principle of *jus sanguinis* is incorporated in all modern nationality laws. Most of the EU-15 states combine this with a right to nationality derived from birth in the territory. In Belgium, France, the Netherlands, Portugal, and Spain, the third generation (children born in the country with at least one parent also born there) acquires citizenship automatically at birth. In Germany, Ireland, Portugal, and the United Kingdom, the second-generation already benefits from this principle (with various conditions concerning the status or time of residence of parents). In Belgium acquisition by *jus soli* is not automatic, and registration is required. Several states also accept *jus soli* acquisition after birth through declaration (Belgium, Finland, France, Italy, the Netherlands, and United Kingdom) or automatically at majority (France) (Bauboek, 2006).

Many migrants choose to maintain ties to their home country via dual citizenship. This technically can allow them to influence policy in both countries. Opponents of dual citizenship usually argue for a nation-state order, in which individuals ought to belong to one single nation-state, which is manifested in national citizenship. Just as a “single” nationality can be linked to integration, dual citizenship of migrants and transnationalism are often seen as interconnected (Bloemraad, 2003). Currently, only five countries still try to enforce renunciation of a previous nationality (Austria, Denmark, Germany, the Netherlands, and Luxembourg). Among these, Germany and the Netherlands allow for many exceptions.

In this context, the policies of the host country are important. The Dutch naturalization process used to be one of the more open ones in Europe. The vesting period was five years, only basic language skills were required, and willingness to integrate was equated with basic language proficiency. Furthermore, since January 1992 dual citizenship was allowed. Children from immigrant descent but born in the Netherlands could acquire Dutch nationality by simple declaration when they reached the age of 18. Dutch nationality was granted automatically at birth if either the father or the mother was born in the Netherlands, the so-called double *jus soli* requirement. Recently, because of the growing political saliency of issues of immigration and integration in the Netherlands, the Dutch naturalization regime has become much more restrictive. Since 1997, the possibility of dual citizenship has been annulled, resulting in an immediate and steep decline in the number of applications, while participation in a so-called settlement process, consisting of language lessons and courses in Dutch history and society, has been made mandatory. In 1983, the number of naturalizations was 7,000. In 1995, the number had risen to 68,000, and in 1996 to 79,000. In comparison, there were 43,000 in 2001 and 25,000 in 2003. A declining trend can also be observed specifically with Turks and their naturalization.

**Table 6**  
**Acquisition of Dutch citizenship by Turkish nationals**

Year	Turkish nationals acquiring Dutch citizenship
1996	30,704
1997	21,189
1998	13,484
1999	5,214
2000	4,708
2001	-
2002	5,391

Source: Statistics Netherlands (CBS, Centraal Bureau voor de Statistiek).

Since the reform of the citizenship law, effective as of 1 January 2000, all foreigners who have resided in Germany for at least eight years have a right to naturalization as long as they fulfill certain criteria. They will need to have a limited or unlimited residence permit or a right to residence, agree to the liberal democratic basic order of Germany, have sufficient German

language skills and generally be able to financially sustain themselves. Dual or multiple-citizenship is principally to be avoided and is only accepted in certain cases. Dual citizenship is only tolerated until the child reaches adulthood, at which point, and no later than at the age of 23, he or she must choose between his or her Turkish or German passport. In Germany, Turks were the largest group naturalized with 39 per cent out of 140,731 in 2003. From 1984 to 2003, a total of 623,000 Turks were naturalized.

**Table 7**  
**Turkish nationals acquiring German citizenship**

Year	Naturalizations
1984	2,000
1985	2,000
1986	2,000
1987	2,000
1988	2,000
1989	2,000
1990	2,000
1999	104,000
2000	83,000
2001	77,000
2002	65,000
2003	56,000

Source: Federal Statistics Office Germany.

## **Political Activism of Migrants**

Political participation in the host country is a crucial measure of the extent of migrant integration. In the Netherlands, compared to other ethnic groups, Turks participate more in politics, have a greater trust in the local and governmental institutions and are more interested in local news and in local politics (Fennema and Tillie, 1999). Turks vote more often than Moroccans, while these vote more often than Surinamese and Antilleans.

Migrants have not only the right to vote in the Netherlands, but they also have the right to get elected. In the municipal elections in the Netherlands (6 March 2002), 208 migrant politicians were elected into the municipal council of their municipality (out of a total of 9,080 councilors in the Netherlands). This was an increase of 38 per cent compared to the 1998 elections, and more than 50 per cent compared to the 1994 elections. Of these 208 city councilors more than half are of Turkish origin. In the national elections on 22 January 2003, 14 migrant politicians (out of 150 total seats) were elected as members of the Second Chamber of the Dutch Parliament (for further discussion see Berger and Wolff, 2001; Berger et al., 2001; Michon, and Tillie, 2003).

In Germany, Turks (if they do not have citizenship) have neither active (possibility to vote) nor passive (possibility to be elected) voting rights and cannot cast ballots in local, state, federal or European elections. Therefore, they lack a stake in the exercise of state power. Hence, even though they are directly affected by political decisions, they cannot influence the shaping of these decisions, either directly or through elected representation. In the current Bundestag, among the 603 members, there are two people of Turkish descent, Ekin Deligöz, a Green Party member who received German citizenship in 1997, and Lale Akgün of the ruling Social Democrats.

One of the important discussions in Europe is around migrant organizations and the ties they have to their origin country. The transnational nature of migrant organizations elicits the fear that these ties “exhibit” or imply nationalism. There is concern that migrants will focus on homeland politics rather than orient themselves towards what is happening in their new home country. Another problem is that ideological disputes are “imported” and the host country has continued to enjoy political influence over migrants. Examples of past “imported” controversial issues are the Kurdish question and the polarization between the extreme left and extreme right in Turkey. Examples of possible influence of the home country are officials of Diyanet that are sent by the Turkish government.

Research tells us that the differentiation of migrant organizations can be based on a number of factors. In the case of Turkish migrant organizations certain characteristics have surfaced overtime. Traditional class-based imported factions were popular in the 1960s, 1970s, and 1980s, but in 1990s there is a tendency towards local collective action associations with ethno-cultural orientations (ethno-cultural organizations have increased at the expense of class ideology) (Ogelman, 2003). There is significance to the type of migrants involved (Yalcin-Heckmann, 1998). Political migrants mostly control the leadership positions in these organizations and a strong element of competition among the organizations remains (Yalcin-Heckmann, 1998). Research in the Netherlands underlines the interconnectedness of migrant organizations (through board members) and their high density (van Heelsum and Tillie, 1999). It is also pointed out that in the Netherlands, the political opportunity structure for migrant organizations emerged in the 1980s, as financial support became available and there was increased legitimacy for these organizations (Vermeulen, 2002). Continual organizational growth is observed as well (Vermeulen, 2002). In terms of development, it is claimed that many of the organizations are still at a “preliminary” stage of development and have not fully “matured” yet. Inter-generational conflict and political divisions haunt them and have led to the decline of many immigrant organizations (Yalcin-Heckmann, 1998). When it comes to policies related to the host state, a so-called “ideological convergence” is visible (Yalcin-Heckmann, 1998). This means that many of the organizations have similar attitudes towards the host country. Their influence on the host country remains limited, however (Ogelman, 2003). In countries like Germany, in particular, the difficulty for obtaining citizenship and the lack of access to policymaking through corporatist channels weakens their influence (Ogelman, Money and Martin, 2002).

There is a very high number of Turkish migrant organizations in Europe. In the Turkish community in the Netherlands, there is one organization per 291 inhabitants, in the Moroccan community one organization per 462 inhabitants and in the Surinamese community (the biggest ethnic group) one organization per 770 inhabitants. Most of the Turkish organizations represent the divisions in the home country, while their agenda is mixed with issues concerning Turkey and the host country. Both of the host countries discourage any influence of Turkey on migrant organizations and the Turkish migrant community. The transnational links maintained via migrant organizations are considered a problematic signal whereby migrants continue to be deeply involved in the life of their countries of origin even though they no longer live there permanently.

## **Homeland-originated Media**

In most cities of Europe where Turkish populations exist, it is possible to buy many printed publications including numerous daily newspapers. New technologies such as satellite television, cellular telephones, and the Internet further broke down state borders and provided the diaspora a stronger influence on developments “at home”. In Europe, for many years the availability of media from Turkey was limited to print. In the early 1990s, the Turkish Radio and Television’s international public channel began to broadcast via cable. Later on, private television carried by satellite became available at a reasonable cost. Turks now have instant access to news on current events in their homeland as well as to contemporary popular culture (see Project Hermes).

In Germany, nearly a million televisions are tuned to Turkish television by satellite every night (Aksoy, 2000). Sixty per cent of Germany’s Turks had satellite television connections in 1998 in order to receive half a dozen Turkish channels.

In 1995, a survey of Dutch migrants found that 43 per cent of the Turkish respondents owned a satellite dish, 52 per cent subscribed to cable and 34 per cent had a master antenna (Veldkamp, 1995). In 1999, 76 per cent had cable and 73 per cent owned a satellite dish (Veldkamp, 1999). In the same 1999 study it was found that eight out of the 11 Turkish channels that can be received via cable or satellite in the Netherlands are watched by more than half of the Turkish respondents. This is much more than in 1995. At that time, the majority saw only four out of the available nine channels. Although some research suggests that satellite channels are far from discouraging the integration process, it is evident that the above statistics reflect high rates for watching Turkey-originated media. It is also suggested that there is a need for Turkish satellite channels as well as Dutch channels among Turkish viewers, and that the main reason for watching these channels is to stay informed about the social and political situation in Turkey (Staring and Zorlu, 1996). For Dutch news, viewers watch the Dutch news channels. It is of course possible to view the migrants as “localized cosmopolites” (Caglar, 2002) having attachments to several places in the world. It is also possible, however, to consider the influence of the media as a medium that reinforces ties to the origin country and undermines or complicates integration (Ogan, 2001).

## **Intermarriage and “Spouse Migration”**

The choice of partners from the home country reinforces transnational ties and is considered a challenge for integration. The extent to which ethnic intermarriage occurs is widely accepted as an important indicator of assimilation and identification. Turks are increasingly “strategizing marriage”. In other words, the large majority of Turks, including the second generation, choose a partner of the same ethnic background.

In the Netherlands, nine out of ten married persons born in Turkey or Morocco have a partner born in the same country (Harmsen, 1999). In Germany the situation is not much different. Since 1970, the numbers of German-Turkish marriages has increased although the overall numbers are very low. For example, in 2003 there were 7,414 marriages between Turks and Germans. These numbers indicate a low level of intermarriage among Germans and Turks, but many Turks have German nationality and do not appear in the statistics.

## **Remittances**

Remittances sent back by migrants are a powerful financial force in developing countries. After foreign direct investment and trade-related earnings, remittances from the largest financial inflow to developing countries, often far larger than official development assistance. Unlike development aid, remittances are spent directly by the families of migrants, so in many respects remittances are a very efficient way to raise the incomes of people in Turkey. The Turkish government has experimented with different methods of attracting remittances. In the early 1970s, the Turkish Government established DESIYAB, the State Industrial and Workers’ Investment Bank, to attract savings and remittances. It also encouraged programmes for worker-owned and-managed cooperatives and joint public-private investment in enterprises. Joint stock companies were promoted for less-developed areas with the aim to industrialize regions of origin and encourage the return of migrants. Generally, these initiatives have not been considered very successful.

Turkey receives remittances estimated to total 2 per cent or more of its GNP. It is known that there are remittance “life cycles” and they vary across cultures, countries, and economic conditions. In the Turkish case it appears that the remittances have declined as a share of the trade deficit and the GNP, but income from other sources has risen. Furthermore, there is of course the difficulty of measuring remittances accurately (for a more extensive discussion see İçduygu, 2006).

**Table 8**  
**Remittances, GNP, exports, trade deficit, and share of remittances**  
**in trade deficit, exports, and GNP, 1975-2003**

Years	Remittance	GNP	Exports	Trade Deficit	As a percentage of trade deficit	As a percentage of exports	As a percentage of GNP
1975	1,313	47,452	1,401	-3,338	39.3	93.7	2.77
1980	2,071	63,391	2,910	-4,999	41.4	71.2	3.27
1985	1,714	66,891	8,255	-2,975	57.6	20.8	2.56
1990	3,243	150,758	13,626	-8,955	36.2	23.8	2.15
1991	2,819	150,168	13,672	-7,326	38.5	20.6	1.88
1992	3,008	158,122	14,891	-8,191	36.7	20.2	1.90
1993	2,919	178,715	15,610	-14,162	20.6	18.7	1.63
1994	2,627	132,302	18,390	-4,216	62.3	14.3	1.99
1995	3,327	170,081	21,975	-13,212	25.2	15.1	1.96
1996	3,542	183,601	32,446	-10,582	33.5	10.9	1.93
1997	4,197	192,383	32,647	-15,358	27.3	12.9	2.18
1998	5,356	206,552	31,220	-14,220	37.7	17.2	2.59
1999	4,529	185,171	29,325	-10,443	43.4	15.4	2.45
2000	4,560	201,188	31,375	-22,337	20.4	14.5	2.27
2001	2,786	149,787	35,000	-10,000	27.9	8.0	1.86
2002	1,936	179,914	35,753	-15,750	12.2	5.4	1.07
2003	1,710	239,000	47,068	-21,740	7.9	3.6	0.7

\* In million US dollars.

Sources: Gökdere (1994), State Institute of Statistics (SIS) (2003), Central Bank of Turkey (2003), MiReKoc.

To what extent has Turkish emigration and the existence of a Turkish diaspora influenced economic, political, and social development in Turkey?

### **The Consequences of the Loss of Labour**

A large part of Turkish emigrants were relatively skilled workers who were not unemployed at the time they emigrated. Emigration reduced the pressure on unemployment in Turkey. Turkey lost skilled labour due to the emigration but research demonstrates that this had no negative effect on production. On the contrary, emigration increased production because remittances increased demand. Research also suggests that emigration had no effects on the development of wages in Turkey. It is estimated that migration from Turkey, between 1962 and 1988, exhibited a positive association with GDP per capita in the home country and rate of emigration at low-income levels, but a negative association at higher income levels. Also, the export of labour accelerated the existing process of mechanization of agriculture in the village, and made more people available for emigration. As European countries stopped issuing new labour permits in the mid-1970s, emigration to Turkish cities rather than European countries began to speed up.

## **Links Between Remigration and Development**

The arguments that emigrants will return with better qualifications and hence in return aid the development of the country of emigration have not been proven right. This happened partly because the majority of the emigrants have not returned at all. Also, studies have shown that the few returning migrants often tried to establish themselves as self-employed in small businesses relating to trade and service, in which case they have no need for the qualifications learned during their work in industries in western Europe. Nevertheless, there were many companies that were set up with capital raised among immigrants. Their success rates have been mixed at best. There were also numerous scams where immigrants were simply embezzled.

## **The Turkish Government and Turkish Emigrants**

The Turkish government over the years has adopted different incentive measures to encourage emigrants to transfer their savings. Turkey has considered remittances an important element of employment policy because the investment of the emigrants' savings makes it possible to create new jobs in Turkey. It has sought to maximize remittances with a variety of programmes and policies that ranged from allowing tariff-free imports if returning migrants converted their foreign currency savings into the Turkish lira to establishing Turkish Workers Companies to channelling savings into job-creating factories in the migrants' areas of origin.

In addition to financial incentives, remittances have also been stimulated by means of other inducements. The government of Turkey has introduced a scheme under which male emigrants can drastically reduce their compulsory national service period by paying the government a certain specified amount in foreign exchange. Building a new house or repairing the existing one is an important way for migrants to use remittances.

However, contrary to conventional belief, it seems that the incentives to attract emigrants' remittances have not been very successful. Research (Straubhaar, 1986) demonstrates that Turkish remittances have responded to changes in government in Turkey and hence to political confidence rather than policies inducing remittances through manipulation of either the exchange rate or the interest rate. Nevertheless, remittances are very important for Turkey, especially during the 1980s. During that period, 24 per cent of Turkey's imports were covered by cash remittances and foreign exchange deposits of Turkish workers abroad (Kumcu, 1989).

## **Emigrants as Investors in Turkey**

Especially in the 1960s and 1970s, it was difficult to create small businesses with foreign capital or foreign partners. During those years, Turkey had high tariffs, an overvalued exchange rate, and a preference for state-run businesses. This led to migrants returning with savings to buy land or animals if they returned to farm, or to build better houses, buy



vehicles to provide taxi or transport services, or to buy land and housing as investments. A World Bank study on the use of remittances in Turkey shows that “purchase of residential plots, house construction and house improvement are expenditures that receive priority” (Swamy, 1984). In Turkey, substantial investments in private businesses were also reported (Swamy, 1984). Migrants play an important role as innovating and transnationally operating entrepreneurs and investors in Turkey. Especially in Germany, Turkish entrepreneurs are increasingly active in the tourism, catering and entertainment sectors in Turkey. There is also an increasing number of young, often educated, immigrants who return to Turkey to take up positions in the tourism industry.

## **The Role of Gender in Emigration**

More than 20 per cent of the so-called guestworkers who were recruited were women. Most of them came from an urban environment and were educated. It was only in the second phase of migration, which started in the early 1970s, that women from rural areas followed. Today the ratio is even between men and women.

Migration is viewed as a significant factor in determining gender roles among Turkish women. Abadan-Unat (1977) points out that employment of immigrant women leads to a noticeable decrease of extended families and a sharp rise of nuclear family role structures. Employment of women and a shift from traditional family patterns affect primarily the division of tasks concerning bread-winning, establishments of joint savings and bank accounts. However, as mentioned by Kadioğlu (1994), working outside the house does not change their status within the family regarding responsibility in housework, cooking, cleaning and caring for children, and within the society concerning their potential as a source of defilement violating certain set of group rules, values, and loyalties. According to Kadioğlu (1994), migrating women exercised more independent behaviour but retained traditional responsibility for housework. The greatest differences were between women with wage work and women without or with migrating husbands. Followers without wage work were the most disadvantaged.

It can be argued that some Turkish women gain an improved quality of life through migration. Women, with their own jobs and earnings, are often in more powerful positions. Their entry into the labour force provides them with opportunities that would have been inconceivable in the communities of origin.

Women left behind in Turkey have to assume greater economic roles since their men are away. However, “emigration as a component of modernization is exercising a double function: promoting emancipation of women as well as creating a false climate of liberation, which actually does not surpass increased purchasing power, thus resulting only in pseudo emancipation” (Abadan Unat, 1977: 55).

In a study comparing attitudes toward the status of women in Turkey, Day and İçduygu (1997: 343) find that “returned migrants tend to be concentrated at the more ‘progressive’, less ‘traditional’ end of the spectrum”. Close kin and friends of migrants were ranked next

most progressive and “all others” in the control group ranked most traditional. However, Day and İçduygu also argue that these differences more closely reflect selectivity in recruitment for work abroad than any socialization effects from the migration experience.

Family formation and reunification has also played an important role over the last two decades in shaping the place female immigrants hold in society. Young immigrants and their families have preferred to “import” brides and grooms from “home”. This has usually led to imported “brides” being trapped in the home unable to integrate or participate into their host societies, often aggravating the general problem of integration that immigrants have faced. On the other hand, break down of marriages and high levels of divorce have been recorded between immigrant brides and imported “grooms” (Timmerman, 2006).

## **Interactions at the Political Level in the Sending and Receiving Country**

There is a great concern in some receiving countries such as Germany about the voting behaviour of the (naturalized) Turkish community during German elections. The fear concerns the Turkish migrants being influenced or even manipulated by the Turkish government to vote (en bloc) for a certain German political party. The vote of emigrant Turks so far has not been a major issue in Turkish elections yet. Turkey allows its nationals abroad to remain on the electoral register but requires that they return to Turkey to cast a ballot on Election Day. There are practical difficulties of organizing the voting of Turkish emigrants, especially in large countries like Germany. There are too many voters spread out all over the country and it is difficult to organize a ballot on a single day. Furthermore, there are too few Turkish consulates to handle the numbers. The Turkish Supreme Election Board has rejected the option of postal voting and requires ballots to be cast in person. The Board has also dismissed using different systems in different foreign countries.

There is political intertwining among migrant organizations and Turkish politics. For example, there are close ties between the organization Milli Görüş Europe and Turkey. Milli Görüş members have run for political office in Turkey and members of the movement in Turkey have joined the ranks within Milli Görüş, especially in Germany. Necmettin Erbakan, who is considered the ideologue of the Milli Görüş movement frequently visited the European branches and is in particular supported by the southern branch of the organization. It is known that the European wing of the organization has provided funds and massive moral support for Erbakan over the years. Close links continue to be maintained between Milli Görüş and the current political party in power, Justice and Development Party. However, it is interesting to note that the Tayyip Erdoğan, the current prime minister in contrast to Erbakan, seems much more forthcoming in encouraging immigrants to take up local citizenship and to integrate into the political life of host societies. However, maintaining cultural identity continues to be stressed. In contrast to the past, this government pays much more attention to the problems of immigrant communities in general. The prime minister and other ministers, such as the state minister responsible for immigrants, frequently visit these communities and address them.

Turkish immigrants have had a long standing reputation for a lively associational life. However, for a long time this life reflected political divisions in Turkey along the ethnic, religious, cultural and ideological fault lines. This was particularly manifested in the case of the Kurdish problem in Turkey. Organizations closely associated with Kurdistan People's Party (PKK) were very active among Kurdish immigrants from Turkey. Their activities and use of violence often strained relations between Turkey and host countries. However, such problems were not limited to Kurdish organizations. There were organizations ranging from groups that advocated the establishment of a "Caliphate" in Turkey based on the Shari'a law to Marxist-Leninist groups advocating revolution there. However, during the course of the last decade, Turkish immigrant associations interested in "local" politics and aiming to assist and facilitate the integration of Turkish immigrants into their host societies have emerged. A case in point is the Türkischer Bund Berlin Brandenburg (TBB). In contrast to the Türkische Gemeinde zu Berlin, much more closely associated with Milli Görüş, TBB has tried to become a mainstream German organization. Again over the last decade, main stream Turkish professional organizations have also emerged such as organizations representing Turkish academics, doctors, etc. Turkish immigrants have also become involved in local, national and European level politics and joined political parties from both Christian Democrat as well as Social Democrat background. Many of these politicians are actively involved in Turkey's EU membership bid. The Turkish state too has tried to shape associational life. The best example of this is the Turkish Islamic Union that is under the close supervision of the Directorate of Religious Affairs of the Turkish government.

## **Turkish State Institutional Involvement and Citizenship Policies**

The Turkish Ministry of Foreign Affairs provides basic consular services for these immigrants ranging from issuing passports to the registration of marriages, births etc. Consulates also take in applications for dual citizenship even if the ultimate authorization has to come from the Interior Ministry. The Directorate General of External Relations and Services for Workers Abroad of the Ministry of Labour and Social Security is responsible for addressing the labour and social welfare problems of Turkish citizens abroad. It appoints labour attachés to major capitals of EU countries to oversee the Ministry's tasks. The Directorate prepares a yearly report detailing the Ministry's activities and services destined for Turkish immigrants as well as offer a set of demographic, economic and social statistics about them. The report also provides coverage of jurisprudence from national courts and the European Court of Justice concerning cases involving Turkish immigrants' labour and social rights as well as recent national legislative developments concerning Turkish immigrants. Traditionally, the Ministry operated on the basis of the understanding that Turkish immigrants would one day be returning to Turkey. The Ministry of Education and the Directorate of Religious Affairs are two public institutions with programmes for Turkish immigrants. On the basis of bilateral agreements, both institutions send school teachers and religious officials to serve Turkish immigrant communities.

Over the last few years, all these Ministries have become increasingly conscious of the fact that Turkish immigrants are there to stay in their host countries. These developments have created a climate relatively more receptive to projects aiming to assist Turkish immigrants with integration problems.

The Turkish Grand National Assembly recently has become interested in the problems of Turkish nationals living abroad. The election of members of the parliament with immigrant background or experience has played an important role in this. The Parliament constituted a commission in April 2003 to visit immigrant communities in Europe and investigate their problems. The Commission adopted an extensive report analysing a wide range of problems experienced by Turkish immigrants and submitted their recommendation in December 2003 (TGNA, 2004).

The realization that Turkish immigrants were not temporary guests culminated in amendments to the citizenship law in Turkey. The 1964 law that regulated the acquisition and loss of Turkish citizenship did not allow for dual citizenship (Law No. 403). The growing demands of immigrants concerning problems associated with military service, property ownership and political rights culminated in a decision to amend this law. Politicians' desire to respond to these demands were also supplemented by the growing recognition that immigrants living in Europe could constitute a lobbying potential for the Turkish state. The first amendment to the law took place in 1981 (Law No. 2383). On the condition that permission would be sought from Turkish authorities, the acquisition of a second nationality was legalized. Furthermore, the amendment also made it possible for an individual to lose Turkish citizenship temporarily and subsequently to reclaim it to enable the individual to acquire a new nationality that did not allow dual nationality. However, this arrangement continued to cause problems for Turkish immigrants in Germany, especially due to the German government's threat to pursue immigrants who reacquire a second citizenship. Furthermore, this problem was also coupled with the increased racist attacks on Turkish immigrants in Germany. A growing number of Turkish politicians believed that acquisition of German nationality would be one way of encountering these attacks but also would help the Turkish community to express and defend their interest better. Hence, the Nationality Law was once more amended in 1995 (Law No. 4112). The amendment introduced came to be known as the "pink card" and gave the holders a sort of privileged non-citizen status. This status enabled holders of a "pink card" to reside, to acquire property, to be eligible for inheritance, to operate businesses and to work in Turkey like any citizen of Turkey. They could practically enjoy all the rights of regular citizens except enjoy the right to vote in local and national elections.

## II. Immigration into Turkey

### Historical Background and Policy

Traditionally, as Castles and Miller note, Turkey's immigration policy resembled very much like the policies of Germany and Israel (Castles and Miller, 2003). Ethnic and cultural ties have determined the basis of Turkey's immigration policies. Migration into Turkey was typically composed of people from primarily Balkan countries and was governed by legislation and practices that very much reflected the nation-state building concerns of the "founding fathers" of the Turkish Republic. Exclusive priority was given to encouraging and accepting immigrants that were either Muslim Turkish speakers or were considered by the officials to be people belonging to ethnic groups that would easily melt into a Turkish identity (Cağaptay, 2005; Kirişçi, 2000). This is very much a reflection of the way the definition of Turkish national identity evolved and the manner in which this influenced or was reflected in Turkey's immigration policy.

The founding fathers of the Turkish Republic had envisaged a typically civic definition of citizenship and national identity. This was reflected in a conspicuous manner in the 1924 Constitution of Turkey. According to Article 88 of this constitution, all citizens of Turkey irrespective of their religious or ethnic affiliations were defined as "Turks". However, the practice especially from late 1920s onwards developed very differently. Concerns about the territorial and political unity of the country in the face of Kurdish rebellions and Islamic fundamentalist uprisings against secularism played an important role in deviating from this civic understanding of national identity to one that emphasized homogeneity and "Turkishness". The identifying feature of "Turkishness" was not solely Turkish ethnicity but the ability and willingness to adopt the Turkish language and to be members of Muslim Sunni ethnic groups closely associated with past Ottoman rule. Hence, Bosnians, Circassians, Pomaks, Tatars, etc., were very much included into this definition while Gagauz Turks, who are Christian, and members of other Christian minorities, Alevis and unassimilated Kurds were excluded. Initially, Albanians were also excluded on the grounds that they had too strong of a sense of nationhood. However, subsequently many did immigrate to Turkey and assimilated into "Turkishness". Furthermore, the international context of the time, which put heavy emphasis practically all across Europe on national homogeneity and unity, did influence the Turkish elite too.

This definition of national identity was not only deeply reflected in Turkey's immigration policy but also in its settlement and employment legislation. The major piece of legislation governing immigration into Turkey is the Law on Settlement (No. 2510) of 1934. In a most conspicuous manner, the Law limits the right to immigrate to Turkey only to people of "Turkish descent and culture". Similarly, Turkish law from the same era had traditionally severely restricted employment opportunities for non-nationals, while positively discriminating in favour of non-nationals of "Turkish descent and culture". The Law on the Specific Employment Conditions of Turkish Citizens in Turkey (No. 2007) of 1932 reserved certain jobs and professions only to Turkish citizens. Furthermore, the practice that developed in the 1930s and 1940s was one that would deny some of these professions to Turkish citizens belonging

to non-Muslim minorities not to mention public sector professions such as employment with the security forces and the judiciary (Aktar, 2001; Çağaptay, 2005). This practice of giving priority and privileges to people considered to be of “Turkish” ethnicity survived well into recent times. As late as in 1981 the then military government introduced a law (No. 2527) enabling foreigners of Turkish descent facilitated access to employment in Turkey, including in the public sector usually reserved to Turkish citizens. Law 2007 from 1932 was rescinded only when the new Law on Work Permits for Foreigners (No. 4817) was adopted in March 2003.

## Migration Flows into Turkey

### Immigration of Migrants of “Turkish” Descent

As the figures from Table 9 show, more than 1.6 million immigrants settled in Turkey between the establishment of the Republic and the mid-1990s. The state actively encouraged immigration into Turkey and provided resources until the early 1970s. It maintained a whole bureaucracy responsible for their settlement and their integration into Turkish society. The overwhelming majority of the immigrants came from Balkan countries accompanied by small number of immigrants originally fleeing Sinkiang, a western province of China, after the arrival to power Mao Tse-Tung in 1949. For all intent and purposes this kind of “traditional” immigration into Turkey has stopped. Since the collapse of communism in the Balkan countries, the Turkish government has been encouraging Turkish-speaking communities closely associated with Turkey to stay at home. The possibility of freer movement across frontiers and expansion of business as well as cultural relations between Turkey and the Balkan region has also significantly lessened the pressure for these communities to immigrate to Turkey.

**Table 9**  
**Number of people who migrated to Turkey; by region between 1923-1997**

Country	1923-1939	1940-1945	1946-1997	Total
Bulgaria	198,688	15,744	603,726	–
Greece	384,000	–	25,889	–
Romania	117,095	4,201	1,266	–
Yugoslavia	115,427	1,671	188,600	–
Turkistan	–	–	2,878	–
Others	7,998	1,005	8,631	–
<b>Total</b>	<b>823,208</b>	<b>22,621</b>	<b>830,990</b>	<b>1,676,819</b>

### Refugee Movements

Immigration also included refugee movements into Turkey. The onset of the Nazi regime in Germany in 1933 led to some German-speaking refugees to seek asylum in Turkey. These refugees included university professors, scientists, artists, and philosophers. This enabled

them to leave a major imprint on Turkish art and sciences, universities as well as the society at large. These professors played a central role in the reorganization of the Turkish university system. However, they were not admitted to Turkey on the basis of any legal arrangement, but as a result of a deal that was brokered with the encouragement of Kemal Atatürk. A large number of these intellectuals were Jewish. However, Turkey's policy toward Jewish refugees from Nazi Germany was a mixed one. On the one hand Turkey is reported to have allowed Jews from German occupied Europe to transit to Palestine.<sup>2</sup> Yet, on the other hand, Turkey did not prevent human tragedies from occurring. Turkish authorities would not allow a number of ships carrying Jewish refugees to Palestine to stop and berth in Turkish ports. This practice led to the *Struma* incident in February 1942. The *Struma* had arrived in Istanbul in December 1941 after having broken down in the Black Sea. When a solution to the problems faced by the ship and its passengers could not be found, it was towed back to the Black Sea and left adrift. Subsequently, the ship was torpedoed most probably by a Soviet submarine, killing everybody on board (Bali, 1999). During the course of the Second World War, many people from German occupied Balkans also sought refuge in Turkey. These included Bulgarians, Greeks (especially from Greek islands on the Aegean) as well as Italians from the Dodecanese islands. There are no public records available for their number but at least according to one source, there were approximately 67,000 internees and refugees in Turkey at the end of the Second World War (Vernant, 1953). However, the majority of these people returned to their countries subsequent to the end of the war, except for those who fulfilled the conditions set by the Settlement Law.

Even though Turkey's refugee policy significantly changed after the Second World War, it nevertheless remained a function of the state policy not to accept immigrants who were not of "Turkish descent or culture". In this period the Cold War became a determining factor of Turkish policy. During the Cold War, Turkey had become firmly embedded in the western bloc. Hence, it is not surprising that the overwhelming majority of the refugees came from the Soviet bloc. In close cooperation with United Nations High Commissioner for Refugees (UNHCR), Turkey received refugees from the Communist bloc countries in Europe, including the Soviet Union. Such refugees, during their stay in Turkey, enjoyed all the rights granted by the 1951 Geneva Convention Relating to the Status of Refugees. However, only a very small number were allowed to stay in Turkey, often as a result of marriages with Turkish nationals. The others were resettled out of Turkey.

Turkey also experienced mass influxes of refugees in 1952, 1988, 1989, and 1991. The influxes in 1952 and 1989 involved Turks and Pomaks from Bulgaria. They were basically permitted to stay and settle in the country. On both occasions the government adopted special policies to facilitate their integration into mainstream Turkish society. In contrast, the 1988 and 1991 ones involved primarily Kurdish refugees. In this case Turkish policy was characterized by a preference for repatriation and/or resettlement. The two mass influxes were very much seen as potential threats to national security. In the latter case Turkey embarked on an energetic effort to convince the international community to create a "safe haven" in northern Iraq to ensure the speedy return of the refugees. In the case of the estimated 20,000 to 25,000 Bosnian Muslim refugees that came to Turkey between 1992 and

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<sup>2</sup> Shaw (1991, 256) puts the number at around 100,000. However, Bali, (2004, 171, footnote 18) disagrees and argues that the numbers were more like 15 to 17,000.

1995, a generous “temporary asylum” policy was introduced. It gave these refugees access to education, employment and health possibilities falling just short of proper integration. An overwhelming majority of these refugees subsequently returned home. A similar policy was also adopted for the approximately 17,000 Kosovar refugees from the crisis in 1999.

The state’s preferred national identity definition is also reflected in respect to asylum policies. According to the Settlement Law, only asylum seekers of “Turkish descent and culture” can acquire a full-fledged refugee status with the ultimate possibility of settling in Turkey. This is also reflected in the manner in which Turkey has adhered to the central international legal instrument on refugees, the 1951 Geneva Convention. Turkey was among a group of countries who took an active role in the production of a definition of “refugee” and was among those countries who pushed for the introduction of a geographical and time limitation to the Convention as expressed in Article 1.B (1)(a). Accordingly, Turkey accepted to be bound by the terms of the Convention for refugees fleeing persecution only in Europe as a result of events prior to 1951. In 1967, when signing the 1967 Additional Protocol relating to the Status of Refugees, Turkey accepted to lift the time, but chose to continue to maintain the “geographical limitation”. This in practice has meant that Turkey is under no legal obligation to grant refugee status to asylum seekers coming from outside of Europe. Although, it did allow UNHCR to receive asylum applications from such persons as long as these persons were resettled out of Turkey if recognized as refugees. In this way a form of temporary asylum was granted.

**Table 10**  
**Applications under the 1994 asylum regulation, 1995-December 2006**

Country	Applications	Accepted cases	Rejected cases	Pending cases
Iraq	14,619	4,784	5,054	4,054
Iran	27,194	16,871	2,063	7,176
Afghanistan	938	284	275	370
Russia	77	15	38	18
Uzbekistan	187	69	70	38
Azerbaijan	36	3	24	1
Other Europe*	117	51	54	3
Other**	1,226	213	304	660
Total***	44,394	22,290	7,882	12,320

\* Includes Albania, Belgium, Bosnia, Bulgaria, Germany, Georgia, Greece, Italy, Macedonia, Romania, Switzerland, Ukraine and Yugoslavia.

\*\* Includes Algeria, Bangladesh, Burma (Myanmar), Burma, Burundi, China, Democratic Republic of Congo, Egypt, Eritrea, Ethiopia, Ghana, Guinea, India, Israel, Ivory Coast, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lebanon, Liberia, Libya, Malaysia, Mauritania, Morocco, Nigeria, Pakistan, Palestine, Philippines, Rwanda, Sierra Leone, Sri Lanka, Somalia, Sudan, Syria, Tunisia, Tajikistan, Turkmenistan, Uganda, United States of America, Yemen, Zaire.

\*\*\* Not appearing in the table but included in the total are 1,710 applications that were subsequently withdrawn.

Source: Data obtained from the Foreigners Department of MOI.

Data current as of 7 December 2006.



The regime change in Iran and instability in the Middle East as well as in Africa and South-east Asia led to an increase in the number of asylum seekers in Turkey starting from the early 1980s. For a long time the government allowed the UNHCR considerable leeway as long as these asylum seekers would be recognized and resettled out of Turkey. However, the growth in the number of illegal entries into Turkey and in the number of rejected asylum seekers stranded in Turkey led the government to tighten its policy. New tough regulations to govern asylum were introduced in 1994. This led to an increase in the number of deportations, which attracted criticism from refugee advocacy and human rights circles. Subsequently, the UNHCR in close cooperation with Turkey, succeeded in developing a new system of asylum that today handles approximately 4,000 to 4,500 asylum applications a year. Government officials expect that those who are not recognized as refugees leave the country and those that are recognized are resettled out of Turkey. As can be seen from Table 10, the majority of the asylum seekers come from neighbouring Iran and Iraq with smaller numbers coming from more distant countries. The refugee recognition rate is very high compared to the rates found in Europe. However, the overwhelming majority of recognized refugees are exclusively resettled to third countries by UNHCR (see Table 11). This is a practice that is under pressure and is expected to be fundamentally revised in the context of Turkish accession to the European Union. This issue will be studied in greater detail in Section III of this paper.

**Table 11**  
**Resettlement out of Turkey; by country of origin**

Country of Origin	Country of Settlement						Total
	Canada	USA	Oceania	Other Europe	Scandinavia	Others	
Afghanistan	71	89	3	17	79	–	259
Iran	3,910	6,895	2,414	221	3,295	11	16,746
Iraq	865	630	1,036	664	1,478	33	4,706
Africa	64	66	–	4	9	–	143
North Africa	3	–	–	–	1	–	4
Asia	55	26	1	–	7	–	89
Middle East	16	–	5	7	6	1	35
Bosnia Herzegovina	–	45	–	1	–	–	46
Others*	9	–	–	–	–	–	9
<b>Total</b>	<b>4,993</b>	<b>7,751</b>	<b>3,459</b>	<b>914</b>	<b>4,875</b>	<b>45</b>	<b>22,037</b>

Africa: Congo, Eritrea, Ethiopia, Sierra Leone, Somalia, Sudan.

North Africa: Morocco, Libya, Tunisia.

Asia: Burma, China, Uzbekistan, Turkmenistan.

Middle East: Palestine, Syria, Egypt.

Others\*: Burundi, Kyrgyzstan, Jordan, Yemen.

Oceania: Australia, New Zealand.

Other Europe: Austria, Britain, Belgium, France, Germany, Hungary, Ireland, Italy, Luxemburg, Netherlands, Poland, Spain, Switzerland, Ukraine, Scandinavia: Denmark, Finland, Norway, Sweden.

Others: Azerbaijan, Bosnia-Herzegovina, Dubai, Indonesia, Israel, Saudi Arabia, Syria, United Arab Emirates.

Source: Data obtained from the Foreigners Department of MOI.

Data current as of 07.12.2006.

## Transit Irregular Migration

There is also a form of transit irregular migration involving nationals of neighbouring countries such as Iraq and Iran as well as nationals from more distant countries such as Afghanistan, Pakistan, etc. These are people that often resort to the services of human smugglers and pay large fees to get themselves smuggled into western European countries. In the case of Turkey they are more likely to enter Turkey through its eastern borders, travel through Turkey and try to enter Greece illegally across the land border and the Aegean Sea. There are also occasionally boats that try to smuggle people directly on to Italy and France. These boats carrying illegal migrants occasionally sink leading to human tragedies. It is very difficult to estimate the numbers of such irregular transit migrants in Turkey and figures that are cited are invariably speculative ones. However, according to government statistics there were more than 622,000 such persons apprehended between 1995 and 2006 (November) (see Table 12). Nevertheless, these numbers also include nationals of mostly former Soviet Union countries who have violated their terms of stay in Turkey. Most of these persons have no intention of moving on to Europe. It is mostly the nationals of Middle Eastern and Asian countries that try to use Turkey as a transit country.

**Table 12**  
**Breakdown by nationality of illegal immigrants arrested by Turkish security forces, 1995-November 2006**

Country of origin	Number of people
Afghanistan	37,194
Bangladesh	19,227
Pakistan	50,401
Iran	25,030
Iraq	113,309
Syria	7,885
<b>Subtotal</b>	<b>253,046</b>
North Africa*	11,964
Former Soviet Republics**	125,889
Central Asian Countries***	11,157
Albania	4,477
Bulgaria	10,165
Romania	22,348
Turkey	30,526
EU	20,817
Others	132,222
<b>Total</b>	<b>622,611</b>

\* Algeria, Egypt, Libya, Morocco, and Tunisia.

\*\* Russia, Ukraine, Moldova, Georgia, Azerbaijan, Armenia, Belarus, Lithuania, Latvia, and Estonia.

\*\*\* Kyrgyzstan, Kazakhstan, Turkmenistan, Uzbekistan, and Tajikistan.

Source: Data obtained from the Foreigners Department of the Turkish Ministry of the Interior (MOI).  
Data current as of 1 November 2006.

## Human Trafficking

To these groups one must also add trafficked persons, particularly women. These are persons that have either been coerced or deceived into travelling to Turkey for purposes of prostitution and remain in Turkey against their wish. This problem is attracting growing government and civil society attention. Numerous international institutions such as the International Organization for Migration (IOM) and the US Department of State have been monitoring the situation in Turkey. The police have developed close cooperation with civil society and has put into place a system that has considerably improved the situation in respect to combating trafficking and extending protection and assistance to the victims of trafficking. In 2005 an emergency telephone helpline named, “Alo 157”, was instituted and already a large number of victims have benefited from it.

## EU Migration and Others

There are also individuals from neighbouring countries that take up jobs illegally. The case of Gagauz Turks from Moldova is particularly interesting because back in the 1930s they were denied the possibility to immigrate to Turkey. Today many Moldova women are actually working in middle-class homes in Istanbul and other cities. The Turkish state, partly in an attempt to regularize their status and partly in the context of EU reforms, adopted new legislation that allows such people to obtain proper work and residence permits. However, many continue to prefer to work illegally. There are also a growing number of students coming from various countries and especially from the former Soviet Union and the Balkans. Furthermore, there is an increasing number of European Union member state nationals and spouses engaged in professional activities settling in Turkey, particularly in Istanbul, as well as retirees in some of the Mediterranean resorts. This too constitutes a relatively new phenomenon in terms of immigration into Turkey and their numbers are estimated to be around 100,000 to 120,000 (Kaiser, 2003).

One striking manifestation of how growing immigration is affecting Turkish society is that Turkish society is becoming accustomed to live with foreigners as well as Turks that would not easily fit into the traditional narrow definition of a “Turk”. Sports are an area where this manifests itself most conspicuously. Currently, in Turkey there is a large number of foreigners who are active and visible in various branches. Among them there are Turks who are clearly of foreign descent. Turkish society is becoming accustomed to seeing names in Turkish national teams that are not classic Turkish names. The most prominent of such names is naturally Elvan Abeylegesse. She was the world record holder of 5,000 meters and represented Turkey at the Olympic Games in Athens. She is Ethiopian origin and after she broke the world record there was actually a debate in the media about her “Turkishness”. Interestingly, many commentators and members of the public stood by her “Turkishness” against those who argued she was not a real “Turk”. When during the Olympics she did not perform as well as she was expected, the public expressed an outpour of support for her. Similarly, the public has become very much at ease with the Turkish national volleyball team that ran a very successful European championship competition in 2004 and that included a Russian, Nathalie Hanikoğlu. The national Olympic Team in 2000 and in 2004 included a number of athletes with names that traditionally would not easily be associated with “Turkishness”.

### III. Immigration Issues in EU-Turkish Relations

#### The Immigration and Integration of Turks in Europe

A discussion of immigration from and into Turkey would be incomplete without a discussion of Turkey's ongoing EU candidacy and the consequences thereof. Turkey is currently a candidate for EU membership and has begun negotiating the terms of membership with the EU. However, Turkey's candidacy is faced with numerous challenges related to immigration. First and foremost, there is the issue of whether (substantial numbers of) Turks will migrate to the EU or not. Opponents of Turkish membership allege that, as membership will allow Turkish nationals to enjoy the right to "free movement of labour and persons", millions of Turks will actually migrate to EU countries in search of jobs. They argue that this will increase unemployment in Europe and worsen the cultural clash between Turks and local Europeans. They attribute the integration problems that many Turkish immigrants experience to fundamental cultural and religious differences. These differences are then employed to reinforce their broader argument that Turkey basically is not "European" and should not become a member of the European Union. Instead, they have argued that Turkey should be extended an undefined "privileged relationship" with the European Union. These have been powerful arguments that have resonated with the public opinion in Europe. Yet, whatever happens to EU-Turkish relations, it is quite likely that Turkish emigration to Europe and elsewhere will continue. Some of that emigration will be more of the same, especially through the family reunification channel. However, it is also likely that there will be a growing number of professionals who will move abroad for short or long-term purposes. There are also European politicians and EU officials who recognize that European demographics is pointing at falling populations in most EU member countries and that Europe will indeed need educated Turkish immigrants, especially to sustain their retirement schemes. In this respect. Olli Rehn, the EU Commissioner responsible for Enlargement, argued at a conference at the London School of Economics (LSE) that "most probably a portion of his pension after his retirement would be paid for by dynamic Turkish engineers and professionals".<sup>3</sup>

The Commissioner was referring to how, in the face of an aging European population, Turkish demographics may actually become an advantage. The concern in Europe is that, as the population ages, there will not be enough people around not only to keep an economy going but also to sustain existing social security and retirement schemes. It is estimated that by the year 2050 the total labour force of Europe will be less than what it was in 1950 (Punch and Pierce, 2000). This will be occurring during a period when Turkish population will continue to grow, even if at a steadily falling rate, reaching its peak at just under 100 million in 2050. Of this population, the percentage of people between 15 and 64 will rise to 66.9 per cent by 2030 and slowly fall to 63.6 per cent by the year 2050. The period until then is considered by demographers as a "window of opportunity" in terms of growth in economic activity (Behar, 2006). This has led some to advocate the idea of a "complementarity" between an aging population in Europe and Turkish demographics.

<sup>3</sup> Reported in *Radikal*, 22 January 2006.

However, this idea needs to be taken with some caution. First of all the “demographic gap” in Europe would demand very large number of immigrants to fill it and furthermore the immigrants themselves would be aging too. Secondly, immigration as a solution to filling this “gap” would politically be very difficult to manage, if not impossible to advocate, let alone implement given anti-immigrant feelings in Europe. This would actually be aggravated by the very fact that in European public opinion, there is considerable resistance to Turkish membership and to Turks in general. Thirdly, in terms of Turkish demographics, it should be considered that the Turkish population will be gradually aging from 2025 and a smaller and smaller percentage of the population will enter the labour force. Hence, the pool of potential candidates for immigration will possibly be smaller (Behar, 2006).

An econometric study estimating different possible scenarios of immigration from Turkey to EU member countries between 2004 and 2030 interestingly suggests that less Turks are likely to immigrate if Turkey becomes a member than if Turkey is left out of the EU (Erzan et al., 2006). In any event, the forecast is such that even the scenario that expects high levels of immigration falls well short of supporting the “complementarity” argument. The scenario that is based on the assumption that past trends of Turkish immigration will continue and that Turkish membership will occur and will be accompanied by unhindered freedom of movement with accession in 2015 forecasts that 2.1 million Turks will have migrated by the year 2030. In the opposite scenario, which assumes no membership hence no free movement of labour and also a slowdown in the Turkish economy, the numbers would be 2.7 million. These two figures in themselves are much lower than some of the exaggerated figures that appear in the European media. They also fall well within the possible figures cited by the 2004 “impact report” of the European Commission. The figures provided by the Commission ranged between half and 4.4 million until 2030, assuming a transition period of a dozen years before free movement of labour is fully implemented.

Nevertheless, the fear of large Turkish immigration deeply affects attitudes toward Turkish EU membership. According to the December 2005 Eurobarometer survey results, less than one-third of the people surveyed in the EU-15 support Turkish membership.<sup>4</sup> The level of support is particularly low in the very countries where there are large Turkish immigrant communities. Public attitudes toward Turkish membership are deeply influenced by how host societies perceive Turkish immigrant communities. The fear of immigration clearly becomes embroiled with attitudes toward Turkish membership. This situation has been reflected in the wording of the Accession Negotiation Framework; this document constitutes the blueprint for the accession talks between Turkey and the EU, adopted in October 2005 for Turkey by the EU.<sup>5</sup> The document opens the way for member states to introduce “long transitional periods” and even “permanent safeguard clauses” to freedom of movement of persons from Turkey membership (Article 12). More importantly, the document notes that the “negotiations are an open-ended process, the outcome of which cannot be guaranteed beforehand”. It is generally recognized that these references were introduced into this document to appease

<sup>4</sup> EUROBAROMETER 64, Public Opinion in the European Union, OPINION IN First Results, December 2005, page 29-32, [http://ec.europa.eu/public\\_opinion/archives/eb/eb64/eb64\\_first\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb64/eb64_first_en.pdf). Turkey is at the bottom of the list with 31 per cent below, Albania with 33 per cent, and Serbian and Montenegro 39 per cent. Highest level of support was for Switzerland and Norway with 77 per cent.

<sup>5</sup> This document can be accessed from [http://europa.eu.int/comm/enlargement/docs/pdf/negotiating\\_framework\\_turkey.pdf](http://europa.eu.int/comm/enlargement/docs/pdf/negotiating_framework_turkey.pdf)

member states facing public opinion opposition to Turkish membership. In the EU there is also a large group of politicians and government officials who have been advocating the idea of a “privileged partnership” with Turkey in place of membership. This idea too is at least partly developed as a reaction to this fear of Turkish immigration.

Hence the relationship between Turkish immigration and European demographic trends is a very complicated one. The attitudes toward Turkish membership in the EU and the wording of the Negotiation Framework suggest that if Turkish demographic trends are indeed going to be an advantage, future Turkish immigration is going to have to be carefully managed. In this respect, addressing the issue of how to better incorporate current Turkish immigrant stocks into their host societies is going to become very important. In a number of European countries and especially in Germany, for a long time there was a reluctance to accept immigration for what it is: immigration. Instead, a constant assumption that the migrants were “guestworkers” who would one day return home prevailed. It is only over the last decade or so that serious thought had begun to be given to the “integration” of the “guestworkers” of yesterday and “immigrants” of today. On the other hand, those countries whose political systems were more realistic about what they were facing, such as the Netherlands, Belgium (partly), France, Denmark and Sweden, introduced diverse policies to manage the integration of immigrants. France is a special case in the sense that it aimed, at least theoretically, to assimilate immigrants, while the others adopted various shades of multi-cultural approaches. What is striking is that whatever the approach, whether be it the French assimilationist, the German exclusionary, the Dutch multicultural or the Scandinavian welfare-paternalistic approaches, they all seem to now encounter the problems associated with weak integration on the part of immigrants in respect to employment, education, political participation, and social integration. Combined with public opinion that is increasingly unfavourable towards immigration, this has “forced” European politicians to move increasingly towards restrictive integration policies. At the same time, this experience has a considerable impact on Europe’s perception of Turkey’s potential EU membership.

For a long time, Turkey itself considered Turkish immigrants in Europe as “guestworkers” and expected that they would one day return. Turkish policies towards them were very much determined by these considerations. It is only recently that it has been recognized that many are there to stay. In the meantime, however, the EU engagement of Turkey has indeed brought about some changes in the government’s attitude towards the problems of Turkish immigrant communities. The current government in Turkey has highlighted the importance of the integration of Turkish immigrants in Europe on a number of occasions. The Turkish Prime Minister, Tayyip Erdoğan, during a visit to Germany, underlined the importance of taking up local citizenship, learning the local language and participating in local politics. He argued that it is possible to integrate into host societies without compromising one’s cultural identity.<sup>6</sup> Similarly, in a very eloquent speech, the Minister of State responsible for religious affairs and Turks living abroad, Mehmet Aydın, also stressed the importance of integration of Turks into their respective host societies and stressed that in a multi-cultural framework this was perfectly possible.<sup>7</sup> In an unprecedented manner the Turkish Parliament adopted

<sup>6</sup> The Prime Minister’s remarks were reported in *Radikal*, 8 and 9 November 2005.

<sup>7</sup> Speech delivered by Mehmet Aydın on 9 December 2005 at the *International Migration Symposium*, 8 to 11 December 2005, Istanbul.

in December 2003 an extensive report investigating the problems of Turkish nationals living abroad. The report emphasized the importance of language skills and education. It elaborated on a list of recommendations to encourage and facilitate the integration of Turkish nationals into their host societies (TGNA, 2003).

Another aspect of EU-Turkish relations is that the nature and composition of the Turkish immigrant stock in Europe is likely to change with EU membership. This could have important consequences in terms of both the challenge of integrating the existing stock but also in terms of ameliorating the negative public opinion in Europe towards Turkish membership. Over the last couple of years, Turkey has profoundly been transformed. Pre-accession will most probably accelerate this transformation, which will have a number of important consequences in terms of immigration and integration issues. Firstly, the developments in Turkish economy and politics will have an impact on Turks' decision to migrate or not. This will also influence the composition of immigrants that may move from Turkey to EU countries. The existing patterns of immigration characterized by family reunification and family formation, driven by the current Turkish immigrant stock in Europe, will be accompanied by a movement of labour and persons that is more likely to be educated and more professional. This will inevitably generate new social and political dynamics within the Turkish community in Europe, but also between the latter and host societies. The patterns of education, socialization and participation in the politics of host societies are likely to change. This in turn will transform the social and political environment surrounding the issue of the integration of the existing stock as well as improve host-society perceptions of Turkish immigrants and of Turkey.

Secondly, a Turkey that is becoming increasingly integrated in the European Union will less and less appear as the "other" in Europe. An important aspect of the integration problem of Turkish immigrants, closely associated with a sense of being treated differently and of alienation from mainstream society, would be solved through the process of becoming part of the host society. Turkish accession to the EU is likely to have a positive effect on the integration of Turkish immigrants into their host societies. Turkish accession is going to be a process that is going to challenge established patterns of thinking about Turkey and Turks as the "other". Slowly and surely many among those in Europe that have regarded Turkey as culturally, socially and politically different will revise their perceptions, prejudices and images of Turkey and Turks. This, in turn, is likely to help to alleviate some of the alienation that Turkish immigrants experience. As a more balanced and less-hostile environment emerges, the so called "ghetto effect" on the immigrants is likely to diminish. A Turkish immigrant observing this change and the gradual integration of Turkey itself into Europe will be more forthcoming in terms of integration. The two processes are likely to feed on each other and transform gradually the current vicious circle of mutual alienation to a virtuous circle of mutual integration. Even if these processes may not be all encompassing, a good portion of the host society and the immigrant community would be absorbed in it.

Thirdly, it is also likely that if EU-Turkish relations progress smoothly, Turks will increasingly be seen as partners for addressing the challenges associated with demographic decline. This sense of partnership should also help initiate the prospects of greater contacts between European and Turkish civil society. Civil society in Turkey, partly as a function of EU involvement, has grown and become more effective over the last couple of years. "Honour



killings”, arranged marriages, domestic violence against women, and especially the education of young girls are endemic problems in certain parts of Turkey. These problems overlap one to one with those among Turkish immigrant communities in Europe. Non-governmental organizations such as Women for Women’s Human Rights, Women’s Center, Purple Roof Women’s Shelter Foundation, and Association for the Promotion of Contemporary Life, have been very active and very visible in addressing these problems. They have also organized themselves into a “Women’s Platform” and successfully lobbied the government to incorporate terms favourable to the protection of women’s rights into legislation adopted as part of Turkey’s reform process (Arat, forthcoming). These organizations have also worked closely with a governmental body called Directorate General on the Status and Problems of Women. Hence, they are organizations with ample experience in lobbying, in coordinating campaigns and cooperating over field projects. This experience could be channeled to address the problems of Turkish immigrants in Europe. Cooperation between Turkish civil society and their counterparts in Europe, as well as in Turkish immigrant communities, could generate synergies with widespread consequences.

This is also important in the context of the place and status of women in the Turkish immigrant communities. Gender relations within the Turkish immigrant community deeply impact host society perceptions of Turkey as well as of Turkish immigrants. The relationship between integration and gender is multifaceted. The isolation of women from the rest of the society, especially among conservative Turkish immigrants, and the issue of arranged marriages, has serious consequences for integration. This manifests itself particularly through the impact it has on education and socialization of immigrant children. Furthermore, it provokes negative public perceptions of the Turkish immigrants themselves, further aggravating the problem of integration by complicating the relationship between the immigrants and the rest of society.

## Turkey’s Asylum System

Turkish immigration and the incorporation of Turkish immigrants are not the only issues on the agenda of EU-Turkish relations. In its most recent Accession Partnership document of January 2006, the EU makes it quite clear that it expects Turkey to replace its current asylum system with one that incorporates the current EU *acquis* in this area.<sup>8</sup> This will require the lifting of the “geographical limitation” with which Turkey had accepted the 1952 Geneva Convention Relating to the Status of Refugees. This means that Turkey will have to develop and put into place full-fledged status determination procedures and institutional infrastructure to implement the EU *acquis*. Considerable distance has been covered in this respect and both the Action Plan on Asylum and Immigration and the NPAA commits Turkey to lifting the “geographical limitation” by roughly accession time, if certain conditions are met, and to putting into place a full-fledged national status determination system.<sup>9</sup> Turkish

<sup>8</sup> Turkey: 2006 Accession Partnership online: <http://www.euturkey.org.tr/abportal/uploads/files/APD2006.pdf>

<sup>9</sup> The Action Plan on “Asylum and Migration” was officially adopted by the Turkish government on 25 March 2005. The English and Turkish versions of the Plan will appear on following web pages: [www.unhcr.org.tr](http://www.unhcr.org.tr), [www.deltur.cec.eu.int](http://www.deltur.cec.eu.int) and [www.abgs.gov.tr](http://www.abgs.gov.tr). National Program for the Adoption of the Acquis 2003, Section 24 Justice and Home Affairs, Table 24.1.1 details the task that will be performed for the purposes of harmonization with the EU *acquis*. Table 24.1.2 lists tasks for the preparation and putting into place the institutional and administrative infrastructure.



officials are very much aware that the current EU *acquis* would make Turkey a major “first country of asylum” and responsible for implementing the Dublin Convention provisions. Hence, many of these officials fear of becoming a “buffer zone”, unless a convincing “burden sharing” mechanism is put into place. An additional concern results from doubts about the EU’s commitment to an eventual membership. Turkish officials are particularly concerned about lifting the “geographical limitation”, a right they enjoy under international law, and then find themselves having to face all the consequences that this would entail in the event of non-membership.

This concern is aggravated by a growing trend in the EU to externalize its asylum policies. The Asylum Procedures Directive adopted in December 2005 opens the way for EU member states to send asylum seekers to a neighbouring country designated as a safe third or transit country of asylum. This increases Turkish officials’ fears that Turkey will actually be used as a buffer zone by EU member states. This is further aggravated by the European Commission efforts to get Turkey to negotiate and sign a Readmission Agreement. After having faced bitter criticism from the EU and member states, Turkey improved its struggle against illegal transit migration over the last couple of years (Gresh, 2005). This was acknowledged in the regular progress reports of the Commission on Turkey. Considerable progress has also been achieved in respect to combating trafficking both at the legislative and practical level. However, the pressure to sign a Readmission Agreement with the Commission continues to be a source of tension. One reason has already been mentioned. The other one is that Turkish authorities are desperately trying to negotiate similar agreements with third countries. Turkey has signed four such agreements (Greece, Syria, Kyrgyzstan, and Romania), is negotiating with three other countries and has approached 20 countries for negotiations.<sup>10</sup> Some of the critical countries, which are also on the list of the countries that the Thessalonica European Council instructed the Commission to sign readmission agreements, have not responded at all. These include China, India, Bangladesh, and Pakistan. Turkish officials sense a lack of goodwill on the part of the EU, as they are being pressured to sign agreements even when the EU itself is having difficulties signing agreements with these major sources of illegal migrants. This reinforces Turkish officials’ fear that the EU intends to use Turkey as a buffer zone if not a dumping ground. An important consequence of the failure to address this concern is that it can encourage violations of non-refoulement and/or measures that lead to a chain of readmission agreements that could see an asylum seeker being treated as an illegal migrant and unable to have an application addressed. Furthermore, the pressure to combat illegal migration seems to be in conflict with the EU’s simultaneous efforts to encourage Turkey’s implementation of an asylum status determination procedure that is sensitive to international refugee norms such non-refoulement.

## **Turkish Border Control and Visa Policies**

One last area concerning immigration in EU-Turkish relations is border control and visa policies. Turkey is expected to adopt the Schengen regime before accession like the previous candidate countries. The Turkish NPAA commits itself to adopting the relevant

<sup>10</sup> Information obtained from the web page of the Turkish Ministry of Foreign Affairs: [http://www.mfa.gov.tr/MFA\\_tr/DisPolitika/AnaKonular/TurkiyedeYasadisiGoc/](http://www.mfa.gov.tr/MFA_tr/DisPolitika/AnaKonular/TurkiyedeYasadisiGoc/)

*acquis*. However, there are two aspects to this commitment that need close consideration. The first one is that Turkish nationals have to have a Schengen visa to enter the EU. This will create a curious situation for a candidate country that implements the Schengen black list, but that is itself on the list. The practice of the EU with the previous set of candidate countries was to remove from the Schengen black list, the nationals of countries that signed readmission agreements with member states and adopted the EU border control *acquis*. At this point is difficult to tell whether something similar can be envisaged for Turkey.

Turkey has currently a visa regime that has already been at least partly adjusted to the Schengen visa system. However, there are still a number of countries that are black-listed by the Schengen regime whose nationals can enter Turkey without visas or with visas that can easily be obtained from entry points and especially airports. This visa system has played a massive role in dismantling the myths and prejudices that the Iron Curtain had created and has also helped to create growing economic contacts between Turkey and the whole region surrounding it (Kirişçi, 2005). In other words it can be claimed that this visa regime has assisted “peace building” in the region. In 1964, when Turkey and the Soviet Union first made it possible for their nationals to travel to each other’s countries, 414 Soviet nationals entered Turkey. In 1980, this number had crept up to just above 40,000 and then to 222,000 after Turkey introduced its current liberal visa policy. The figure for 2004 for the ex-Soviet Union geography was just below 2.8 million entries, 1.86 million being nationals of the Russian Federation (see Table 13). The full adoption of the Schengen visa regime by Turkey would bring this movement of people to an end and Turkey would also have to take on the massive administrative cost of attempting to process visa applications. This additionally would have to occur in a period when the likelihood of Turkey receiving the kinds of pre-accession funding that new accession countries received is very low. It is highly likely that many interest groups in Turkey, as well as in the ex-Soviet world, will resist the introduction of the Schengen Visa regime.

**Table 13**  
**Entry of persons from the Soviet Union and former Soviet Republics**  
**between 1964 and 2005**

	1964	1970	1980	1990	1996	2000	2005
Soviet Union	414	4,824	40,015	222,537	–	–	–
Russia	–	–	–	–	1,235,290	677,152	1,855,900
<b>Central Asian Turkic States</b>							
Kazakhstan	–	–	–	–	31,373	38,939	106,167
Kyrgyzstan	–	–	–	–	8,052	8,789	31,017
Tajikistan	–	–	–	–	3,087	952	6,811
Turkmenistan	–	–	–	–	5,035	10,987	34,292
Uzbekistan	–	–	–	–	13,558	21,062	24,634
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,296,395</b>	<b>757,881</b>	<b>2,058,821</b>
<b>South Caucasus</b>							
Armenia	–	–	–	–	5,345	17,549	36,633
Azerbaijan	–	–	–	–	100,249	179,878	411,111
Georgia	–	–	–	–	116,709	179,563	367,148
<b>Subtotal</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>222,303</b>	<b>376,990</b>	<b>814,892</b>
<b>Western Newly Independent States (NIS)</b>							
Belarus	–	–	–	–	474	9,622	77,029
Moldova	–	–	–	–	8,290	62,687	89,849
Ukraine	–	–	–	–	93,794	173,551	367,103
<b>Subtotal</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>102,558</b>	<b>245,860</b>	<b>533,981</b>
<b>Total</b>	<b>414</b>	<b>4,824</b>	<b>40,015</b>	<b>222,537</b>	<b>1,621,256</b>	<b>1,380,731</b>	<b>3,407,694</b>
<b>General Total</b>	<b>229,347</b>	<b>724,754</b>	<b>1,057,364</b>	<b>2,301,250</b>	<b>8,538,864</b>	<b>10,428,153</b>	<b>20,275,213</b>

Source: Compiled from data obtained from the Foreigners Department of MOI and State Statistical Institute Annual Reports.

## Summary and Conclusions

Turkey has long been both a country of emigration as well as immigration. Starting from the early 1960s an ever-growing number of Turks has immigrated to mostly West European countries. Initially, this immigration was driven by labour demand from the booming European economies. Once these economies began to stall, demand for Turkish labour fell, but immigration mostly through the family reunification and asylum channels continued. Currently there are about 4 million Turkish migrants living in western Europe. We have begun to talk about the third generation. As Turkish migration to Europe has “matured” many challenges have arisen for the Turkish community. Changes in the economic climate, education issues, lack of language and skill requirements have made it difficult for the Turks to compete with the natives. Education of the second generation has not been as successful, although there are some promising signs as there are increasingly more Turkish students entering the university realm. An important consideration in Turkish migration to western Europe has been the “transnational” nature of it. Turks continue to “inhabit” in both their “worlds”. Often they prefer dual citizenship over citizenship of their countries of origin. Their political organizations frequently reflect the political divisions of Turkey. The agenda of these organizations is still oriented towards Turkey, although it is possible to observe a slow change as well. Inter-marriage with the natives is low and continued spouse migration of the second generation has become an issue for the receiving countries. Satellite television and print media available in Europe reinforces the interest of the Turkish community in their country of origin. Remittances have continued to flow to Turkey and, to this day, represent an important economic and political link between Turkey and its migrants. At the same time, however, it can be observed that there is a rise in naturalization, self-employment, some improvement in educational performance, and political participation as well more of a focus on the politics of the receiving country.

Ultimately, Turkey’s experience with immigration as well as emigration has been a learning experience that has required adjustment and a re-orientation of “old”-style policies. As Turkey has seen its emigrant community in Europe become more permanent, there has been more of a concern about their needs and an increased understanding of integration challenges. Turkey’s “answer” has been to promote the integration of Turks abroad while encouraging them to keep their ties to the country of origin. Turkey has encouraged dual citizenship, advocates the preservation of Turkish as a language (besides the new languages) and assists with cultural and religious services via its consulates, embassies and *Diyanet*, a governmental institution responsible for religious affairs. In other words, Turkey itself has encouraged and promoted the transnational side of Turkish emigration.

Turkey’s own immigration policies have been closely related to the Turkish state’s conception and understanding of Turkish national identity. The laws and the practice in respect to who could immigrate to Turkey was one that excluded those identities that were deemed by the state unlikely to assimilate or melt into a homogenous Turkish identity. While large numbers of Albanians, Bosnians, Circassians, Pomaks, Tatars, Turks, etc., mostly from the Balkans, were encouraged to immigrate to Turkey, individuals belonging to non-Sunni Muslim minorities, ranging from Armenians and Assyrians to Greek and Jews as well as

Kurds found themselves emigrating sometimes as guestworkers to Germany and Europe and sometimes as asylum seekers and immigrants.

“New” immigration has a very different composition. Many individuals from neighbouring countries are entering Turkey increasingly for either short-term stays or at times even for prolonged periods. Many are illegally present in Turkey. There are also large numbers of individuals from distant countries of the Third World transiting through Turkey while some either get stranded or choose to stay in the country. Their presence more often than not is illegal. Some of these individuals seek asylum in Turkey. Turkey grants them only temporary asylum until UNHCR can resettle refugees to third countries, while the rejected ones are either deported or join the ranks of illegal immigrants in Turkey. There is also a growing number of foreign nationals, many from EU member states, who are settling in Turkey for employment, retirement and other reasons. The rights of such immigrants are much more limited than what their counterparts enjoy in EU countries.

Turkish immigration to western Europe and the integration challenges of Turkish migrants have deeply marked European-Turkish relations. The image of Turkey in the minds of many Europeans has been formed by their encounter with Turkish immigrants. This encounter by and large has been a negative one and exacerbates European fears that Turks will actually invade their societies if Turkey was to become a member of the European Union. It is very telling that the representative of the Konrad Adenauer Foundation (supported by the Christian Democrats in Germany), in Turkey, Frank Spengler, argued that Turkey’s membership went not through Diyarbakır but Kreuzberg.<sup>11</sup> Diyarbakır is a mostly Kurdish populated city in Turkey and Kreuzberg on the other hand is a neighbourhood of Berlin heavily populated by Turks. This statement was made in the wake of Turkey becoming officially a candidate for the European Union. Ultimately, Turkey became a candidate but according to this quite realistic observation, Turkey’s eventual membership will be closely associated with the challenges associated with the incorporation of Turkish immigrants into their host societies in Europe.

Turkey’s EU candidacy necessitates difficult changes for Turkey’s policies in the fields of asylum and immigration. An important EU requirement is that Turkey lifts the “geographical limitation” with which Turkey had accepted the 1952 Geneva Convention Relating to the Status of Refugees. This presents Turkey with the formidable task of developing and implementing an asylum policy in a very difficult and challenging region. Turkey’s fears are centred on becoming the “soft belly”, a buffer zone of the EU, and facing the externalization of policy costs of the EU. There are also somewhat more technical challenges to changing Turkey’s visa policies, such as the implementation of a Schengen black list, although Turkey, itself is on it. Furthermore, Turkey is faced with the difficult task of finalizing readmission agreement with third countries that are the potential source of illegal migration to Europe. This is a task the Union itself has found difficult to accomplish. On the Turkish side, the most striking observation is that the Turkish authorities are having not only to revise laws, but also a whole attitude towards immigration that deeply shaped nation-state building of a past era.

Turkey’s EU membership aspirations and the accession process themselves have had and will have a profound impact not only on patterns of immigration and emigration but also

<sup>11</sup> Reported by Ş. Alpay, “Diyarbakır ya da Kreuzberg” *Zaman*, 27 May 2005.

on Turkish policy and practice in this area. The position of the Turkish state in respect to this new immigration is deeply marked by its conception of Turkish national identity. Yet, the tremendous pace of transformation that Turkey is going through, especially in relation to efforts to meet the Copenhagen Criteria and harmonize its legislation with the EU *acquis*, is bringing about significant changes to the state conceptualization of Turkish national identity as well as its asylum and immigration policies. In these two areas, it is possible to talk about policies and approaches that one could argue amount to a degree of “post-nationalization” (Kirişçi, 2006). The elements of this “post-nationalization” are evident in the manner in which Turkish officials are much more willing to cooperate with Turkish and foreign non-governmental organizations, western governments, the European Commission and other international organizations such as the UNHCR. Furthermore, there is also an effort on the part of the government to adjust its policies and more than closer to those of the EU. This is most conspicuous in the case of the decision to eventually lift the “geographical limitation” to the 1951 Geneva Convention.

The economic growth and stability brought by the EU candidacy is making Turkey increasingly attractive as a country of immigration: an experience that particularly Spain and Greece as well as Ireland went through subsequent to their EU membership. Turkey’s efforts to meet the “Copenhagen political criteria” to qualify and begin accession talks has also helped the emergence of a buoyant civil society that is becoming involved in issues concerning asylum, trafficking in women and illegal migration. The Turkish government faces a long list of tasks that it has to fulfill to harmonize its laws and policies with those of the EU *acquis*. In the meantime, Turkish society itself is also becoming much more accustomed to an ethnically and culturally diverse society that includes identities that may not easily be associated with a traditional definition of “Turkishness”.

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A grayscale photograph of a city street. In the foreground, a man wearing a light-colored jacket and a cap is walking towards the right. The background shows several tall, modern buildings and a busy street with other pedestrians and vehicles. The overall scene is slightly faded and has a high-contrast, urban feel.

## Part III

# Comparative Perspectives



Chapter 10

**COMPARING THE  
EXPERIENCE OF  
FIVE MAJOR  
EMIGRATION COUNTRIES**

by

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**Abstract:**

This chapter summarizes and compares the findings of the studies of five major emigration countries – India, Mexico, Morocco, the Philippines, and Turkey – presented in this issue. It discusses the extent to which the five countries share significant common characteristics, so that a comparative analysis may provide useful insights into migratory processes. The chapter takes up the debate on migration and development that has become so prominent in international policy circles. An attempt is made to examine the extent to which migration has actually contributed to development in the five countries of origin. The general conclusion is that migration is itself a result of processes of social transformation linked to globalization and the post-colonial re-ordering of economic and political relationships. In turn, migration becomes a factor in further processes of transformation. Thus migration should be included in strategies for achieving change, but the conditions for realizing positive results are complex and difficult. Strategies of “remittance-led development” seem simplistic and naïve. Migration alone cannot remove structural constraints to sustainable economic growth. There is a need for broadly-based long-term approaches that link the potential benefits of migration with more general strategies to reduce inequality and to improve economic infrastructure, social welfare, and political governance.

**Key Words:**

Migration, development, social transformation, remittances, diasporas, return



## Introduction

The five country studies presented in this volume provide analyses of emigration from some of the world's major countries of origin. They give important insights into the experience of migrants and their communities. More broadly, they help us to understand the complex relationships between global change, migration, and development. The studies show the diversity and complexity of the migration experience, and the way it transforms lives and builds enduring links across national boundaries. The purpose of this comparative chapter is to build on these analyses to bring out both differences and similarities in the emigration experience and its effects on the societies concerned, as well as their relations with the receiving countries.<sup>1</sup>

This raises the question whether such a comparison can be **useful** in view of the important differences between the five countries with regard to history, culture, economic development, and international relations. Indeed, one might go further and ask whether such a comparison is really **possible** if the differences are so great. This comparative essay is an attempt to answer these questions. A **first objective** of the chapter is thus to see if these five major emigration countries share significant common characteristics so that analysts, policymakers and practitioners can gain important insights from the comparison. Another important issue relates to the new discourse on migration and development that has become so prominent in international policy circles in recent years. One of the main tasks of the country studies was to examine the extent to which migration does contribute to development. A **second objective** of this chapter is thus to summarize the varying evidence on migration and development and to attempt to generalize from it.

## The Forces Driving Emigration

What makes people leave their countries to seek a better life abroad? One can summarize the reasons under the headings of demography, economics (or better: political economy) and politics.

The five countries vary considerably in population size from Morocco's 31 million to the quite large populations of Turkey (73m), Philippines (83m) and Mexico (107m), while India is one of the world's two population giants with 1.1 billion people in 2005 (UN Population Division, 2006). What unites them is the relative recentness of the "demographic transition" from the high fertility and high mortality patterns typical of less-developed agrarian countries, to the rapidly declining mortality, increasing life expectancy and rapid population growth brought about by modernization. All five countries have had numerous young labour force entrants. There has been complementarity with demographic trends in highly-developed labour-importing countries, where fertility has declined sharply, life expectancy has increased

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<sup>1</sup> This chapter is based on the five studies presented earlier in this volume. It therefore makes no claim to be the result of original research. I thank the authors of the five country studies for allowing me to use their work. I also thank Hein de Haas, Binod Khadria, Kemal Kirisci, and Raúl Delgado Wise for specific comments on the draft chapter. The interpretations are my own responsibility. My text will not make repeated references to the country studies (unless they are quoted directly), nor to their sources.

even more, and rates of age dependency (ratio of retired people to working age to population) have grown fast. Fertility is now also declining in the five emigration countries – although less so in India and the Philippines – so that population growth will peak in the foreseeable future. The five countries studied have been important labour reservoirs for richer economies, but may cease to be so between about 2025 and 2050. This could mean a decline of migration or even reverse flows in the future – or it could take the form noted in Mexico: depopulation of rural areas to the point where future development is blocked.

Demography is always just one side of the migration picture. Why have the economies not grown fast enough to offer jobs to the new entrants? All five country studies note blocked or uneven economic development. In the cases of India and Mexico, reference is made to the failure of past strategies of import-substitution industrialization (that is the attempt to develop national industry behind tariff barriers). In India this strategy created a large state sector and high levels of regulation, causing stagnation, low growth, low exports, poor wages and lack of jobs for both skilled and unskilled workers. In Turkey state inefficiency, political and ethnic conflict, poor infrastructure and corruption had similar effects. In the 1960s, the Philippines were widely expected to be on the brink of “economic take-off” due to its high levels of education and good international connections. This hope was dashed by a mixture of dictatorship (the Marcos regime), political instability and lack of foreign direct investment (FDI) – the last being probably a result of the previous factors.

More recently, the neo-liberal “Washington Consensus” strategies of liberalization of capital and commodity markets, privatization of industry and services and reductions in social expenditure have led to some degree of economic stabilization, but have not created enough jobs. On the contrary, structural adjustment can itself be a factor reducing employment and encouraging emigration (Adepoju, 2006). The Mexican chapter notes that the introduction of the North American Free Trade Agreement (NAFTA) has been the basis for a neo-liberal integration of the Mexican and US economies – to the exclusive benefit of the latter. The **maquiladora** system of siting plants producing for the US market just inside the Mexican border has put low-cost Mexican labour at the service of US companies without doing anything to reduce northwards migration.

Thus the political economy of emigration has been rather similar. Three of the five countries had experienced direct colonial control: India by Britain, Morocco by France and Spain, the Philippines also by Spain and the USA. Two had been subject to powerful semi-colonial influences: Mexico by the USA from the 19<sup>th</sup> century, Turkey by European powers, especially Germany, Britain and France, from the early 20<sup>th</sup> century. In the post-1945 period, the five countries have experienced economic domination in the successive forms of neocolonialism, multinational control of agriculture and industry, and, most recently, globalization. The results have been uneven development, impoverishment of certain groups, rural-urban migration and onward migration to industrial countries.

In some of the countries, politics has played an even more direct role. In the 1960s and 1970s, the Moroccan monarchy saw emigration as a safety valve for discontent, especially among the Berbers (who make up a large share of the Moroccan population). As de Haas points out (in this volume) most emigration was from the eastern part of the Rif Mountains

and other predominantly Berber regions. The Marcos dictatorship in the Philippines started a systematic labour export programme partly in the hope of reducing discontent with the predatory character of the regime and its inability to improve living standards for the masses. Turkish emigration was partly linked to both political and ethnic conflict. In the 1970s and 1980s, many emigrants were seeking to escape successive military regimes and their crackdown on labour unions and democratic organizations. From the 1990s, many of the emigrants and asylum seekers were ethnic Kurds, seeking refuge from the violence and persecution of the conflict between the Turkish state and Kurdish nationalists.

## Migration and Social Transformation

Before talking about **migration and development**, it is necessary to question the very notion of development, which in its constant repetition by governments and international agencies seems to have taken on the character of a common sense statement that needs no explanation or justification. Development is often tacitly equated with positive change in the teleological sense of emulation of successful western models of economic growth, together with the social and political institutions and values that appear to have underpinned these. But it is often forgotten that the precondition for industrial revolutions in Europe and North America was the forced transfer of resources from the rest of the world in the colonial era. Control of labour resources and the ability to move these where they were needed for capital accumulation were crucial aspects of modernization.

The factors driving migration are thus part of the broad processes of **social transformation** that have affected the societies of Africa, Asia and Latin America, as they have been drawn into the world economic and political system created by the cultural and technological domination of western Europe and North America since the 16<sup>th</sup> century (Castles, 2007). The stages of this process have included colonialism, imperialism, decolonization and neocolonialism and now globalization. A necessary precondition for the development of the North has been the **underdevelopment** of the South through the transfer of crucial resources to the former. Control of southern labour by northern states and employers has always been part of this transaction, whether in the form of slavery, forced labour in plantations or recruitment for mines (Rodney, 1972). The transfer of labour power and skills to the rich countries through labour migration is the latest form of development aid by the South to the North, so one may wonder why it is portrayed by states and international agencies as an important factor in the development of the countries of origin.

It seems therefore more appropriate to analyse migration as part of the broad social transformation processes that affect all societies (both North and South) in the epoch of accelerated global integration. People emigrate because the social transformation of their countries of origin radically changes their conditions of life and work, while parallel transformations of destination countries create demand for labour. In turn migration becomes a factor in the relationships between societies and in further changes within them. Such processes of change are too complex to be subsumed into the notion of development, especially as they are multi-dimensional and may well have negative outcomes for many of the people involved. At the very least, it is always important to ask "what is the real content

of development” and “how does it affect various social groups”? In this chapter, the term development cannot be avoided, for it is constantly used in discourse, but it is important to remember the need for deeper-going analysis and broader-based action. If migration is to benefit the countries of origin, important conditions must be met with regard to fair exchange, safeguarding of human rights and transfer of resources back to migrants’ homelands.

Globalization and social transformation lead to new forms of labour market incorporation at various spatial levels. Penetration of southern economies by global capital causes the restructuring of production processes, in which some groups of producers are included and experience higher incomes, while other groups find their workplaces eliminated and their skills devalued. Subsistence agriculture declines, while market-driven cash crop production requires considerable capital inputs, leading to the concentration of land ownership in the hands of large farmers (who themselves become dependent on multinational agribusiness giants). Displaced rural workers migrate to the towns, fuelling the burgeoning mega-slums of Africa, Asia and Latin America. Low wages and lack of real jobs make life precarious and risky for these new town-dwellers. In many cases, impoverishment is compounded by the corruption, violence and repression of weak and dictatorial regimes. The failure to incorporate rural-urban migrants into urban labour markets and societies leaves cross-border migration as an obvious way out.

Much of this is south-south economic migration: e.g. Egyptians and Moroccans to oil-rich Libya, Mozambicans to South Africa or Filipinos to Malaysia. Another part is regional forced migration in search of protection: e.g. Burundians to Tanzania, Tibetans to India, or Colombians to Venezuela. Much of the migration involves “mixed motivations” – people fleeing persecution **and** seeking economic improvement. However, an increasing proportion is South-North migration. This can be regional or global in scope. Regional labour markets are significant for Mexico, with migration predominantly to the big northern neighbour; for Morocco, whose workers used to go mainly to France, Belgium and the Netherlands, and more recently to Spain and Italy too; and for Turkey, with past major movements to Germany and the Netherlands and smaller ones to Belgium, France and Switzerland, and current mobility to the Gulf oil states, Russia and some Central Asian countries.

By contrast, Indian and Filipino emigrants are dispersed globally to many destinations. Highly skilled Indians go mainly to the USA, but also to Canada, Australia, the UK and other European countries. The lower-skilled go mainly to the Gulf, but also to Europe, Japan, Singapore and Malaysia. Migrants from the Philippines are to be found in all highly developed countries, but also in the Gulf, the new Asian industrial countries and Japan. Filipina domestic workers are ubiquitous while Filipino seafarers crew ships sailing under many flags. As the Philippines study (in this volume) points out, officials in that country proudly portray it as the “producer of workers for the world”.<sup>2</sup>

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<sup>2</sup> In the Moroccan study, de Haas draws attention to the “migration systems approach” as a way of analysing international migration (see also Kritz et al., 1992). Without going into detail here, that approach seems to fit best to the regional systems affecting Mexico, Morocco and Turkey. It is harder to apply where migrants from one source are as widely dispersed as Indians and Filipinos. However, a detailed analysis of specific components of these migrations – e.g. Indian IT professionals in California or Filipino medical personnel in the UK or Filipina entertainers in Japan – might well benefit from the migration systems framework.

## Migration History

Only about 3 per cent of the world's population are international migrants, but migration is uneven: certain countries have become major sources of emigrants. What makes a country into a labour reservoir for the developed countries? In most cases, this is not a sudden change, but rather the culmination of long historical processes. Migration is not a new phenomenon: all the countries dealt with here had pre-modern patterns of temporary mobility for agricultural, trade, cultural and religious purposes, and of more permanent movement as a result of warfare, environmental factors or economic change. However, it was colonialism that paved the way for modern migratory movements. The colonial rulers made India into a major source of indentured workers and soldiers for the rest of the British Empire in the 19<sup>th</sup> century (Cohen, 1995). Moroccan migration to France was started by colonial recruitment of soldiers and labourers for the First World War. US employers recruited plantation labourers for Hawaii in the Philippines from the early 20<sup>th</sup> century. Mexico in its modern form is itself a product of the colonization of the New World. More recently, the Mexican study draws attention to a succession of phases of "neocolonial migration" based on US economic dominance since the late 19<sup>th</sup> century.

Turkey is something of an exception here: in the Ottoman period it was an immigration area, attracting both economic migrants (like Genovese merchants) and persecuted religious minorities. These included Jews expelled from Spain from 1492 onwards, and then, in the 19<sup>th</sup> century, Muslim groups fleeing to the "heartland" of the Empire as Ottoman power declined. The establishment of the Turkish nation-state after WWI led to immigration of ethnic Turks and Muslims from the surrounding region. Large-scale labour emigration did not start until the 1960s, and was a result of state action, in the form of efforts of the German and Dutch labour market authorities to recruit workers, and the eagerness of the Turkish government to find a palliative for unemployment. This points to the double-sided causality of contemporary labour migration. Indian migration to Britain was a result both of lack of opportunities in the country of origin and strong demand for labour for the still important manufacturing industries of the UK in the 1950s and 1960s. The Indian brain-drain in this period also resulted from this combination of poor prospects at home and demands for specialists in developed countries.

Similarly, Mexican migration to the USA got underway during and after WWII as a result of the **Bracero** programme, introduced by US authorities to meet employers' labour demand for large-scale agriculture. Moroccan migration to western Europe was started by labour recruitment to France, following old colonial patterns, quickly joined by "guestworker" recruitment for the Netherlands, Belgium and Germany. Philippine labour migration seems to have received an initial impetus from government policies, but then became a self-generating process in which strong labour demand, the good reputation of Filipino workers and the continuing lack of jobs at home worked together.

Again this points to a pattern: however movements started, they tended to become self-sustaining, due to a combination of employer demand and structural dependence on foreign labour in receiving areas, and expectations of mobility in sending communities (i.e. "cultures of migration"). An important role in sustaining migration was played by emerging migrant

networks, which made it easier for new migrants to follow established migration routes, find jobs and get housing. These were to form the basis for what are now known as “transnational communities” – groups of people who live across borders and have important affiliations in more than one society. (Portes et al., 1999; Vertovec, 2004). As migration became a long-term feature of relations between more and less-developed economies, it often changed in form. Most importantly, labour migration tended to lead on to family reunion and permanent settlement. Often this went against the objectives of labour-importing countries (Castles, 2004). Measures taken to restrict migration often had unexpected results: when Germany and France stopped recruitment from Turkey and Morocco in the 1970s, this led a shift from labour flows to family reunion and – in the case of Turkey and Germany – asylum seeker flows. Similarly, the effect of the militarization of the US border since 1994 has been to turn Mexican sojourners into permanent settlers.

## Characteristics of Migration

This section summarises some main characteristics of the migratory flows and the migrants. More detail is to be found in the country studies.

### Volume

Twenty to 25 million Indians are estimated to live outside the country – a large number but only about 2 per cent of India’s huge population. The total includes overseas-born descendents of previous emigrants. Figures seem rather vague, but it is generally believed that there are over 10m Non-Resident Indians (NRIs – emigrants with Indian citizenship) as well as more than 10m Persons of Indian Origin (PIOs – first and subsequent generation persons of Indian origin, who have taken an overseas citizenship). The current annual outflow is put at about half a million.

The overwhelming majority of Mexican emigrants are in the USA, where they make up the world’s largest diaspora – an estimated 26.6m people of Mexican origin, of whom about 10m were born in Mexico (nearly 10% of Mexico’s population). The diaspora includes people with Mexican citizenship, those with US citizenship and those with dual citizenship. The average annual Mexico-USA flow is put at 400,000.

Morocco is North Africa’s largest emigration country, with about 2.6m migrants in Europe and 0.5m elsewhere – equivalent to about 10 per cent of the country’s population. The annual outflow is estimated at about 100,000.<sup>3</sup>

The Philippines have about 8m people abroad – again close to 10 per cent of the population. Nearly 1m overseas contract workers (OCWs – i.e. temporary labour migrants) leave to work overseas each year.

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<sup>3</sup> Personal communication from Hein de Haas, September 2005.



Nearly 4m people originating in Turkey live in western Europe (of whom 2.5m are in Germany). About 1.3m people of Turkish origin are thought to have become European Union (EU) citizens – although many of these may have dual citizenship. (In terms of ethnicity, a sizeable though not precisely known proportion are of Kurdish background.) Other (mainly temporary) labour migrant groups are to be found in the Gulf states. Thus the equivalent of 5 to 6 per cent of the population of Turkey is emigrant. However, current outflows are fairly small and may well be exceeded by transit and immigration flows to Turkey.

## Types of Migrants

The great majority of emigrants from all five countries have been economic migrants in search of better livelihoods. However, movement of refugees and asylum seekers has been important for Turkey – and remains so today with ethnic Kurds still seeking asylum. Recently, some Muslims have fled the southern Philippines as refugees, mostly to Malaysia.

Within the category of economic migrants there is considerable diversity. Highly skilled Indians – engineers, IT specialists, scientists, managers, etc. – go mainly to the USA and other rich countries, while lower-skilled Indians go mainly to the Gulf. Many highly skilled Filipinos find employment in the USA and Europe – often experiencing occupational downgrading (e.g. from doctor to nurse) in the process. Filipina domestic workers often have quite high educational qualifications, which are wasted in their low-level jobs abroad. Filipinos with middle-level and technical skills find work in construction, processing industries and other sectors in the Gulf. However, most Filipino OCWs move to low-skilled jobs in a wide range of sectors, including seafaring. Most Mexican, Moroccan and Turkish migrants have been employed in relatively unqualified jobs. Since many Mexicans and Turks have vocational skills, this has often involved de-skilling, particularly where movements take place in an irregular way, as between Mexico and the USA. More recently, there has been a trend towards more highly skilled migration from all these countries – although it is still relatively small compared with lower-skilled migration.

Family reunion makes up an increasing share of emigration. In Europe, unplanned settlement and family reunion from the 1970s led to a demographic normalization of Turkish and Moroccan populations. Today, as the Turkish and Moroccan chapters point out, much migration is for family **formation** rather than **reunion**, as second generation migrants of Turkish and Moroccan origin seek spouses in the ancestral homeland. In the Mexican case, the tightening of border control starting with Operation Gatekeeper in 1994 turned many undocumented temporary labour migrants into permanent settlers, who brought along their spouses and children. Most highly skilled migrants move through special migration categories that give privileged rights to family reunion. This does not apply to the lower skilled, and most Indian and Filipino workers in the Gulf or the new Asian industrial countries have no chance of bringing in their families.

## Gender

The Turkish and Moroccan guestworker migrations to Europe in the 1960s and 1970s were predominantly male, but there were always also some women recruited as workers, for instance for clothing and food-processing industries. Similarly, most current Moroccan migration to southern Europe and Indian, Filipino migration to the Gulf is male-dominated. In all cases, though, female labour migration has grown, partly because of the increasing demand for labour in such female-dominated occupations as domestic work, nursing and other care, and entertainment. Some of the female migration takes the abusive form of trafficking for the sex industry. Philippine migration has become highly feminized, with women making up the majority of new labour migrants. For all the countries, family reunion movement of women and children has made a major contribution to normalizing gender balances within migrant populations.

## Documented and Undocumented Migration

Undocumented (also known as irregular or illegal) migration seems to be on the increase due to the combination of tighter controls and continuing demand for labour in receiving countries. Most labour flows have started off through recruitment by governments, employers and agents – this applied to Turkish and Moroccan guestworkers, Indian and Filipino lower-skilled workers and even to Mexican **braceros** if one goes back far enough. In all these cases, except Asian labour migration to the Gulf, abolition of legal recruitment systems by the governments of the USA and western Europe led to enduring processes of undocumented migration. New migration flows from North Africa to southern Europe have been mainly spontaneous and undocumented, often followed by legalization through amnesties. Highly skilled migration, on the other hand is mainly documented, due to international competition for scarce human capital.

## Situations in Receiving Countries

Although mainly concerned with emigration and development, the country chapters give some information on the situation of migrants in receiving countries. Highly skilled Indian workers in western countries and the Gulf enjoy high living standards. This is sometimes matched by high social prestige, but not always, as Indian professionals may be subject to discrimination on grounds of national origins or race. It is hard to generalize about Filipinos, because of their broad diffusion and diversity. Women in particular experience exploitation and abuse in domestic work and similar sectors. Seafarers often have low wages and poor conditions. Moroccans in Europe are subject to low socio-economic status, poor conditions and social exclusion. On the other hand, they have become a significant economic and social factor in the Netherlands and France. The same applies to Mexicans in the USA.

The Turkish chapter provides the most detail. It finds predominantly low socio-economic status and high unemployment, as well as growing self-employment in the Netherlands and Germany. Education attainment is low on average, but with some trends to improvement

for the second generation. Turks in Germany and the Netherlands experience high levels of residential segregation and social exclusion. Overall there is strong evidence of links between ethnicity and class, so that many Turks can be seen as part of a doubly-stigmatized lower social stratum. The practice of second generation immigrants seeking marriage partners in the country of origin seems to reinforce fears of “non-integration” on the part of host populations. Such fears have been linked to new security concerns following Islamist terror attacks, through which all Muslims have come to be seen with suspicion by receiving states.<sup>4</sup>

## Migration Transitions

As Table 1 shows, four of the five emigration countries are not amongst the world’s poorest. Mexico has reached the World Bank’s “upper middle” income group, while Turkey, Morocco and the Philippines are considered to be lower-middle income countries. Only India is considered a “low income” country, but is not one of very poor countries with per capita incomes of less than US\$ 500 a year (most of which are in Sub-Saharan Africa). These are crude figures that say nothing about income distribution (which is very uneven in all the countries), but they do reflect the fact that migrants come mainly from countries already caught up in a process of economic and social transformation.

**Table 1**  
**Gross National Income (GNI) per capita 2005**

Country	Rank (out of 208 countries and territories)	GNI per capita in US\$	World Bank income group
Mexico	71	7,310	Upper-middle
Turkey	86	4,710	Lower-middle
Morocco	129	1,730	Lower-middle
Philippines	138	1,300	Lower-middle
India	159	720	Low

Note: This table is based on the World Bank’s “Atlas Methodology”. For explanations of this and the alternative “Purchasing Power Methodology” see the source document.

Source: (World Bank, 2006c).

Migration has been both a result of such changes and a cause of them. Social scientists have developed the notion of a “migration transition” to analyse such shifts (Zelinsky, 1971).<sup>5</sup> At the beginning of the process of modernization and industrialization, there is frequently an

<sup>4</sup> More generally, there are signs of a general crisis of integration policies of all kinds in Europe: French assimilationist policies have given rise to high levels of segregation and exclusion of second generation youth, leading to the widespread riots of autumn 2005; British multiculturalism did not foster socio-economic equality for young people of South Asian origin nor prevent the alienation which was behind the bombings of 7 July 2007. The Netherlands has abandoned a long tradition of cultural tolerance to adopt draconian measures to control entries and force immigrants to conform to Dutch values. Sweden has both residential segregation and high unemployment of immigrants, despite its highly-developed welfare system.

<sup>5</sup> See also the chapter on Morocco by Hein de Haas in this volume.

increase in emigration, due to population growth, a decline in rural employment and low wage levels. This was the case in early 19<sup>th</sup> century Britain, just as it was in late 19<sup>th</sup> century Japan, or Korea in the 1970s. As industrialization proceeds, labour supply declines and domestic wage levels rise; as a result emigration falls and labour immigration begins to take its place. Thus industrializing countries tend to move through an initial stage of emigration, followed by a stage of both in-and outflows, until finally there is a transition to being predominantly a country of immigration (Martin et al., 1996: 171-2). A more recent concept used to describe this pattern is the “migration hump”: a chart of emigration shows a rising line as economic growth takes off, then a flattening curve, followed in the long run by a decline, as a mature industrial economy emerges (Martin and Taylor, 2001).

Is it appropriate to speak of a migration transition or hump in our five case study countries? India is still not experiencing broad-based economic development, while emigration is too low relative to population to have marked effects. India does have limited immigration, both of low and semi-skilled migrants, and of refugees from Nepal, Tibet and Bangladesh, but cumulating in numbers that have often caused social and political concerns. The Philippines too, in the absence of rapid and sustained economic development, remains predominantly an emigration country. Mexico has increasing transit migration mainly of Central Americans and Caribbeans seeking to enter the USA via Mexico. Some of them are staying on in Mexico, but emigration remains the dominant type of flow, and it seems too early to speak of a migration transition.

Morocco, on the other hand, may be on the verge of a migration transition. This reflects improvements in economic performance and governance. Emigration remains high, but transit migration of sub-Saharan Africans seeking to enter Europe has grown rapidly. Many transit migrants become stranded: unsuccessful in their attempts to get to Spain or Italy and unable to return home, they remain in Morocco. In addition an increasing number of sub-Saharan migrants are interested in seeking opportunities in North Africa (for instance in Libya, Egypt or Morocco itself). Sub-Saharan migrants who remain in Morocco are considered illegal residents by the authorities and their economic situation is often very poor – although some manage to find niches in the informal economy. Economic development is still at an early stage, and the number of long-term immigrants is still too small to come to definite conclusions about an impending migration transition.

In Turkey, on the other hand, the migration transition seems well advanced. This reflects economic growth, political reform and institutional modernization linked to the negotiations for accession to the EU. Emigration has declined sharply, transit migration – both economic and forced – has increased, and Turkey has become a destination for economic migrants from eastern European and former Soviet countries (including Moldova, Georgia, Armenia and Bulgaria).

## **The State and Emigration**

To what extent has emigration been state-led? And how much do states do today to manage emigration and to protect their citizens abroad?

## Emigration Policies

In four of the five countries, the state played a key role in initiating labour export: Morocco and Turkey worked with the authorities of receiving countries in the 1960s and 1970s to organize recruitment, select workers and often to ensure political control. The motivations were to export both unemployment and political dissent, and to secure remittances and skills for future development. The Philippines government under President Marcos also initiated a policy of labour export for similar reasons, although perhaps more with the objective of compensating for lack of development at home than bringing it about. The Mexican state worked with its US counterpart in running the **Bracero** programme. When this was unilaterally stopped by the US government, Mexico, according to the country study, moved to “a policy of no policy”, which meant looking on as undocumented migration grew. India by contrast had no overseas employment policy at the start of recent emigration.

More recently, all the states seem to have shifted towards what the Indian chapter calls a “developmental paradigm”. This means emphasizing the benefits of remittances and other hoped-for effects of migration, like skills transfer, and seeking ways to maximize them. Where emigration is very large, it can come to be seen as a key factor in the national economy. In the case of Mexico, this has taken the form of the policy of “remittance-led development”, in which labour export has become the core of national development policy. The Philippine Government too sees labour export a crucial and enduring aspect of economic policy, and seeks to maximize it.

## Institutions

With perceptions of the growing national importance of emigration, states have introduced institutions to manage it. In 2004 India set up a Ministry of Overseas Indian Affairs (MOIA), which incorporated the long-standing Protectorate of Emigrants. An Overseas Indian Workers Welfare Fund was established, while the Education Department reserved university places and scholarships for PIOs and NRIs. Mexico set up an Institute of Mexicans Abroad within its Department of Foreign Affairs, designed to strengthen emigrants’ ties to their homeland, as well as to support education and health programmes.

Up to the 1980s, the Moroccan government was mainly concerned with maintaining political control over its workers abroad, for instance by keeping them away from left-wing trade unions. The Moroccan consulates worked with the secret service to set up migrant associations known as *amicales*. Policies changed in 1990 with the establishment of a Ministry for Moroccans Abroad (incorporated in 1997 into the Ministry of Foreign Affairs). The Fondation Hassan II was set up to support cultural and social activities among migrants, while the Banque Al Amal was to encourage migrant investments and economic projects. Turkey’s *Diyamet*, a government institution responsible for religious affairs, supported religious associations in Germany and the Netherlands. The Turkish Ministry of Labour and Social Security set up a Directorate General of External Relations and Services for Workers Abroad.

The Philippine government devised a comprehensive institutional structure to manage emigration. The Overseas Workers Welfare Administration (OWWA) was set up in 1977 to foster the welfare of migrants and their families left at home. A Commission on Filipinos Overseas (CFO) was established in 1980 to promote the interests and well-being of emigrants – it was transferred from the Department of Foreign Affairs to the Office of the President in 2004. Its purpose is to nurture the ties between emigrants and the Philippines. A third major institution is the Philippine Overseas Employment Administration (POEA) within the Department of Labor, which recruits and selects OCWs, as well as processing their documents and contracts, and providing pre-migration orientation courses. It is also responsible for licensing and regulating recruitment and placement agencies.

## Protecting Citizens in Transit and Overseas

Highly skilled workers often need little special protection, since possession of human capital gives them bargaining power in international labour markets, as well as access to professional legal services. The situation is very different for lower skilled workers: a global surplus of jobseekers puts the market power in the hands of the governments and employers of the labour-importing countries. Nonetheless, sending-country governments do take measures to try to protect their citizens abroad – often in response to pressure from migrant associations and other civil society organizations. For instance the Migrant Workers and Overseas Filipino Act of 1995 was a direct result of political mobilization at the time of the Flor Contemplacion case. This law, designed to protect Filipinos abroad, is summarized by Asis (in this volume). Other sending countries have also introduced legal measures, such as registration and regulation of agents (as in India) and steps to prevent trafficking and exploitation of women and children. Mexico has set up a service called *Grupo Beta* to protect migrants – even undocumented ones – from criminal activities when they try to cross the border; this includes rescue activities in cooperation with police on both sides of the border. Mexico also has a *Programa Paisano* to “alleviate the abusive treatment, extortion, robbery or other forms of corruption committed by public authorities when Mexican migrants return to their nation” (Delgado Wise and Covarrubias in this volume).

The most difficult problem for sending states is establishing effective arrangements to protect workers abroad. This is generally the task of foreign affairs departments, which appoint labour attachés and welfare officers at their consulates in labour-importing countries. However, their ability to assist workers in dispute with employers or otherwise in difficulties is limited by the frequent unwillingness of the authorities of receiving countries to cooperate. Further constraints include shortage of resources, lack of training, and social distance and lack of trust between officials and migrant workers.

## International Legal Instruments

In the guestworker period, a series of bilateral agreements were concluded between labour-recruiting and supplying states: e.g. Germany and the Netherlands with Turkey and Morocco. These agreements regulated recruitment, employment conditions and social

security entitlements. Although they were often rather restrictive of worker rights, they did provide a legal residential and employment status and some protection to workers. Such agreements were unilaterally terminated by the receiving states in 1973-4. In more recent waves of labour migration, receiving states have on the whole been unwilling to conclude such agreements, apparently because they saw no need to make concessions to migrant workers and their countries of origin on rights and entitlements.<sup>6</sup>

Attempts have also been made to introduce international legal instruments to safeguard the rights of migrant workers. The most important are *International Labour Organization (ILO) Conventions No. 97 of 1949 and No. 143 of 1975*, and the *United Nations Convention on the Rights of Migrant Workers and Members of their Families of 1990*. These instruments could do a great deal to improve the situation of migrants at every stage of the migratory process – if states were willing to sign and implement them. Unfortunately, that is not the case. The most important instrument, the 1990 United Nations Convention, did not come into force until 2003, because few states were willing to ratify it. Even today, only 34 states have signed up – almost exclusively emigration countries. The reluctance to move towards global governance of migration is essentially due to the fear of labour-recruiting countries that regulation will increase the costs of migrant labour and put social obligations on receiving countries.

## Recognizing the Diaspora

With growing understanding of the potential economic contribution of emigrants, governmental and public attitudes have changed. In the past, emigrants were often seen as deserting their home country by going to work elsewhere. Now they have been redefined as “angels of development” (India) or *bagong bayani*, the country’s new heroes (Philippines). The Moroccan government now speaks of “Moroccan Residents Abroad” and sets out to court the diaspora. Indian migrants and their descendants are seen as “transnational or global Indian citizens”. The Turkish government appointed a Parliamentary Commission to report on Turks abroad in 2003, and now argues that integration into host societies is not incompatible with Turkish national identity. During German Chancellor Angela Merkel’s visit to Turkey in 2006, the Turkish Prime Minister Tayyip Erdogan re-iterated his strong support for the integration of Turkish immigrants into their host societies. Philippine measures to enhance the symbolic recognition of emigrants include presidential visits to communities overseas, the celebration of “migrant worker days”, the introduction of the *balikbayan* (returnee) status to provide special rights (e.g. funds transfer, import of goods, reduction of import duties) for overseas Filipinos, and a “Miss Overseas Philippines” beauty contest open to young women of Philippine origin – even if they are no longer citizens (see Asis in this volume and Aguilar, 1999). It is unclear how migrants themselves see this sudden enhancement in prestige. In the past, many migrants have been quite mistrustful of the state, especially where authoritarian regimes have sought to control their political and trade union activities. The growing cooperation between migrant associations and states (see below) is indicative of change on both sides.

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<sup>6</sup> There are some exceptions to this, which cannot be discussed in detail here. The most significant are the rather limited temporary migrant labour programmes introduced in Germany since the early 1990s (see Castles, 2006).

## Rights for Citizens Overseas

The most significant way to recognize the diaspora is to include them in domestic political processes by permitting dual citizenship and allowing nationals abroad to vote. All five countries show trends in these directions. In 2006 India introduced the right to dual citizenship for PIOs in all countries except Pakistan and Bangladesh (this is due to historical reasons connected with the partition of India after 1947). Voting rights for Indians abroad were also introduced. Khadria (in this volume) notes that dual citizenship is mainly relevant for highly skilled emigrants in the USA, Canada, Australia or the UK, who take on the citizenship of those countries, while overseas voting rights are most significant for lower-skilled Indian workers in the Gulf.

Mexico introduced dual nationality for Mexicans abroad in 1996, but this did not encompass voting rights. Such rights were introduced for presidential elections in 2005, with provisions for postal voting from abroad. However it seems that relatively few of the estimated 4.5 million potential voters actually registered for the 2006 presidential elections. This may have made a significant difference, but it is not clear whether the lack of voter registration was due to bureaucratic obstacles or other factors. The King of Morocco announced in 2005 that migrants would henceforth be allowed to vote and to be elected to parliament, and that a Council of Moroccans Abroad would be established to advise the government. The Philippine government introduced both dual citizenship and the right to vote for Filipinos abroad in 2003.

The case of Turkey is more complicated, due to the concentration of emigrants in Germany, a receiving state still unwilling to accept dual citizenship. A 1981 amendment to Turkish Nationality Law permitted dual citizenship, but most Turks abroad could not take advantage of this, due to restrictions in Germany. In response, there were further changes to Nationality Law in 1995: a “pink card” was introduced to confer “privileged non-citizen status” on former Turks abroad; this includes rights to own property and run businesses in Turkey – but not to vote.

## Migrant Associations

In the context of state efforts to recognize diasporas and to enhance their participation in national development, migrant associations take on a new importance. Their roles can vary, depending on the circumstances:

- To support and assist migrants both during emigration and on return;
- To mobilize migrants to campaign for improvements in their rights and conditions, and against repressive or discriminatory measures;
- To work with states to enhance the contribution of diasporas and returnees to development.



In the five country studies, the emphasis was mainly on the last of the three roles, although the other two were not ignored. The Indian chapter described the proliferation of associations, especially among highly skilled migrants in the USA. Indian associations overseas are based on criteria of region, language, caste and religion. There are also occupation-specific associations for professionals and students that support development efforts, as well as umbrella organizations that seek to link all the others together. Khadria (in this volume) notes over 1000 US-based Indian associations, some with branches in Canada as well. Similar associations are to be found in Europe and the Gulf. Certain associations set up and run schools for the children of Indian migrants.

Mexican associations are very strong in the USA. Many are based on regional or linguistic links, while others are linked to trade unions or religious groupings. Of special importance are the hometown associations, which come together for social and cultural reasons and mutual aid, but have also become important development actors by collecting money to invest in community projects in the hometown. Delgado Wise and Covarrubias (in this volume) speak of a “new social subject: the collective migrant”. They note the existence of 623 hometown associations covering 9 per cent of emigrants. They also draw attention to the lively Mexican media in the USA, with 300 radio stations, 700 newspapers and many TV stations. These associations and media organizations played an important part in the unprecedented mobilization of Mexican migrants in the USA in early 2006 against proposals for legislation designed to reduce migrant rights and further militarize the US-Mexico border.

Moroccan migrant associations have grown significantly in recent years, reflecting the general trend towards political liberalization and the emergence of a stronger civil society. Avci and Kirisci (in this volume) point to the recent expansion of Moroccan associations in the Netherlands, where there is now one Moroccan association for every 462 Moroccan-origin people. *Migrations et Développement* associations are increasingly significant in France and Morocco, and now receive financial support from the Moroccan government.

The Philippines has a strong civil society sector, with many non-governmental organizations linked to the Catholic Church, to trade unions and to political parties. Advocacy groups concerned with migration appear to have significant influence on the Philippine state, while associations concerned with welfare, migrant rights and women’s issues are important in countries with Filipino migrant populations.

Turkish migrant associations are numerous, but also very diverse, reflecting political, religious, generational and social divisions in Turkey and within migrant populations. Avci and Kirisci (in this volume) point out that Turkish associations may have very different attitudes on religious and political matters concerning the homeland, yet work together on issues connected with conditions or policies in the host country. In the Netherlands, there is one association for every 291 Turkish residents, while Turkish newspapers and television also have a strong presence. The strength of Turkish groups appears to be partly due to host government policies that support minority associations. On the other hand, host populations sometimes see migrant associations as a sign of non-integration.

## Migration and Development

Recent international (GCIM, 2005) and national (IDC, 2004) reports stress the potential benefits of migration for development, laying special stress on the role of economic remittances in improving livelihoods, increasing demand and stimulating production (Carling, 2006).<sup>7</sup> Other major development benefits are thought to lie in technology transfer and the return of the highly skilled, and “social remittances” – the transmission of knowledge and development-friendly attitudes to countries of origin by migrants and returnees. The most recent debates on the development benefits of migration focus on the role of diasporas as potential partners for development. The five country studies examine these issues, pointing to positive development effects of migration, but also to potential negative effects.

### Economic Remittances

The transfer home of migrant earnings and savings is generally seen as the most important positive effect of migration for the countries of origin. According to the World Bank’s review of 2004 data, India was the world’s top remittance receiver, followed by China and then Mexico. Philippines ranked 5<sup>th</sup> and Morocco 10<sup>th</sup>, while Turkey was not amongst the top 20 receivers (World Bank, 2006a: 90).

**Table 2**  
**Remittances and Gross Domestic Product (GDP) 2004**

Country	Remittances: US\$ billions	Total GDP US\$ billions	Remittances as percentage of GDP
India	21.7	695	3.1
Mexico	18.1	683	2.7
Philippines	11.6	90	11.8
Morocco	4.2	50	8.1
Turkey	1.7	240	0.5

Note: All data is for 2004, except for Turkey, for which both remittances and GDP are 2003.

Sources: For remittances: (World Bank 2006a) except for the Turkish figure which is for 2003 and comes from Gamze and Kirisci (in this volume); GDP: (World Bank 2006b).

As Table 2 shows, remittances make a very large relative contribution to GDP in the Philippines (11.8%) and Morocco (8.1%). For India and Mexico, remittances account for a smaller but still significant share of GDP, while for Turkey the share is quite small. The country studies draw attention to the significance of remittances, but also to problems they sometimes bring. In the case of India, remittances make an important contribution to the balance of payments. In areas of migrant origin, they are a major factor in poverty reduction. For instance, remittances make up 10 per cent of GDP in Kerala (Khadria in this volume).

<sup>7</sup> Further important initiatives in this area include the meeting of high officials from 57 African and European States in Rabat in July 2006, which was concerned with finding policies to enhance migration management, though a combination of tighter border control and development assistance (Noll, 2006); and the UN General Assembly High Level Dialogue on Migration and Development in New York in September 2006 (see <http://www.un.org/esa/population/hldmigration/>).

But remittances do not necessarily contribute to development: they can lead to ostentatious consumption and actually drain development potential. Moreover, Khadria draws attention to important knowledge gaps on the development effects of remittances.

In Mexico too, remittances have grown rapidly and are an important contributor to the balance of payments. They have become vital for economic and social stability, by mitigating poverty. However, the control of flows by Western Union and other US financial corporations leads to a new form of dependence. Delgado Wise and Covarrubias (in this volume) argue that the migration relationship has become an important mechanism that reinforces Mexican economic dependency on the USA; they see the remittance led-model as a “perversion of the idea of development that offers no prospects for the future”.

The Moroccan study also points to the important role of remittances for the balance of payments and for poverty alleviation, and notes that remittances are primarily used for consumption rather than investment. However, De Haas (in this volume) argues that remittance-driven consumption expenditure and “non-productive” investments in housing, health and education have created substantial employment among non-migrants and may, therefore, be an indirect form of productive investment. In addition, the growth of tourism, which is important for the Moroccan economy, is partly linked to the temporary or permanent return of migrants.

Remittances to Turkey have declined from a peak of US\$ 5.4bn in 1998 (which covered 37% of Turkey’s trade deficit), to US\$ 1.7bn in 2003 (equivalent to 8% of the trade deficit). The decline has probably continued since, and is caused by falling emigration and the permanent settlement of earlier migrants in Western Europe. This is not surprising in view of Turkey’s migration transition, as mentioned above. In the last 40 years, remittances have improved incomes in emigration regions, but past government attempts to use them for industrial investment have largely failed.

## **Social Remittances**

The social remittances are defined by Peggy Levitt as “the ideas, behaviours, identities and social capital that flow from receiving- to sending-country communities” (Levitt, 1998: 926). If optimistic stories come back to the home community about the low risks and considerable benefits of moving to higher-wage economies, this can encourage more people to move. This leads to the development of a “culture of emigration” in which spending a time working abroad becomes a normal “rite of passage” for young people. The case studies of Mexico, Morocco and the Philippines refer to this phenomenon. The other side of the picture is the effects on the community of origin. The Indian, Moroccan and Turkish studies all mention that migration has been a force for change in sending areas, through the transfer of attitudes conducive to change and development. On the other hand, the absence of young men and women in their most productive years can have negative effects on social change and economic growth. The Moroccan study draws attention to the transfer of skills through returning migrants. Of course, as the Turkish study points out, where migrants settle in receiving areas or only return at the end of their working lives, this effect is reduced.

## Mobilizing the Diaspora for Development

The idea that governments and international agencies should work with diasporas, and find ways of reinforcing their development capacities and attitudes has received a lot of attention recently (see GCIM, 2005; IDC, 2004). All the sending country governments have taken measures to achieve these aims.

The Indian Ministry for Indians Overseas supports the Diaspora Knowledge Network, which is designed to connect highly skilled emigrants with opportunities at home. Mexico has set up a mechanism to encourage migrant collective investments in community projects. The *Programa Tres por Uno* (Three-for-One Programme) was established in 1999, based on regional programmes set up since the early 1990s. *Tres por Uno* is administered by the government's Secretariat for Social Development (SEDESOL).<sup>8</sup> Transfers from Mexican hometown associations are matched by equal commitments from municipal, state and federal authorities. Funds are used for projects to improve roads, drinking water, sewage and electricity. In 2004, more than US\$ 50 million were made available in this way. There is also an "Invest in Mexico" programme of the Inter-American Development Bank and Nacional Financiera. Morocco set up the Banque Al Amal in 1989, to encourage legal transfer of remittances and to support migrants' projects. In the Philippines, the Commission for Filipinos Overseas (CFO) supports LINKAPIL (Link for Philippine Development) to mobilize the resources of the diaspora.

Here too Turkey is something of an exception. After the failure of attempts to channel migrant worker remittances into industrial investments in the 1970s (Hönekopp and Tayanç, 1998; Martin, 1991), the Turkish government now seems to concentrate on symbolic and political aspects. The diaspora is mainly seen in terms of maintaining national identity. The mechanism for this is state support for religious, cultural and social activities. Again this difference seems to be linked to the stage of the migration transition that has been reached by Turkey. In addition, the EU dimension has become important: Turkish politicians including the Prime Minister have said that migrants can act as a bridge between Turkey and the EU. The Prime Minister has repeatedly called on Turkish immigrants to integrate and to vote and stand for election in local elections.

## Differences, Similarities, and Convergence

It is now possible to return to the questions posed at the beginning this chapter. The first objective of the chapter was to see if the five major emigration countries shared significant common characteristics so that analysts, policymakers and practitioners could gain insights from the comparison. One way of answering this is by summarizing the differences and similarities in the emigration experience of the five countries, and then discussing the extent of convergence in outcomes, responses and policies at present.

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<sup>8</sup> See <http://www.sedesol.gob.mx/subsecretarias/desarrollosocial/programasdesarrollosocial.htm>

## **The Forces Driving Migration**

Although their population size varies considerably, all the countries share the characteristic of a late demographic transition, which means that they have growing and relatively young populations. Their economies have not grown fast enough to absorb the many young labour market entrants. This is the result of blocked or uneven economic development, which in turn can be linked to past colonial domination and more recently to economic domination by multinational corporations, northern states and international financial institutions. With regard to political factors, the Moroccan and Philippine governments used labour emigration as a way of getting rid of ethnic minorities or political dissidents. In the case of Turkey, many ethnic and political activists sought protection from persecution by fleeing the country. On the other hand, once legal labour migration was stopped, some migrants claimed asylum as a way of avoiding entry restrictions. In more recent years India, Morocco and Turkey have gone a fair way towards shaking off post-colonial economic domination, while the Philippines has made much more limited progress and Mexico apparently very little.

## **Migration and Social Transformation**

Despite differences in geographical situation and historical experiences, there are strong similarities in the political economy of emigration. This is why it is important to analyse migration as part of the process of global social transformation that started with European colonial expansion in the 16<sup>th</sup> century. Mobilization of the labour power of Africa, Asia and Latin America has always been part of this process, whether in the form of slavery, indentured labour or forced labour. Globalization, as the latest stage of social transformation, involves large-scale migration to meet the economic and – increasingly – demographic demands of northern economies. This can involve integration into regional labour markets (in the case of Mexico, Morocco and Turkey) or global labour markets (India and Philippines). In both cases, a key characteristic is differentiation of workers through immigration rules and categories according to human capital, skills and national or ethnic origins.

## **Migration History**

What makes a country into a labour reservoir for the developed countries? The comparison of India, Mexico, Morocco, and the Philippines showed that this was the culmination of long historical processes, especially during the colonial period. Turkey was rather different, since labour emigration did not start until the 1960s, as a result of cooperation between the German, Dutch, and the Turkish states. However, complementarity between economic and political motivations of elites in sending and receiving countries seems to be a frequent feature at the inception of labour migration. Similarly, we find convergence in longer-term patterns: once migratory movements start, they tend to become self-sustaining, even if government policies change. This is due not only to employer demand, but also to the development of migrant networks, which support family reunion and settlement.

## Characteristics of Migration

Migration patterns have varied considerably with regard to volume, timing, the relative importance of economic and forced migration, gender patterns and skills distribution. Emigration has been very large relative to population for Mexico, Morocco and Philippines – around 10 per cent in each case. All five countries have become providers of labour for the rich economies of North America and Europe, and, more recently the emerging industrial economies of East and South-east Asia and the Gulf oil states. With regard to skill levels, Indian migration seems to fall into two large groups: highly skilled migrants in the USA, other developed countries and (to a lesser extent) the Gulf, and lower-skilled workers mainly in the Gulf. Filipino migrants show a wide range of skill levels, while Mexicans, Moroccans and Turks are concentrated in lower-skill occupations. Recently, some highly skilled Moroccans have migrated to the USA, a trend which applies to Mexicans and Turks as well.

States differentiate between migrants, competing for the highly skilled, while trying to reduce entries of lower-skilled workers. This is reflected in living conditions and standards. Highly skilled workers generally enjoy good salaries and conditions (even though they may experience some discrimination and racism). Lower-skilled migrant workers and their families have disadvantaged economic, social and political positions in receiving societies. Often this is compounded by the denial of a range of rights – even to legal guestworkers or OCWs. Undocumented workers are much worse off: denied official permission to enter and work, they can easily be exploited by employers.

Gender balances have become more equal, with increasing numbers of women migrating both as workers and as spouses. Age distributions have also broadened, with more children and older people among migrant populations. This demographic normalization is linked to the general trend towards long-term or permanent settlement. Migration for family formation has emerged amongst second-generation groups. Government policies affect migration patterns – often in unexpected ways. Stopping guestworker recruitment (in Europe) and the militarization of the US-Mexico border led to more undocumented migration and increased settlement in the receiving countries – exactly the opposite of the policy aims.

## Migration Transitions

According to the theory of the migration transition, emigration increases in the early stages of development, and only declines as a result of long-term demographic and economic changes. Migration in turn affects development, but in varying ways. The estimated 20 to 25m Indians outside their country are equivalent to about 2 per cent of total population, and this volume seems too low to contribute to a migration transition. The Philippines has very large emigration but in the absence of other factors needed for sustainable economic development, there are no signs of a migration transition. In Mexico, we can see the beginnings of transition, with increased transit migration and some settlement of immigrants. Morocco too seems to be on the verge of a migration transition, while this trend seems quite advanced in Turkey.

## **The State and Emigration**

In the cases of Mexico, Morocco, the Philippines and Turkey, the state played a key role in starting labour migration. This generally involved cooperation with receiving country authorities. Later emigration country states shifted towards a developmental paradigm, emphasizing the benefits of remittances, technology transfer, and “brain circulation”. They also developed institutions to regulate recruiters and agencies, prevent trafficking and smuggling, prepare migrants, and protect them while overseas. The scope and capacity of such institutions vary considerably – the Philippines have gone furthest in developing a comprehensive set of legislation and agencies. The effectiveness of measures to protect migrants is dubious, since emigration country authorities lack not only resources but also the power to demand improvements from receiving countries at a time of global over supply of lower-skilled workers.

A key convergence lies in the attitude of countries of origin to their nationals abroad. At the inception of labour migration, emigrants were often seen as “surplus population” or “troublemakers” to be ridden off, while abroad they were regarded as potential threats to the homeland. The Turkish and Moroccan states sought control through political surveillance and support for patriotic or religious organizations. Since the 1980s, there has been a general shift. Citizens abroad are now seen as valuable diasporas, which can contribute to development, maintain national identity and support the economic and political interests of the former homeland. Migrants have been redefined as “heroes of development”, and governments support political and cultural associations, development banks and networks designed to involve the diaspora in development efforts. All five countries have introduced legislation to allow dual citizenship (or nationality) for nationals abroad, and to provide them with voting rights in the country of origin.

## **Migrant Associations**

Recognizing the diaspora means working with migrant associations. Here too there is diversity in membership size and composition, political and religious affiliations, objectives and modes of organization. An important convergence lies in the increasing strength of migrant associations in receiving countries. This has made them a significant factor in both receiving country and origin country politics. Another convergence lies in their willingness – at times – to work across social, political and religious divisions to represent the interests of co-ethnics (or even all migrants) in confrontations with receiving country institutions or political groupings. However, mass mobilizations like that of Mexicans against planned anti-immigrant legislation in the USA in early 2006 only arise in exceptional circumstances. A third convergence lies in the increasing involvement of migrant associations in development initiatives for their homelands.

## Conclusion: Can Migration be an Instrument for Development?

The previous section addressed the first objective of the country studies by summarizing the migration experience of the five major emigration countries. The comparison revealed important differences in the societal and historical contexts, migration patterns and policy approaches of the five countries, yet also showed many similarities and – most significantly – convergence in important areas.

A second objective of the country studies was to examine the extent to which migration does in fact contribute to development.

As pointed out above, the most important development benefit of migration is generally perceived to be the role of economic remittances in improving livelihoods, increasing demand and stimulating production. Other major development benefits are seen in technology transfer and the return of the highly skilled, and in “social remittances” (transfer of new knowledge and attitudes by diasporas and returnees). The most recent debates on the development benefits of migration focus on the role of diasporas as potential partners for development.

It is important to question the notion of development, by asking such questions as “what type of development” and “development for whom?” It is debatable whether the term development – which is usually used in a very affirmative and vague manner – is really very useful in this area. It was suggested above that an analysis in terms of social transformation might lead to more useful results. What could this mean for our comparison of the experience of change linked to migration in the five case-study countries?

With regard to economic remittances, the country studies showed a diversity of experiences within and between countries of origin. The general lesson from the comparison was that remittances do not automatically lead to economic and social changes of benefit to the population of emigration countries. Indeed, under certain circumstances, remittances can lead to conspicuous consumption, inefficient types of investment and economic dependence on continuing emigration, and sometimes even hide a reverse flow of funds to rich countries. The claimed positive link between remittances and economic growth only applies if appropriate policies are put in place to encourage legal transfers and productive investment, to reduce corruption and unnecessary bureaucracy, and to provide an investment-friendly infrastructure. The experience with technology transfer and return of the highly skilled is rather similar: positive effects are only realized if opportunities and structures in emigration countries change in such a way that emigrants do return before the end of their working lives. A further pre-condition is that skilled migrants are able to enhance or at least maintain their qualifications while away. This is often not the case, since skilled migrants may be employed in low-skilled jobs.

Social remittances can also have varying effects. The message coming back to home communities from emigrants can be that new ways of working, investing and running public affairs can bring prosperity, but it can also be that emigration is the only way out of a hopeless situation. The emergence of emigration as a normal “rite of passage” for young people can lead to a loss not only of productive workers, but also to the absence of agents



of change. The social and economic costs of emigration can be high: the country studies draw attention to the distress caused by long-term separation of families (such as the “Gulf wives syndrome” in India); the distortion of education systems re-shaped to meet the needs of destination countries (mentioned in the chapters on India and the Philippines); the risks and dangers encountered by migrants; the potential loss of skills and human resources that can block development (mentioned for Mexico, the Philippines, and Turkey); and the “de-accumulation of Mexican wealth” and its transfer to the USA. Overall, emigration of labour – whether skilled or less skilled – can lead to serious loss of potential growth for the country of emigration. The question is whether this loss can be outweighed in the long run by positive effects.

Recognition of the role of diasporas in development does seem an important step forward. This new discourse in the international migration field follows changes of perceptions in emigration countries and the introduction of a range of measures and institutions to involve the diaspora in bringing about positive changes in the homeland. Although all the country studies describe such efforts, there is insufficient data and research evidence to assess their success. Collective remittances for community investment by hometown associations and similar groups are still very small in comparison with private flows. Knowledge transfer networks (like India’s Diaspora Knowledge Network or the Philippine’s LINKAPIL) seem positive, but are quite small as compared to individual remittances and commercial transfers.

The general conclusion on migration and social transformation therefore is that, there is great potential for outcomes beneficial to sending country populations, but the conditions for realizing these are complex and difficult. Strategies of “remittance-led development” seem simplistic and naïve. Migration alone cannot remove structural constraints to economic growth, social change and greater democracy. There is a need for broadly-based long-term approaches that link the potential benefits of migration with more general strategies to reduce inequality and to improve economic infrastructure, social welfare, and political governance.

In the Mexican case this would mean rejecting the asymmetric integration of the Mexican economy and labour market into the US sphere of control. For Morocco and Turkey it would mean recognizing the processes through which former labour exporters can become countries of transit and immigration, and refusing to take on the role of “buffer state” or “dumping ground” for asylum seekers or migrants refused entry into the EU. For the Philippines, it would mean abandoning the idea of being the “producer of workers for the world”, which implies acceptance of permanent subordination in the international division of labour. Instead there needs to be policies that combine political and economic reform at home with recognition of the potential role of the diaspora and returnees. India is rather different here, in that migration makes a smaller relative contribution to change. All the same remittances and return of highly skilled personnel are significant, and need to be better linked to wider economic goals.

What does one mean for South-South cooperation? A central aim of the workshop was to explore common ground between emigration countries as a basis for suggesting strategies for South-South cooperation across boundaries. This theme was not explored in detail in

the country studies, and will not be here. By examining the experiences of five important emigration countries, and by establishing the important similarities and convergences between them, the country studies and this comparative chapter were designed to provide a basis for developing strategies and mechanisms for working together. This was pursued in the further debates at Bellagio, and is reflected in the final document: *Perspectives from the South: Conclusions on Migration and Development*.

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Chapter 11

**PERSPECTIVES FROM  
GOVERNMENTS OF  
COUNTRIES OF ORIGIN  
AND  
MIGRANT ASSOCIATIONS**

by

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**Abstract:**

This paper draws on the oral presentations made by representatives of government and migrant associations at the Bellagio workshop, which gave valuable insights into aspects of the experience of migration and development which do not usually appear in the academic literature. It contrasts the changing perspectives of governments and migrant associations and their relationship. The former are increasing their engagement with migrants and encouraging their investment in the “homeland”. Migrants associations are lobbying for migrant’s rights in countries of settlement and origin and attempting to build up national and international networks that will strengthen their voice. The paper looks at some of the inherent tensions in the relationship between migrant associations and their states’ of origin, which emerged at the workshop. It concludes by looking at some areas for further debate, research and action. These include strengthening “South-South” linkages on migration issues; questioning the enthusiasm for temporary worker programmes among policymakers and some academics; and, the need for research to understand the factors that shape migrants’ different paths of settlement, integration and transnationalism. Both the migrant associations and government representatives had much more to say about improving migrants’ quality of life and encouraging investments, rather than the role of migration in contributing to an explicit development agenda. There appeared to be little enthusiasm for linking them together in an instrumental way: considering migration as a policy lever to enhance development, or vice-versa, development as a policy lever to manage migration.

**Keywords:**

Sending states, migrant associations, transnationalism, integration, South-South networks.





## Introduction

This paper draws on the oral presentations made by representatives (or former representatives) of government and migrant associations at the Bellagio workshop.<sup>1</sup> These complemented the contributions of the academic participants and gave valuable insights into aspects of the experience of migration and development which do not usually appear in the academic literature. The comments of representatives of government and migrants associations were also taken into account by authors in preparing the final versions of their chapters for this book.

The representatives of government included civil servants currently in government service (Mexico, Turkey, Philippines) and ex-civil servants who had been working on migrant affairs through their careers (Morocco, India). Of the former, one was based at an embassy in a country receiving migrants, and two were working with government organizations supporting migrants.

Migrant associations were represented by individuals working for different types of organizations. Four were from organizations based in countries of settlement, two in the US (Mexicans and Indians), UK (Moroccans), Germany (Turkish) and one was working with Filipino migrant women in Japan and on their return to the Philippines. The scale of the organizations ranged from a national alliance of migrant community associations, to a small non-profit organization channelling funds from migrants to development projects.

None of the participants made any claim to offer the “official” line in the case of government representatives or to speak for migrants in general for those from migrant associations. They presented their individual views and insights. As a result they could speak with candour and frankness, which was very constructive in the workshop. This paper synthesizes their presentations and discussions during the workshop, to draw out some of the common themes and highlight some points for further research and debate. It makes no claim to be an authoritative study of the perspectives of governments and migrant associations from the five countries, but rather aims to capture the partial picture offered at the Bellagio workshop.

The next two sections outline the perspectives presented by the government and migrant association participants respectively. The following section draws together some of the points arising from the subsequent discussion which highlighted the changing relationship between these two groups. The paper concludes by drawing attention to some of the issues for further debate, research and action which were raised by representatives during the workshop.

## Government Perspectives

It is clear that over the last 20 years there has been a general shift in attitude towards emigrants among the governments of sending countries. Those countries which promoted

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<sup>1</sup> These participants at the workshop included Aditya Das, Aïcha Belarbi, Can Unver, Carlos González Gutiérrez, Carmelita Nuqui, José Molano, Krishna Kumar, Óscar Chacon, Oya Susanne Abali, and Souad Talsi-Naji. I am very grateful for their agreement to my preparing this chapter on the basis of their presentations and the subsequent discussions.

labour migration are now increasing their interest in maintaining links with their respective diasporas. States that had a “policy of no policy” (as it was described by one workshop participant) are now actively engaging with migrants and their descendants. Where some countries such as Morocco had little interest in those who had left, today they are “courting the diaspora” for their investments (especially through remittances), their expertise and even their votes. While initial efforts by states have erred towards controlling migrants – for example, by government establishing migrant associations and trying to sideline political opponents in the diaspora – as such policies have failed, there has been a shift towards more dialogue and a stronger rhetoric of partnership. For example, in India a three stage process was described as the government moved from a policy of indifference towards emigrants (pre-1973), through a period of encouraging their investment in India (1973-1994), to the government promoting a stronger multilayered relationship, which it recognizes must be driven by more than just investment.

## **Different Initiatives in Working with Migrants**

These different policies have been implemented in a variety of ways across the five countries represented. Here these are grouped according to the stages of a migration process, from preparation for departure to re-integration when migrants return to their country of origin.

### **Pre-departure**

Of the five countries, only the Philippines has developed a programme of support specially designed to prepare potential migrants for departure. The Commission on Filipinos Overseas,<sup>2</sup> a government agency, provides information and advice to migrants on destinations and arranges orientation seminars for those who are planning to leave.

Another key area of pre-departure activity has been tailoring the skills base of potential migrants to improve their job opportunities. The Philippines has a long-standing policy of training nurses, care-workers and seafarers for employment in the international job market, but other countries have generally been less proactive. In recent years, the Indian government has become concerned about improving the skills of migrants to help them move into better jobs. The Ministry of Overseas Indian Affairs is currently working with the Confederation of Indian Industry to revise vocational training and other educational programmes in India to maximize the job opportunities for migrants, helping them to avoid the 3-D jobs – “dirty, dangerous and demeaning” – and move up the “value chain”.

### **Ongoing Support**

A major concern for governments is the protection of their citizens while they are abroad. Many sending states draw on international law to provide an overall framework for the protection of migrant workers. With the exception of India, the countries represented at the

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<sup>2</sup> [www.cfo.gov.ph/](http://www.cfo.gov.ph/)

workshop have ratified the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. However, the form of protection extended to their citizens overseas varies widely between the different countries and even across different government departments.

Often the focus of protection is on mediating in the relationship between the migrant and the host state. This protection may be provided through the routine medium of consulate support but it may also involve specialist migrant agencies. For example, the Commission on Filipinos Overseas takes up the cases of Filipinos who lose their citizenship in a new country; in particular, it helps restore nationality and repatriate women who give up their Filipino citizenship on marriage and then lose their new citizenship as a result of divorce. The Institute for Mexicans Abroad (IME)<sup>3</sup> provides help to nationals who end up in jail in the US. It has also established a reference system for undocumented migrants who need health care.

Another aspect of protection is the safeguards required for migrants to prevent exploitation or other abuses by employers, agents and other intermediaries. For example, in 1983 India created the office of the Protector General of Emigrants with the task of regulating and licensing recruitment agents and providing emigration clearance for low-skilled workers. However, in practice, this role has remained unclear. There are inadequate punitive provisions in the legislation and weak enforcement. The penalties for infringement of the law are very small and out of proportion to the massive profits to be made by the exploitation of migrants.

An alternative approach to ensuring protection is to focus on “de-risking” the migrant, to minimize their exposure to exploitation and abuse and their need for explicit state protection. New initiatives being explored in India include working with insurance companies to provide cover for migrant workers to pay for legal protection and deal with crises while abroad. Other measures include improving migrants’ awareness of their rights, enhancing their skills so they can get higher value positions, and developing bilateral agreements with receiving countries to ensure migrants have recourse to legal action to assert their rights.

## **Support for Migrants’ Integration**

Some of the sending states have been particularly active in supporting the integration of migrants into receiving states to enable them to become part of the host society and live secure future lives abroad. This has reached beyond the protection of migrants’ basic rights and bilateral agreements on social security, pensions and access to services, to supporting migrants’ access to cultural and religious resources.

In the mid-1980s, as it became clear that Turkish immigrants in Germany were not likely to return, the Turkish government realized that it needed to provide more than consular support to them. While immigrants wanted to settle permanently in Germany, they also wanted to be able to speak their own languages, practice their own religion and pass these

<sup>3</sup> [www.ime.gob.mx](http://www.ime.gob.mx)

and other aspects of their culture on to their children. In response the Turkish government set up initiatives that promoted Turkish culture and religion. It sent over 500 *imams* and 500 teachers to Germany to work with migrants and their children. It also supported the establishment of over a thousand Turkish migrant associations in Germany and paid the stipends of imams to lead the mosques that these associations started.

The Mexican government by means of IME has also actively supported the integration of its emigrants into the United States through education. It sends Mexican teachers to the US and donates Spanish textbooks for US schools. It has established distance education programmes in 30 US states and funds non-profits to provide adult education scholarships for Mexican immigrants in the US. Such measures are designed to improve Mexicans' levels of education and their opportunities to gain a better standard of living in the US. The Commission on Filipinos Overseas is also supporting education for its emigrants by funding schools for Filipinos working in Gulf countries.

Another strand of IME's support for the integration of Mexicans is to facilitate contacts between Mexican associations in the US. In particular, it tries to build links between associations of settled Mexican immigrants and emerging communities of new migrants. It aims to create a network of Mexican immigrant and Mexican-American leaders within the US to ensure that Mexicans play a full role in US society.

## Maintaining Links with “Home Country”

There appears to be a growing recognition of emerging forms of transnationalism that embrace settlement and integration while developing migrants' ties with the country of origin. Hence, these policies of encouraging migrants' integration run in parallel with sending states' attempts to foster ongoing relationships with their emigrants and their descendants. This is made most explicit by the Institute for Mexicans Abroad which aims “to encourage a sense of belonging to our nation among people who **will never reside in our territory** (among 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and further generations)” (workshop presentation, emphasis added). All the receiving countries represented at the workshop share a common concern about maintaining, strengthening and deepening links between migrants and their country of origin. A number of different strategies have been adopted in order to facilitate these links and perpetuate them through new generations.

In many cases, migrant associations are seen as a crucial hub for passing on this sense of belonging. The governments of Turkey, Mexico, and Morocco have all supported the creation of associations and their activities. For example, over many years, Morocco has been particularly active in ensuring that its migrants remain connected to the “homeland”, starting in the 1970s when King Hassan called on the diaspora to remain Moroccan; this is enshrined in Moroccan law, under which it is not possible to renounce one's Moroccan nationality. The Moroccan government's policy towards migrants used to be focused on control of its nationals abroad – in particular political control – but over the last 15 years, there has been a marked shift towards finding ways of working with them on a more collaborative basis. The government has started to work with migrant associations as an important avenue for

implementation of such policies. It has stimulated the establishment of migrant associations in recent years and in the 1990s it created a foundation to organize cultural and education activities for second-generation Moroccans abroad. In 2002, it launched an annual forum in Morocco to bring together representatives from migrant associations and encourage the ongoing engagement in the country.

States have supported specialist media and information channels targeted at their diaspora. IME produces journals, email bulletins, and radio messages for the Mexicans in the US. The CFO publishes *Filipino Ties*, a newsletter for migrants and a *Handbook for Filipinos Overseas* to give information on relevant government policies and programmes.

A third strategy to foster links with migrants is through the creation and promotion of investment opportunities in the country of origin. This has not always been straightforward as the motivations for such initiatives have been open to question. For example, the Turkish government created a special fund for investment by migrants in agriculture and small business but this became identified with Germany's efforts to persuade immigrants to return to Turkey. In any case, these investments rarely led to positive outcomes, due to bureaucracy and lack of adequate infrastructure. More recent initiatives by the Turkish central bank to attract migrants' savings reinforced the perception of some migrants that the state is only interested in them because of the remittances that they generate. The Philippine government has also taken concrete steps to attract migrants' savings. It has recently established an overseas bank and introduced tax exemptions for non-resident Filipinos.

Perhaps the most significant measures to maintain migrants' links with their country of origin have been those that enable them to engage in the domestic political process. Many sending states have taken steps towards allowing them dual citizenship and voting rights. For example, the Philippines introduced legislation to grant the right to dual citizenship and voting rights to migrants in 2003. From 2006, India offered a form of overseas citizenship to members of the Indian diaspora who are citizens of other countries and it is also considering offering voting rights to Indian citizens working abroad. Morocco has encouraged the participation of migrants in elections since 1984, but it focused on those who were supportive of the regime. Today, there is the promise of legislation which will give migrants the right to vote, but it has yet to be enacted (see Castles in this volume for a more detailed comparison).

Finally, IME also highlighted the role of Mexican migrants in helping reach foreign policy objectives. One element of its mandate is to facilitate migrants becoming a "bridge of understanding" between Mexico and receiving countries. It recognizes the role of the diaspora not only in creating new relationships and business opportunities out of Mexico, but also in representing the interests of this country in foreign policy.

## **Support for Return**

There were very limited references to support for the return of migrants in the presentations of the government representatives at the workshop. The return of migrants can reflect their success in building up a new life through migration, or their failure to make

their way in the destination society, or anything in between. The two initiatives mentioned in the workshop were at either end of this spectrum from “success” to “failure” return. For the former, the Turkish government supports the return of highly qualified migrants by offering them €10,000 if they return to a new job in Turkey. For the latter, the Commission on Filipinos Overseas provides assistance for reintegration and re-establishing nationality for returning Filipinos, especially those who have lost their naturalized citizenship overseas. This has been a particular problem for Filipino women who have taken on a new citizenship on marriage and then been stripped of it on divorce.

## Migration and Development

In general the governments represented at the workshop no longer officially regard migration as a pillar of their formal development policy – although in the past this was sometimes the case. Even in the Philippines, where the government has most actively supported migration, the Migrant Workers and Overseas Filipinos Act or Republic Act 8042, Section 2c provides that: “...the State does not promote overseas employment as a means to sustain economic growth and achieve national development” (see [www.pmrw.org/agenda.asp](http://www.pmrw.org/agenda.asp) point 1). However, some Filipinos treat this statement with scepticism, arguing that the government is more concerned with exporting labour than with protecting its nationals abroad. It remains to be seen whether the current international debate on migration and development may encourage sending country governments to re-emphasize this aspect of emigration.

The Moroccan government sees migration changing family and gender relations, rather than making a major contribution to overall poverty alleviation. It does, however, recognize the role of migrants in developing smaller cities through remittances. The Indian government sees development as the responsibility primarily of the national government and communities. The “transnational community” of Indians resident overseas will only support development activities of their own choice rather than necessarily following government priorities. Despite such practical limitations, all the states are increasingly aware of the potential impact of migration on development and are attempting to adopt policies that maximize its benefits. In particular, they emphasized the importance of creating the appropriate conditions for investment and return, such as building up infrastructure and services, and improving the regulatory framework. These broad measures lay beyond the scope of the workshop. A few concrete steps taken to encourage migrants’ investments and support the return of highly qualified migrants were raised and these are outlined in the country case-studies above.

Other programmes that are explicitly aimed at promoting development were also discussed in the workshop. The Mexican *Tres por uno* (Three for one) programme is perhaps the best known of any scheme for encouraging migrants to contribute to development projects. For each dollar invested in development initiatives, the Mexican government (federal, state and local) contributes one dollar each. However, while migrants have contributed nearly \$20 million per year through this scheme, this represents a tiny proportion (less than 1%) of the \$20 billion overall remittances. The programme operates through hometown associations and the investment does increase both their financial and political weight. The government is

also facilitating migrants' investment in housing in Mexico in association as part of a broader housing initiative in the country (known as CONAFOVI).

The Indian government is working with professional bodies to support development projects. For example, the American Association of Physicians of Indian Origin is undertaking basic health care projects in the states of Andhra Pradesh and Bihar.

## **Migrant Associations**

There are a huge variety of migrant associations of which only a minute proportion was represented at the workshop. As noted above, this ranged from a large network of associations to a very small community organization. All were organizations established by migrants, with the exception of the German Körber-Foundation,<sup>4</sup> which is working intensively with the Turkish community in Germany to strengthen the dialogue between the two countries and their people. However, they were all represented at the workshop by migrants or children of migrants. These individuals spoke not only from their organizations' perspectives but also from their personal experience of migration.

While they shared some common areas of interest, there were also some illuminating differences. The geographical focus of the various organizations fell on a spectrum between the country of origin and the country of settlement. For example, the activities of Development Action for Women Network (DAWN)<sup>5</sup> are particularly concerned with supporting migrant women returning to the Philippines from Japan. At the other extreme, the Körber-Foundation is working with migrant associations which are increasingly oriented towards Germany. This is a reflection both of a new generation of leaders who are the children of Turkish immigrant (rather than migrants themselves) and also the expectation within Germany that these associations will facilitate the integration people of Turkish origin in German society. Likewise, Mexican associations in the US are focusing on strengthening the position of Mexican-Americans in US society rather than activities in Mexico.

While all the migrant groups were concerned with issues of development in the sending countries, there are clearly differences in the extent to which they are actively engaged in explicit development activities. For those represented at the workshop, the emphasis of their work is on supporting migrants by improving their quality of life, often through better access to rights and political voice in both receiving and sending countries. They are focused on improving the environment for development – in terms of conditions for investment, legal and political reform and so forth – rather than running development projects. One of the few exceptions mentioned during the workshop was the India Literacy Project,<sup>6</sup> which channels \$1.5 million of remittances each year to 22 NGOs across India to support literacy work.

This heterogeneity was a useful reminder of the need for caution in using the term migrant (or diaspora) association without adequate qualification. However, there were

<sup>4</sup> [www.koerber-stiftung.de/english/index.html](http://www.koerber-stiftung.de/english/index.html)

<sup>5</sup> [www.dawnphil.org](http://www.dawnphil.org)

<sup>6</sup> [www.ilpnet.org/](http://www.ilpnet.org/)

common areas of interest that emerged in the workshop and these are presented below. It is important to emphasize that this is not an attempt to describe fully the aims and activities of the different organizations mentioned. More details of the organizations can be found in their respective websites.

## Different Areas of Activity for Associations

### Migrants' Rights

The rights of migrants with respect to both sending and receiving countries were a major concern of the migrant associations. In particular, associations have been lobbying sending states to recognize their role as duty bearer to uphold the rights of their nationals overseas. For example, migrants' group have been calling on governments to reach bilateral agreements with host countries and to sign international agreements such as the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. In the Philippines, DAWN has been particularly active in providing legal services and counselling for migrant women. It has also played a very active part in Philippines Migrants' Rights Watch and supported the development of its agenda for the protection and empowerment of migrants (see box below).

#### Philippine Migrants' Rights Watch

##### Ten Point Agenda for the Protection and Empowerment of the Migrant Sector

1. Upholding the state's policy of not pursuing overseas employment as a development strategy.
2. Prioritizing the protection of overseas Filipino workers and their families.
3. Improving/enhancing government's services and resources for overseas Filipino workers and their families.
4. Participation of the migrant sector and civil society in governance.
5. Implementation of gender-sensitive programmes and approaches.
6. More attention to issues affecting Filipino seafarers.
7. Pursuit of more bilateral agreements and Memoranda of Understanding with countries where Filipinos work.
8. Providing interventions for the welfare of migrants' families.
9. Strengthening reintegration programmes for returning migrants.
10. Certification of priority bills and ratification of international conventions in the interest of overseas workers and migrants.

See [www.pmrw.org/agenda.asp](http://www.pmrw.org/agenda.asp) for full statement.



The National Alliance for Latin American and Caribbean Communities (NALCC)<sup>7</sup> is working with migrant groups across the US to lobby on the immigration debate. It is still in the early days of building up a network of associations and it noted the difficulty of finding consensus among migrant groups. For example, there are marked differences between Mexican migrants (born in Mexico) and Mexican heritage groups which need to be recognized. In the recent lobbying on the US immigration reform, the latter played a much stronger role in organizing the campaign than the former.

## **Socio-economic Support**

Closely associated with the issue of rights, many migrant associations are providing welfare support for migrants in countries of settlement or countries of origin. For example, the Al-Hasaniya Moroccan Women's Centre<sup>8</sup> in London, offers advice and support on health, welfare, education and training for migrant women and their families, and provides referral advice to help women get access to mainstream services. In both Japan and the Philippines, DAWN supports Filipino migrant women to develop alternative livelihoods and avoid exploitation and abuse.

A major concern raised by migrant associations is the challenge of dealing with ageing in the migrant population. People may aspire to return to their country of origin on retirement but there are few facilities for the support of older people in developing countries, especially when compared to the services to which they have had access in the destination country. This was identified as a particular concern among Moroccans and Turkish migrants in Europe and migrant associations were lobbying to make pensions and benefits more portable and to make more culturally appropriate services available in receiving countries. For example, the first old people's home for Turkish residents was recently opened in Berlin.

## **Building Bridges Between Sending and Receiving Countries**

The work of the Körber-Foundation with Turkish migrant associations is aimed at strengthening German-Turkish dialogue, recognizing the role of migrants and their descendants as natural links between the two countries. Others are creating a different type of bridge between different ethnic or cultural groups now scattered across continents as well as the country of origin. For example, the North American Bengali Conference<sup>9</sup> initially started as a cultural conference presenting literature, art, cinema, theatre and music of West Bengal to the diaspora in the US, but now aims to reach Bengalis across the world to stimulate "the exchange of ideas to create a cohesive Bengali identity".

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<sup>7</sup> [www.nalacc.org](http://www.nalacc.org)

<sup>8</sup> [www.al-hasaniya.org.uk](http://www.al-hasaniya.org.uk)

<sup>9</sup> [www.nabc2006.org/index.htm](http://www.nabc2006.org/index.htm)

## Lobbying

As noted previously, many of the migrant associations are pressing for improvements in migrants' rights. They are also lobbying on other issues, that are not directly related to migrants and migration. Migrants have engaged in fundamental debates about the conditions of people living in their country of origin and argued for political reform, democratization, freedom of speech and so forth. Despite the Moroccan government's attempts to control migrant associations, Moroccan migrants have been critical voice in pushing for change and highlighting abuses of human rights in the country. For example, it was migrant groups that helped to bring the plight of Moroccan prisoners held by the Polisario in Tindouf in southwestern Algeria into the spotlight and put pressure on the government to negotiate their release.

Mexican migrant associations are also active in domestic politics and the government courts them as an important strand of civil society. However, at times the government appears to give them exaggerated weight over civil society within Mexico as they do not present the same immediate challenge to government power as internal civil society organizations arising from mass movements.

## Networking

One of the common concerns about migrant associations raised at the workshop was their disparate nature and lack of coordination. This has tended to weaken their voice and make them more vulnerable to co-option by both sending and receiving governments. In the US, many Mexican migrant groups were formed as hometown associations organized locally in US states (especially southern California, Chicago, Illinois, and Texas) and drawing in migrants from particular home areas of Mexico. However, there is no national Mexican migrant association in the US. Arising out of leadership summits of immigrant led organizations in the US, the NALCC was established in 2004 as a national umbrella body with Latin American and Caribbean immigrant groups as members. It aims to give a coherent national and international voice on issues affecting transnational communities as part of a strategy of migrant empowerment (see below).

### Strategies for Migrant Empowerment

1. Better job education, mobilizing communities;
2. Confront lack of leadership – strengthen leaders, build new leaders;
3. Engage decision makers in countries of origin, countries of residence and international organizations;
4. Access and mobilize resources, especially money;
5. Build multi-dimensional, multi-purpose alliances – interest based;
6. Work with research and analysis centres;
7. Impact media and communication environment.

Source: Oscar Chacon, NALCC

In addition, to networking between migrant associations, others also highlighted the importance of working with other actors. DAWN is actively engaged in both national and international networks and conferences on migration issues. For example, it is involved in the Philippines Migrants Rights Watch, which brings together migrant associations, academics and international NGOs to lobby for migrants' rights in the Philippines and abroad.

It was observed that these organizations and networks are largely based on national lines, either focused on one country of origin or destination. What has been missing to date has been any coordinated attempt at dialogue between migrant groups from different countries settled in different destinations. As international migration becomes the subject of global debate and governance, the voices of migrants are likely to be sidelined if they do not organize themselves to ensure they have some space at the negotiating table. The NALCC is building up a network of Latin American migrant associations from around the world. It is also exploring how to extend this to a global migrant network, including migrant associations from all continents.

## **Relationship Between Migrant Associations and States of Origin**

While the workshop provided a rare opportunity for dialogue between representatives of governments and migrant associations from different countries, participants emphasized that the constructive dialogue should not disguise the inherent tensions between migrants and the governments of countries of origin. While they have different and often conflicting interests, they are tied into a relationship as long as migrants and their descendants claim a link to their country of origin. This relationship was described as a “bad marriage but a Catholic marriage”, with no option for divorce. While the discussion at the workshop revolved around low-key areas of dispute, it is important to observe that in many cases there are much deeper and more sensitive conflicts between migrants and sending states, especially where migrants are drawn from political opponents or ethnic minorities seeking asylum. These issues were not raised in the workshop but some are covered in the country case-study papers.

Migrants have found that the approaches by governments in countries of origin have tended to be patronizing and are often associated with attempts to control migrants' behaviour. For example, in the Philippines the government refers to migrant workers as “heroes” but this means little to migrants, who argue that the government does not take enough action to invest in services for migrants or to enforce laws protecting their rights. Likewise, the Mexican government highlights its *Tres por Uno* programme as a contribution to development, but from migrants' perspectives this is a minimal effort that is dwarfed by the scale of their overall remittances.

In some cases, governments have been instrumental in establishing migrant associations as a channel for dialogue with migrants. The underlying motivation has been mainly concerned with control of nationals overseas and maximizing their contributions to foreign currency reserves through remittances. As a result governments have controlled the agenda and such dialogue has had little space for disagreement. The Moroccan government

established associations in the UK but it was argued that these are overwhelming led by men and fail to represent the broad range of (male and female) migrants' interests. This is changing as sending governments are slowly realizing that they cannot control migrants and their descendants – especially as they change nationality – and they have started to woo them as autonomous social actors instead. However, major problems of trust have yet to be overcome. As the more powerful actors, governments were seen as having the primary responsibility to take the first steps in addressing this crisis of trust.

Building an open relationship between migrants and states based on trust does not mean that the two parties should agree with each other. They have different interests and perspectives and the relationship is “necessarily adversarial”. The challenge is to create the space for dialogue, debate, disagreement, and negotiation. For the migrants' part, they have to organize themselves autonomously, in order to build such a productive relationship with states.

## **Transnationalism and Integration**

There is a growing recognition of the importance of long-term transnationalism among migrants and sending states. The idea of migration as an act of disloyalty and abandoning the homeland is being left in the past. Sending states are maintaining or rekindling relationships with migrants and their descendants, even those who have already declared their loyalty to another state by changing nationality.

It is striking that one of the sending states' core strategies for encouraging transnational links is the promotion of integration in the country of origin. The discussion about integration during the workshop was focused around initiatives to support migrants' maintaining their language and culture and also establishing a distinctive presence (social, cultural, economic and political) in the receiving society. It was therefore based on an implicit idea of a multicultural society, which migrants would help to shape, rather than any notion of their being assimilated into a given “native” society. From the perspectives of the sending states and migrants represented at the workshop, there is no contradiction between integration and transnationalism (echoing the finding of Portes in this workshop that better established and more economically secure migrants are more likely to engage in cross-border initiatives). As one of the participants observed, within receiving states and societies, it is common to hear the argument that transnationalism impedes or postpones the process of integration and creates conflicts of loyalty. The question is how far this argument is being weakened as states slowly accept people with a migration background as fully fledged members of the society. The answer may hinge on whether those involved in the debate share a common definition of integration.

## **Emotional and Business Investments**

While sending states are keen in having migrants invest in their countries of origin, there was a consensus that they cannot rely on emotional attachments as the rationale for

investment. Even when it comes to investments in family businesses, migrants are sending their funds to enterprises where they will achieve a good return, rather than sinking cash into lost causes. The key responsibility of states is to improve the conditions for investment by building up infrastructure (including education and health services), providing an appropriate legislative framework. For example, the growth of businesses established by the diaspora in Morocco has only been possible because the government created the right conditions.

## **Areas for Further Debate, Research, and Action**

The discussions at the workshop touched on a range of other issues, many of which are covered in detail in the other papers presented by academic participants. Others contrasted with the academic papers or reached similar points from a different angle. In this final section, some of these issues which leave considerable scope for further debate, research and action are presented.

It was repeatedly observed that there is insufficient dialogue and cooperation between developing countries on migration. NGOs have made more attempts than developing states to establish South-South linkages but they are still very limited. As a result the agenda is being set and dominated by wealthier receiving countries that are collaborating intensively over migration issues. Establishing mechanisms for facilitating this South-South dialogue was seen as an area for urgent action.

During the discussions at the workshop, both migrant and government representatives criticized some of the current policy trends and academic arguments. In particular, there was a broad unease about the renewed enthusiasm for temporary worker programmes among policymakers and some academics. They rejected the numbers versus rights argument (Martin, 2003: 29), i.e. industrialized states will only accept larger numbers of migrants, if they are able to offer a lower standard of rights for them, conversely, better conditions means fewer migrants.

The participants also expressed unease about the emerging discourse of migration. Terms such as “migration management” or even worse “diaspora management” are largely associated with industrialized states controlling the numbers of people migrating to meet their labour needs. From the southern perspective presented at the workshop, the notion of migration management should also focus on ensuring workers’ rights are protected through the migration process. There was also some concern that the term “diaspora” is used too indiscriminately and this tends to smother the differences between people included within the diaspora. NALCC highlighted the important differences in perspectives between people of Mexican heritage in the US and migrants who were born in Mexico; these differences are rendered invisible if they are all described as the “diaspora”.

While the workshops marked a step forward in bringing together migrant representatives from developing countries, it was pointed out they could only hope to represent current migrants. In order to achieve a more rounded debate which took account of the views of all the major actors, it is important to consider how potential future migrants can be included in the discussion.

There was a general sense that little is known about the variations between and within different migrant groups and the reasons for them. Why is it that some migrant populations seem to organize themselves more effectively than others? It was observed that Mexicans form the largest group of immigrants in the US, but are much less organized than other Latinos. Filipinos appear to integrate very effectively but a disproportionate number reach high office in their new country of residence. There is a need for much more international research to analyse and understand the factors contributing to migrants' different paths of settlement, integration, and transnationalism.

Finally, it was interesting to note that in general the migrant associations and government representatives had much more to say about improving migrants' quality of life, migrants' rights, integration and encouraging investments, rather than the role of migration in contributing to an explicit development agenda. All the participants recognized that migration will have an impact on development and vice versa. However, there appeared to be little enthusiasm for linking them together in an instrumental way: considering migration as a policy lever to enhance development, or vice versa, development as a policy lever to manage migration. This perspective from the South is perhaps important to note as migration and development are getting increasingly intertwined in a growing number of policy and academic arenas.

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**PERSPECTIVES  
FROM THE SOUTH:  
CONCLUSIONS FROM THE  
2006 BELLAGIO CONFERENCE  
ON MIGRATION AND  
DEVELOPMENT**



On 10-13 July 2006, a conference on Migration and Development: Perspectives from the South, was held in Bellagio, Italy. Participants from government institutions and migrant NGOs, and academics from the South and North came together to reflect on international migration and development with reference to five major countries of origin – India, Mexico, Morocco, Philippines and Turkey. While these countries are generally classified as “countries of origin”, several are in the process of also becoming transit and even immigration countries. The following points focus on the distinction between origin and destination countries, but in the awareness that this is not an absolute dichotomy, and that much migration is within global regions, i.e. South-South or North-North.

This statement summarizes the major conclusions drawn from the conference. While acknowledging notable differences in the migration histories and contexts of the five countries, as well as differences in the views and practices of states and civil society, some common patterns and societal responses also emerge. These conclusions reflect perspectives from the South on international migration and are intended as a starting point for further deliberation and action.

## **Globalization, International Migration, and Co-responsibility**

*Globalization results in conditions that create emigration pressures while at the same time fostering more opportunities for international migration. Countries of origin, transit and destination should work together to promote the safety and protection of migrants. All parties should pursue the long-term objective of sustainable development so that migration becomes an option, not a necessity.*

Throughout human history, migration has reflected people’s aspirations to have a better life, but it has also been the result of conflict, war, and economic deprivation. In the present historical moment, globalization is characterized on the one hand by the deepening of asymmetries among countries and the generation of emigration pressures on the less-developed economies, and on the other by the facilitation and sustenance of migration through the dynamics of established networks and communications and transportation facilities. The growing scale of international migration is a response to the constant demand for workers in receiving countries, where, despite the demand for these workers, there are limited opportunities for legal entry and settlement. In addition to creating adverse employment conditions, lack of legal status can endanger people’s lives. States should respect the right of individuals to leave their country in search of better opportunities and countries that receive them should take responsibility to safeguard the rights of migrants.

## **Migration is not a Panacea for Failure of Development**

*International migration could stimulate development through remittances, brain circulation and the contributions of transnational communities, but it should not be pursued as the vehicle or strategy for development. Such an approach promotes short-term socioeconomic “stability” and contributes to limited survival opportunities rather than sustainable development.*

There are differing views on the meaning of development and on the strategies to achieve it. This debate needs to be pursued with full participation of all concerned, including states, the private sector and civil society in both South and North. However, it is clear that a development approach that is solely or mainly based on the deployment of more migrants, remittances and the contributions of migrants/migrant associations/transnational communities will not create sustainable development. Migration can only be one of several approaches towards development.

## **Migrants as Partners of Development**

*Migrants should not be viewed as “milking cows” for the development of their home countries. They can indeed contribute to sustainable development, but it should be in a voluntary and participatory way. States and civil society organizations in destination countries can provide appropriate support.*

Migrants often feel that they are perceived in an instrumental way: they are supposed to contribute to the economy of the receiving country through their work, to poverty alleviation in their home communities through remittances, and to the development of the country of origin through investment, technology transfer and return. Migrants and their families make great sacrifices, and they have a right to control and enjoy the benefits of their work. Development programmes should be designed to respond to the needs and aspirations of migrants and their communities, rather than pursuing top-down development priorities. Such programmes can help to ensure the creation of conditions for sustainable return.

## **Responsibility of States: Countries of Origin**

*The state in countries of origin should play a proactive role in pursuing sustainable development and enhancing the creation and strengthening of institutions conducive to development. The state in the countries of origin should include migrants, migrant associations and transnational communities in the formulation and implementation of development programmes.*

These groups are diverse in their characteristics and ideas, so states should adopt an inclusive and transparent approach, ensuring gender representation and inclusion of minority groups in dialogues and consultations. In recent years, many states in countries of origin have changed their views about migrants – in contrast to the past, today migrants are often viewed in a positive light. Studies have shown that migrants who have successfully integrated in the countries of destination often continue to maintain links with their countries of origin and are committed in contributing to their development.

## Temporary Migrant Worker Programmes

*Temporary migrant worker programmes are increasingly being proposed in international debates as a way of securing positive outcomes for countries of origin, countries that wish to import labour and the migrants themselves. Such proposals need to consider the different contexts and the experience that guestworker programmes have often been used to restrict the rights of migrants. Instead, the best ways of ensuring circularity are through creating an enabling economic and political environment in countries of origin, and through capacity-building initiatives such as training, investment support and reintegration assistance.*

The European guestworker systems of the 1960s were based on restricting the rights of migrants, separating families and restricting settlement. The adoption of even more rigid types of contract labour recruitment by Gulf States and new industrial economies in Asia has led to hardship and the denial of rights for many migrants and their families. Current proposals for guestworker programmes in Europe and North America could only overcome such deficiencies, if they guarantee fair pay and conditions, protection of the human and social rights of workers and their families, and equality before the law.

Temporary migration programmes start from the understanding that many people want to migrate temporarily in order to improve the livelihoods of their families in their places of origin. Many temporary workers do indeed return to their places of origin, but others develop family and social ties in the destination country. Yet others would like to return but are unable to do so because the absence of sustainable economic and social development offers them no adequate livelihood opportunities in their countries of origin. The human rights and social protection laws of liberal democratic countries make enforcement of return extremely difficult. Temporary migration programmes must therefore include an option of family reunion, settlement and eventual citizenship.

The best way of ensuring circularity is not through denying rights to migrants, but by creating an enabling economic and political environment for their return. Measures to be explored include enhancing the portability of pensions and social benefits, education and vocational training relevant to the needs of the country of origin, advice on investment and business formation, and assistance in the development of social and economic infrastructure.

## **Migrant Empowerment and Development**

*Migrant empowerment is crucial in working towards sustainable development in countries of origin. Empowerment means creating conditions that enable migrants to participate equally in economic, social and political life in their countries of origin and destination. Migrant associations play an essential part in such processes. States should adopt an inclusive and transparent approach in ensuring diverse representation in dialogues and consultations.*

Migrant empowerment is closely related to broader processes of democratization in the South. Measures to improve democratic participation, safeguard human and civil rights, and to enhance good governance mean including all affected people, including migrants and their communities, in planning and decision-making processes.

## **Protecting Migrants**

*Migration entails risks and vulnerabilities to migrants, particularly for women migrants. The states of countries of origin and destination, international agencies and civil society organizations should work together to mitigate these risks, through legislation, institutional action and advocacy. Human rights must be guaranteed for all migrants, wherever they are, and regardless of their legal status.*

The current concern of developed countries over national security should not obscure the fact that many people migrate in order to escape severe constraints to their human security, and that they may experience abuse and exploitation in the migration process. Debates on improving security must therefore consider not only threats to state security, but also the risks faced by migrants and their communities.

## **Responsibility of States: Countries of Destination**

*States of countries of destination should recognize that the demand for migrant workers is a significant driver of migration from poorer countries, and that they therefore have a responsibility to avoid policies that can lead to adverse social consequences or negative effects on development.*

Developed countries have introduced measures to encourage recruitment of highly skilled workers (such as medical personnel or engineers) in the South. While recognizing the right of individuals to migrate, governments should take steps to ensure that recruitment does not deprive poorer countries of essential resources, for instance, through measures to support training and retention of essential staff. Developed countries also foster the recruitment of less or semi-skilled workers, either through legal recruitment schemes or through policies that tolerate or even encourage irregular employment. State responsibility

here would mean consulting employers and labour unions on labour needs, and ensuring that migrant workers can enter legally and that they receive fair wages and conditions. Government departments responsible for labour market issues should collaborate with government departments responsible for development and foreign affairs in ensuring a concerted and holistic government approach to migration and development.

## **Why South-South Cooperation?**

*South-South cooperation – among states, migrant associations and civil society, including academics – is essential towards defining common problems, fostering exchange, sharing of good practices, negotiating with North countries, and identifying solutions. Research has an important role to play in supporting South-South cooperation through the building of transnational, interdisciplinary networks, formulation of a joint research agenda, building and strengthening research capability, and developing theoretical frameworks from the South.*

South-South cooperation will further the reflection on similarities and differences in the processes and outcomes attendant to international migration and development. South countries need to know and learn more about each other and to envision and pursue a common plan of action. South-South cooperation is expected to help define the common problems and challenges confronting these countries, to facilitate the exchange and sharing of good practices and initiatives, to present a collective voice in negotiations and discussions with the North countries, and to put forward creative, participatory, and equitable approaches to counter the inequity of the market-driven causes and consequences of international migration.

Research is a means to understand the similarities and differences among South countries, and it is critical in providing evidence-based analysis to promote a deeper understanding of the multi-dimensional, multi-level, short-term and long-term ramifications of international migration and development. Participants agreed that the comparative perspective and multi-sectoral approach adopted by the conference was one concrete way to move forward. In order to enhance the use of research in informing policy and advocacy, the use of the Internet, dissemination through forums, and exchange visits were among the proposed “alternative” means of dissemination and information sharing. In addition, research itself is one activity that can be pursued as part of South-South cooperation.

## **Elements of Cooperation**

*Perspectives from the South on migration and development require cooperation at all levels – North and South, global, regional and national – and with all relevant actors – international organizations, states and civil society.*

Important factors in forging cooperation include:

- Dialogue;
- Acknowledging interdependence i.e. recognizing that we need each other and can learn from each other;
- Respect for differing interests, values and needs;
- A redefinition of security that includes both human security and state security;
- Openness to bilateral and multilateral agreements.



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The relationship between migration and development is a key topic for research and policy. Earlier pessimistic perspectives focused on the threat to development of poorer countries through the loss of human resources. Recently, a more optimistic view has been advanced by northern governments and international agencies. This is based on the idea that remittance flows and transfers of know-how by migrants can actually reinvigorate development. But what do people in the South think about international migration? How do the migrants themselves experience international migration, and how do they understand development? These questions are rarely asked.

This book attempts to redress the balance by initiating a South-South dialogue. It is the result of discussions among researchers, government officials and migrant activists from five major emigration countries: India, Mexico, Morocco, the Philippines, and Turkey. The five country case studies present experiences of emigration over the past 50 years and analyse the consequences for economy, society and politics.

The book is edited by Stephen Castles (University of Oxford, UK) and Raúl Delgado Wise (University of Zacatecas, Mexico). Other authors include: Alejandro Portes, Jørgen Carling, Manolo Abella, Jeffrey Ducanes, Binod Khadria, Humberto Márquez Covarrubias, Hein de Haas, Maruja M.B. Asis, Gamze Avci, Kemal Kirişci, and Oliver Bakewell.



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