



International Migration Institute
James Martin 21st Century School
University of Oxford



MIGRATION AND DEVELOPMENT
A BRIEFING NOTE FOR THE ACP MINISTERS

MAY 2008

Paper prepared by Oliver Bakewell

International Migration Institute

University of Oxford

www.imi.ox.ac.uk

MIGRATION AND DEVELOPMENT – A BRIEFING NOTE

While it has long been recognised that migration (both internal and international) and development processes are closely linked, there is still limited understanding of the nature of their relationship. There are no general answers to questions about how migration affects development and vice versa.

For many years, these questions have been largely avoided as migration and development have been seen as separate realms, involving different government departments, multilateral organisations, civil society actors and academics. For example, migration is not mentioned in the Poverty Reduction Strategy Papers (PRSPs) of many countries across Africa nor does it feature in the Millennium Development Goals. Where the relationship was considered, the prevailing consensus was quite pessimistic: migration has been seen as both a symptom and cause of ongoing underdevelopment, creating a vicious circle in many ACP countries.

Migration pessimists

Development problems including marginal livelihoods, poverty, inequality, political instability and conflict have all been identified as major factors underlying people's decisions to migrate. This process of migration (both internal and international) has been widely portrayed as having largely negative impacts on development:

- Draining regions of human capital and reducing productivity – whether agricultural labour from rural areas or well-educated graduates from health, education, civil service and business sectors;
- Undermining family and community life in sending areas – separating families, creating gender and age gaps in the population;
- Putting pressure on physical infrastructure and services in destination areas – expanding urban slums, increasing demands on clinics, schools, social services.
- Depressing wages in destination areas – creating a pool of labour willing to work below legal minimum wages, increasing unemployment and exploitation;
- Increasing inequality – the poorest of the poor who tend not migrate are excluded from the benefit of migrants' remittances.

As a result, slowing down the rate of out-migration has been taken as an implicit or explicit aim of many development initiatives and a decrease in migration has been seen as an indicator of success.

This pessimistic outlook has been radically revised in the last decade. The relationship between migration and development has become a major focus for policy makers and researchers for a number of reasons:

- *Changing patterns of migration* – while the scale of international migration as a proportion of global population is not unprecedented, there is greater diversity among migrants and their destinations and higher levels of migration from less developed to

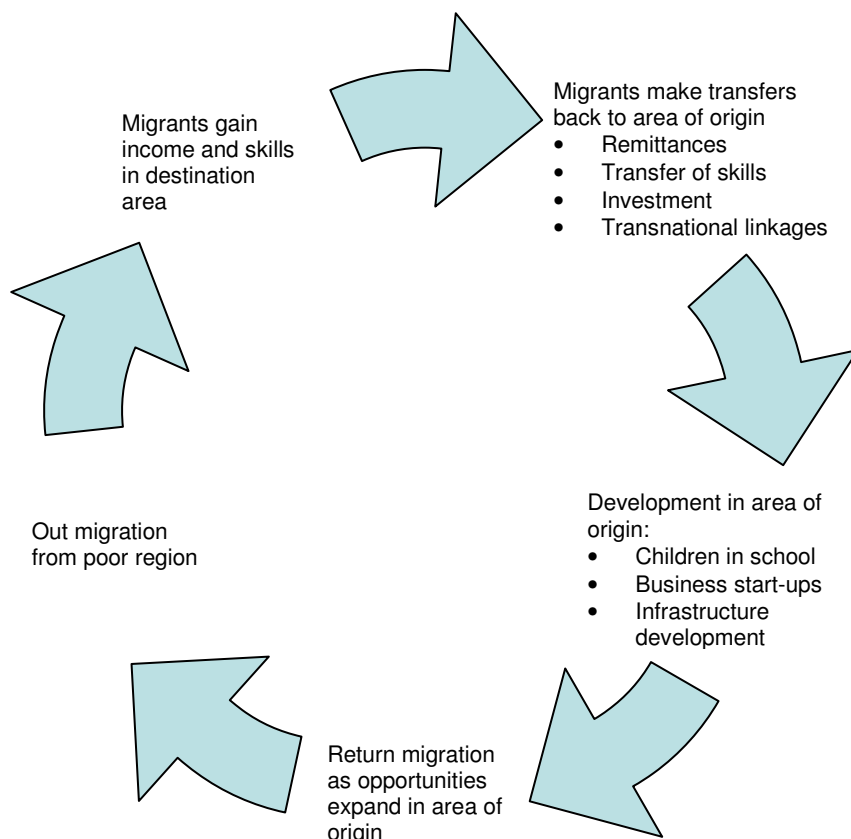
industrialised states. For example, migration from ACP to the EU was principally directed towards former colonial powers; today, migrants are moving across the whole EU.

- ***Growth in undocumented migration*** - very visible forms of undocumented migration through people smuggling, trafficking and other illegal routes have helped to make immigration a major political priority in the EU and other receiving areas. In particular, since 9/11 it has helped to bring migration onto the security agenda. Such movements are seen to be driven by desperation and poverty, i.e. the failure of development, and create a huge pressure to find solutions that stop such desperate measures.
- ***Competition for labour*** – the demand for migrant labour, both skilled and unskilled, in Europe seems set to rise (partly driven by demographic changes with ageing populations) whether it is supplied by regular or irregular migration. At the same time, in many ACP countries, a very high proportion of the best educated people are emigrating.
- ***Remittances*** – in 2003, the World Bank drew attention to both the scale of migrants' remittances to developing countries. By 2007, the global total exceeded foreign direct investment and official development aid and was growing quickly. The development potential of such private sources of funds has become a subject of extreme interest. In sub-Saharan Africa, recorded remittances are rising more slowly than other regions and are still considerably less than official development aid, but they still make a vital contribution to the balance of payments and, of course, to recipient households and communities.
- ***Transnational practices*** – migrants are now able to maintain links with their countries of origin through a complex network of cultural, economic, social and political relations, which can be sustained through new technologies (internet, mobile telephony) and cheaper travel. For example, rather than simply sending money, it is now possible for migrants to invest in businesses over which they can have some oversight from a distance using cheap telephony, texts (SMS), email, web-cameras and so forth. This recognition of the ongoing transnational linkages between migrants (and their descendants) and their countries of origin has spurred a growing interest in the role of these emerging 'diasporas' in development.

Such factors have pushed the relationship between migration and development into the limelight and stimulated a large number of international initiatives addressing the issues, such as the UN High Level Dialogue on Migration and Development (2006) and the Global Forum on Migration and Development (2007-8). The negative relationship between migration and development has been fundamentally reappraised and a more optimistic analysis is now more prevalent.

Migration Optimists

Today there is talk of creating 'win-win-win' scenarios, in which migration can be good for the country of origin, the destination country and the migrants themselves. Such scenarios envisage achieving a virtuous circle (see below). This rests on the assumption that migrants will be able to, and want to, maintain links with their country of origin and they will at some stage return to it.



Research and practice have shown that both of these analyses are very limited and the linkages are much more complex than such simple models suggest. The actual relationship will be shaped by the particular context. However, a number of factors are emerging, which must be taken into account in the design of policy.

There is no automatic correlation between levels of development and levels of migration. All the evidence suggests that increased development levels – higher levels of education, higher (and more diversified incomes) – tend to increase levels of mobility. In due course, if the economy grows sufficiently, inward migration may also grow (but not necessarily the return of indigenous populations). Many other factors will also shape migration movements. **Therefore, any attempts to use development policy as a lever to influence migration levels are unlikely to have the desired effects.**

The levels of remittances and their significance vary enormously. They are particularly important for some of the smaller states, especially some island states. The cost of sending remittances through formal channels remain high for many migrants and reducing the fees

charged is an important way of increasing the transfer of funds. It is important to recall that they are private funds. **Attempts by the state to tax remittances them or capture them for development initiatives are likely to drive them underground.**

Improving their impact on development is more difficult to assess. Remittances do not automatically lead to economic and social changes of benefit to the population of emigration countries. They can lead to inefficient investment and economic dependence on continuing emigration, and sometimes even hide a reverse flow of funds to rich countries. **The positive link between remittances and economic growth only applies if appropriate policies are put in place to encourage legal transfers and productive investment by creating an appropriate climate in which investment can succeed – regulatory frameworks, property rights, transparency, reduction in corruption and infrastructure improvements.**

Remittances as a percentage of GDP (2004 UN Pop Div)	
Top ten in ACP	
Tonga	33.5%
Lesotho	25.9%
Haiti	22.1%
Jamaica	16.4%
Samoa	12.4%
Dominican Republic	10.4%
Cape Verde	9.5%
Kiribati	8.9%
Guinea-Bissau	8.5%
Guyana	8.2%
Togo	7.2%

Likewise, attempts to stimulate business investments by migrants or the transfer of skills are only likely to be effective if there is an appropriate climate for investment. **Assuming that appeals to migrants’ attachment to home will be an adequate incentive to invest is less effective than providing this enabling environment for investments.**

Whatever the economic impacts of migration, its social consequences also have to be considered. The process of migration creates enormous social changes for individuals, households and communities. For example, a growing feminisation of migration has been observed, with more women moving within the global labour market in their own right rather than as dependents of men. While this can be seen as increasing women’s power in the labour market, that market is highly gendered; a large proportion of women are only able to work in low paid domestic work and sex work, in which they are exposed to abuse and exploitation. Women are often obliged to leave their children under the care of others and this may have serious repercussions for family life and the development of future generations. **Migration and development policies need to be designed with careful consideration of their potential impact on gender relations and other social relations, such as ethnicity or class.**

The emigration of a large proportion of highly educated people from many ACP countries – often referred to as the ‘brain drain’ - has been a major concern for some years, particularly for the health and education sectors. There have been attempts to reduce the out-flow of people by reducing the recruitment of doctors, nurses and teachers by EU states within ACP countries. However, it is not clear that this is resulting in the desired increase in staff retention in public services. **There is some evidence to suggest that the exodus of skills is a symptom of the very poor working conditions (not just wages) and opportunities for professional development in developing countries, rather than the cause.**

Migrants who are better established and are able to circulate freely are more likely to remit more funds and make return visits to their country of origin. In due course, they may resettle there. In contrast, if migrants are irregular or are only given short stay temporary visas, after which they are forced to return home, the experience of such temporary worker schemes suggest that they are more likely to move into irregular stays and may be forced to stay permanently. **Ironically, giving people the right to stay indefinitely may facilitate their eventual return. Moreover, it will increase their options for contributing to development.**

The more optimistic view of migration rests on the idea that migrants should in due course return home. This has stimulated renewed interest in circular migration within EU states. In practice, such policies rarely succeed in achieving their policy goals and they often fail adequately to uphold the human rights of migrants. **Poorer nations, including ACP states, seem unable or unwilling to argue effectively for the protection of their migrant nationals living abroad.**

Despite the increased diversity in migrant destinations, it is important to note the critical role of geography in shaping migration patterns. The majority of migrants from the Caribbean are found in North America or within other states in the Caribbean. Likewise, most Pacific migrants are found in Asia and Oceania. For Africa, the majority of migrants move within the continent. **The EU is therefore an important but minority destination. ACP states will need to develop migration and development policies in the best interests of their whole populations; these may not match the interests of the EU.**