

# Migration and Development

Enriching the migration and development debate:  
suggestions from an experience in the field

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This policy brief presents the main observations from the study-tour on migration and development, organised in Zacatecas, Mexico in March 2009. The event centred on a comparison of the forces driving migration and the development impacts of migration between the Mexico-US and Morocco-EU migration systems. This comparison generated new insights for the migration and development debate, including the expected role of migrants and their associations and the position taken by governments in origin and destination countries. This policy brief presents the main discussion points and concludes with suggestions for improving policies and furthering migration research.

## Summary

The International Migration Institute organised a study tour and workshop in Zacatecas, Mexico in March 2009 with the support of the German Marshall Fund of the United States. The event saw the participation of academics, policy makers and practitioners from Mexico, Morocco, the EU and the US. The objective was to explore evidence on the links between migration and development by comparing the Morocco-EU and Mexico-US migration systems.

The participants discussed key issues central to the migration and development debate. Several ideas dominating the public debate regarding the impact of migration on development were called

into question. This includes the role of migrants as agents for development and the ambiguous role played by governments of origin and destination countries. This policy brief summarises the main findings of the study tour. It concludes by suggesting how public policy could enhance the development impact of migration and how comparative empirical research could improve our understanding of the links between migration and development.

## About the migration and development debate

As the migration and development debate has largely developed with a 'northern' (European, North American) perspective, its core concepts largely represent ideas commonly accepted in Europe and North America. For instance, it is a common assumption that migration can be significantly reduced once the origin countries reach a higher level of development. However, empirical evidence suggests that the relationship between migration and development is much more complex and that development often leads to more rather than less migration. The debates generated the following core insights:

- It is important to adopt a broad concept of development. Development is often associated with economic growth, leading to a decreased need to migrate. However, one should go beyond this narrow view and consider people's



A return migrant explains how he started his own organic agricultural enterprise in Jerez, Mexico

actual wellbeing and their capability to lead the lives they have reason to value. For instance, migrant expenditures on consumption goods and the construction of houses are often seen as 'non-productive', but as long as they contribute to the wellbeing of people and communities, they could be seen as 'development'.

- Comprehensive evaluations of the links between migration and development, remittances and migrants' initiatives on development in the countries of origin are needed to underpin the various positions in the debate with sound empirical data.
- These evaluations must take into account the many social, cultural, economic and political dimensions of development and how these affect people's livelihoods.

## **Migrants as agents of development**

It is often suggested that migrant involvement in development activities is desirable. While this apparently acknowledges the important role migrants play, this approach is not problem-free:

- There is a risk of shifting responsibility for creating conditions for national development away from governments towards individual migrants and migrant associations.
- Not all migrants (and non-migrants) are willing to become entrepreneurs or 'development workers'. This expectation and other such fixed ideas among policy makers do not capture the mixed motivations for migrants involving themselves in development in origin countries. Projecting these policy hopes and expectations onto individual migrants is likely to be a recipe for policy failure.
- Although many migration and development activities focus on rural areas and agricultural activities, migrants' activities and investments are increasingly concentrated in urban areas. It seems naïve to counter this general trend of urbanisation.

Migrants' lives span two or more different 'worlds' and they are deeply immersed in both. This position allows them to make important contributions to development, which are not always recognised:

- Migrants bring added value to development not only as 'development agents' but also by bringing new perspectives into the debate.

- Migrants can serve as pressure groups with the aim to improve public debate and encourage government reforms.
- In particular, low-skilled migrants may embody two fundamentally ambiguous identities. On the one hand, they are often at the bottom of the socio-economic ladder in the destination countries, which can leave them in vulnerable and exploitative situations. On the other hand, they may be part of a local elite in origin countries, which places them in a position of privilege.

## **Observations on migrant associations' development initiatives**

Through 'collective' remittances, migrant or 'home town' associations often support small-scale infrastructure projects in local communities to improve general wellbeing. These initiatives have a limited impact on local economic growth.

Evaluations of collective remittance projects (such as tres por uno, 3 for 1) are urgently needed because:

- There are few independent evaluations of the success of such projects and the factors influencing positive and negative outcomes.
- It is not clear that migrant projects support initiatives that respond to the most urgent needs identified by the communities.
- In highly politicized contexts, projects may fulfil the needs of migrant elites, which may lead to greater inequality rather than contributing to local development.

## **Migration and governments in origin countries**

Governments have tended to have a laissez faire attitude towards migration and, in some cases, migration may have contributed to economic dependency. The reliance on remittances and migrants' support for local projects might have been a disincentive to the formulation of broader national development strategies.

- Government support for the initiatives of migrant associations (such as those implemented through the 3 por 1 programme) can be seen as promoting development via migrants, rather than encouraging the involvement of migrants in a coherent development strategy.

- Migration and development projects cannot be a substitute for structural reform. Such structural reform is a precondition for enhancing the development potential of migration through:
  - » Macro-economic reforms
  - » Political accountability supported by democratic institutions
  - » Transparency and the fight against corruption
  - » Building trust in the judicial system and guaranteeing property rights
- Increasing migrant investments in countries of origin requires the creation of enabling environments for business development and entrepreneurship. Specific areas that require improvement include:
  - » Protection of titles/deeds
  - » Clear and easy procedures to obtain and renew business licences
  - » Enhanced access to credit
  - » Government and mutual support for entrepreneurship, for instance through Chambers of Commerce

Creative and efficient ways can be found to enhance the development impacts of migration and remittances:

- Deposits by migrants overseas into origin country banking systems could be used to access credit for the local population in areas of origin.
- Measures could be taken so that taxes raised from remittances are invested locally rather than flow into central national accounts.
- A percentage of the profits from remittance-fuelled deposits in the banking system could be allocated for social purposes, following the example of Spanish savings banks which allocate a portion of their annual profits for programmes of a social nature (obra social).
- Existing enterprises should be encouraged to support institutions such as Chambers of Commerce.

Finally, migrants can provide additional resources:

- Migrants should be included in national development efforts rather than exclusively in specific migration and development initiatives.

For instance, in Morocco, migrants and their associations can apply for general human development funds through the Initiative Nationale pour le Développement Humain (INDH)

- Migrant associations could extend their role by providing in-kind support: for instance, expertise in conducting feasibility studies and market research for potential migrant and non-migrant entrepreneurial development.

## Possible contributions of destination countries

The global economic crisis has reinforced the existing tendency among governments of destination countries to encourage immigrants to return to their origin countries through a variety of initiatives, such as return bonuses. Such policies often fail as they typically seek to limit migrants' rights.

- Temporary or permanent return policies can only succeed if migrants can retain their residency rights. When the right to re-emigrate is protected migrants are more inclined to return to their origin country for longer or shorter periods.
- Elderly migrants are only likely to return if they are granted 'portability' of pension and visa rights, which allows them to visit destination countries, where they often have family members and friends.
- Given destination governments' unwillingness to address these issues, many migrants solve welfare and visa uncertainties by obtaining dual citizenship.
- Integration and naturalisation are not necessarily in opposition to transnational engagement with origin communities. In fact, there is evidence to suggest that integration in destination countries might empower migrants to engage more fully in the development of their origin country.

## Suggestions for policy improvements

The study tour and workshop culminated in discussions on how policies of origin and destination countries can enhance the development impact of migration. The following ideas for creating positive migration-development interactions were identified:

1. Significant and visible socio-economic and political development in origin countries is a precondition for investments by migrants to occur.
2. A reduction in the 'militarisation' of borders preventing circulation of migrants and more flexible admission policies.
3. Labour market policies which create real opportunities of employment for workers who stay in origin communities.
4. Development of accessible and transparent markets for agricultural products in order to prevent frequent failure of migrants' investments in agriculture.
5. Land/agrarian reform that puts resources back in the hands of small farmers and prioritises food security for the local population.
6. Inclusion of migrants in the elaboration of national development strategies and facilitating the dialogue between migrants and development agencies in order to enhance mutual capacity building.
7. An in-depth understanding of the objectives of migrant entrepreneurs and the obstacles they experience. The correct conditions for enabling small-to-medium enterprises to flourish, such as the creation of infrastructure, facilitating market access and providing support and training for migrant entrepreneurs.
8. Support programmes that simulate the 3 por 1 funding system and could be complemented by the destination countries' governments.
9. The integration of migrants in the destination country must be fostered to enhance the well-being of migrant communities and to increase their capability to contribute to origin country development.

## Suggestions to advance research

The discussions also resulted in several suggestions on possible ways to advance migration and development research. Future research should also aim to understand why impacts of migration are so different across regions and countries. Hence, there is a need for comparative, empirical studies. Specific areas of research that were suggested :

- Remittances: Historical perspectives and remittance trends, collective remittances, impact of social and financial remittances, multiplier and other effects.
- Transnationalism: The contested link between integration, transnationalism and migrants' contribution to development.
- Circular and temporary migration: The creation of more informed models of circular and temporary migration based on past and current experiences.
- The effect of the global financial crisis on migration and development.
- Public policy and migration: The role of general public policy on development impacts of migration, rather than specific migration and development policies.

Non-academic participants suggested that future scholarly research should aim to produce more accessible, concrete results that can be used by migrants, civil society and policy-makers.

## Future project activities

Encouraged by the positive results of the first study tour and workshop in Zacatecas, Mexico, the IMI is in the process of organising a similar event that will take place in Ouarzazate, Morocco in March 2010. The event will allow participants to continue their observations in the field and produce further empirical evidence for future comparative investigations. The 2010 study-tour and workshop will be organised with the support and the generous funding of the Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) GmbH and the Fondation Hassan II pour les Marocains Residents à l'Étranger.