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IMPROVING US AND EU IMMIGRATION SYSTEMS

Migration and Development Policy: What Have We Learned?

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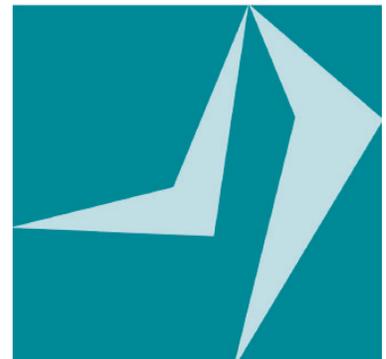


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I. Introduction

There is a long history of academic interest in the relationship between migration and development, dating perhaps as far back as Adam Smith's writings on economic growth. But policy interest in the issue is more recent. Over the past decade, migration and development have emerged as a pressing policy priority on the global agenda and continue to be the topic of high-level policy discussions in the European Union, the United States, and elsewhere. In this period, a number of revisions to conventional thinking on the subject have gradually gained traction and have produced some innovative — if still untested — policies and programs. This brief identifies critical lessons from the past decade of policy experimentation and offers some recommendations for migration and development policy.¹

II. Lessons Learned

Decisionmakers and policy developers have largely (although not completely) moved away from the notion that economic development is a general cure for migration.

Until recently, policy discussions on migration and development assumed an instrumentalist viewpoint. Development was typically viewed as an antidote to levels of migration that were perceived as excessive, politically unpalatable, or illegal. This view was reflected in US policymaking during the 1980s and early 1990s in Latin America and the Caribbean, and in European policymaking — particularly since France's "co-development" programs in the mid-1990s and later in the aftermath of the 2002 European Union (EU) Seville Council meeting.² In retrospect, these policies were not effective. Large investments of foreign assistance by the United States in the Caribbean and Central America, and broad-based trade liberalization with Mexico, did not meaningfully reduce migration pressures in the region. In Europe, linking development assistance with readmission agreements (and with cooperation to deter or deflect irregular migration away from the European Union) undermined trust in partnerships with countries of migrant origin and did not form a workable basis of migration and development policy.

Over the past decade, however, policy discussions have gradually shifted away from this perspective. International migration is now more widely recognized as an aspect of globalization that persists even at very high levels of development — within the European Union, for example. As Aaron Terrazas points out, "...most wealthy, developed countries still have higher levels of emigration than developing countries, even as many have become major destinations of immigrants from poorer places." He emphasizes that "Both emigration and immigration are part of every country's participation in the global economy."³ While the domestic implications of immigration policy are unavoidable and will likely continue to be prominent in the lingering aftermath of the global economic recession, immigration should also be treated as an aspect of foreign policy and economic policy reflecting the interests of both source and destination countries rather than as a problem to be solved. These overlapping interests must be managed, just as trade and finance issues that affect domestic industries and jobs are dealt with, not ignored. US development policymakers have begun working with immigrant and diaspora groups to promote development in migrants' countries of origin. It is encouraging to see that the European Union's Global Approach to Migration (GAM) seems to pursue a more inclusive idea of partnership, although it still partners migration and development with reduction of illegal immigration as two of the three GAM pillars

1 This policy brief draws on papers by Aaron Terrazas and Michael Collyer that were produced for the European University Institute (EUI)/Migration Policy Institute (MPI) project, "Improving EU and US Immigration Systems' Capacity for Responding to Global Challenges: Learning from experiences." The project's work is available at:

www.migrationpolicy.org/jimmigrationsystems/.

2 Michael Collyer, *The Development Challenges and the European Union* (Florence, Italy: EUI, 2011), www.eui.eu/Projects/TransatlanticProject/Documents/BackgroundPapers/EU-Development.pdf.

3 Aaron Terrazas, *Migration and Development: Policy Perspectives from the United States* (Washington, DC: MPI, 2011), www.migrationpolicy.org/pubs/migdevpolicy-2011.pdf.



(the other being greater facilitation of legal migration).⁴

Although the focus in migration and development discussions is on labor migration, the search for work is not the only motive for migration; migrants who move for reasons other than work make meaningful contributions to development in their countries of origin.

Escape from political or criminal violence, persecution, and natural disasters; or the pursuit of family unity, freedom from social strictures, or something as simple as a reliable electricity supply, are all powerful motivations for people to move — and all have development implications. Family reunification cases represent the largest stream of legal immigrants to most receiving countries. Many European governments have cracked down on eligibility for the family stream, seeking to engineer a class of migrants who can contribute more to the economic growth of the country of destination. This policy overlooks the fact that family ties are a powerful agent for successful immigrant settlement, and that well-integrated immigrants are better able to contribute both to the country of origin and country of destination. Immigrant-receiving governments should foster family and community ties of new immigrants, and promote the success of newly arrived individuals and the communities they enter.

Similarly, immigrant communities that originate in refugee flows also contribute to poverty reduction and development in their countries of origin in many cases, particularly after some time has elapsed since their arrival. The European Union and the United States take quite different approaches to refugee settlement, starting with the fact that the majority of the US refugee intake arrives through organized programs of resettlement, while the European Union's is primarily composed of those who have been awarded asylum (or some other form of protection) after arriving under their own initiative. More significantly, the US government encourages — indeed insists upon — early economic self-sufficiency for refugees, while European states open their much more generous welfare systems to refugees in a pattern that often encourages dependency. Refugees who are in the formal labor force contribute more to the country of settlement, but are also more likely to be able to send remittances to relatives left behind in the country of origin. A policy that strongly encourages labor force participation by refugees who are able to work is a positive factor for development.

A more nuanced understanding of remittances has developed as research and observation have revealed that remittances reduce poverty but do not necessarily bring about more sustainable growth or development.

Consideration of how to foster greater development impact from remittances is perhaps still the most prevalent theme in migration and development discussions, but the known results of actions to encourage this outcome are limited and ambiguous. The most successful remittance-linked policy initiatives are those that have established structures to drive down the cost of money transfer. Lower remittance costs leave more money in the hands of the senders and/or receivers of remittances. The choices they make of how to use the money may or may not contribute to development in the country of origin, but it undoubtedly increases the potential for development inputs, whether through the multiplier effects of increased consumption, investment in human capital through education and health spending, or (less commonly) investment in productive assets. Much remains to be accomplished in driving down remittance costs to the 5 percent level targeted by the World Bank and others.⁵ Policies that encourage competition among remittance service providers have proven to be effective in reducing costs; similarly, governments should encourage (and remove barriers to) the use of new technologies such as cell phone-based money transfers which are normally cheaper for remittance senders than more conventional means and open the prospect of other cell-phone-based services to migrants and their families.

Most projects that try to increase the development impact of remittances focus on the micro level of individual migrants, migrant enterprises, and migrant-origin communities. The macroeconomic effects

4 European Commission, "Strengthening the Global Approach to Migration," (press release, October 8, 2008), <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/613&format=HTML&aged=1&language=EN&guiLanguage=en>.

5 Collyer, *The Development Challenges and the European Union*.



of remittances are equally, or in some ways even more, important for development. The individual remittance receiver cannot overcome structural obstacles to development such as lack of infrastructure, perverse economic incentives, corruption, or bad governance. But significant foreign exchange receipts in the form of remittances enhance a government's ability to finance crucial imports, pay lower interest rates on sovereign debt issues, and borrow on international markets to fund development projects. Of course, they may use this increased financial capacity for wasteful expenditures rather than productive ones, but remittance-linked foreign exchange receipts can make it possible for national governments to overcome some of the structural obstacles to development. Migration and development policies should address the macroeconomic as well as the microeconomic impacts of remittances.

Migration and development policy has broadened its focus beyond remittances and “brain drain.”

Migrants contribute to the development of their countries of origin in many ways other than sending money to their relatives and communities – and they may undermine development in ways other than by removing their skills and talents. Many governments and international institutions are intensifying their interest in diaspora engagement through direct and indirect investment, philanthropy, volunteerism, disaster relief, conflict resolution, advocacy (both in countries of origin and countries of settlement), and other modes. The US State Department, for example, recently hosted a Global Diaspora Forum and is supporting the establishment of an “International diaspora Engagement Alliance” (IdEA) to promote and facilitate the contributions of US-based diaspora institutions to economic and social development in their homelands.⁶ Engagement with diaspora groups has many potential pitfalls, but governments can navigate these with intelligence and leverage the enthusiasm, knowledge, and resources that many diaspora groups can bring to development efforts in their ancestral countries.

It is difficult, though not impossible, to substantially reduce or redirect migration flows through unilateral efforts alone; collaboration among origin, transit, and destination countries is almost always necessary.

Partnership with countries of origin has often been invoked by European and US policymakers, but seldom practiced. In many instances, destination countries have dominated these partnerships as a result of the deep power asymmetries that characterize most bilateral migration relationships. Source countries, by contrast, typically prefer multilateral forums such as the United Nations that tend to enhance their collective negotiating power. (By contrast, major destination countries such as the United States and Germany have tended to avoid discussions of migration in multilateral forums.)

Recently, however, some encouraging modes of cooperation have been implemented. One example is the creation of the Global Forum on Migration and Development (GFMD), which since 2007 has provided a venue for discussion of migration issues among both source and destination countries, based on recognition of common interests. The GFMD has also increased the possibilities for migrants' voices to be heard by expanding the interaction between the governmental forum and the civil-society forum. Another promising example of new modes of cooperation is the mobility partnership, in which EU Member States negotiate priority topics with countries of origin. As of mid-2011, only three partnerships (Moldova, Cape Verde, and Georgia) have been implemented, and they are perhaps too new for their success to be judged. An effort to negotiate a mobility partnership with Senegal failed, signaling that some countries of origin have yet to be convinced that destination countries are interested in true partnerships rather than an instrumentalist subordination of partners' interests to their own.

⁶ See International diaspora Engagement Alliance (IdEA), “IdEA: Moving Forward by Reaching Back,” www.diasporaalliance.org. MPI is partnering with the State Department to establish IdEA.



Although policy discussions on migration and development have historically been framed almost exclusively around South→North migration, there is a growing recognition that international migration is roughly evenly divided among South→North, South→South, and North→North migration, with a much smaller volume of North→South movement. Many developing (and particularly middle-income) countries have become major immigrant destinations while still remaining sources of immigrants.

The focus on South→North migration is perhaps predictable for policymakers in Europe and the United States as it is a large and highly visible migrant stream and since development cooperation is most often a feature of North-South relations. The fact is that migrants who move from developing to highly developed countries earn more, send higher levels of remittances, and have higher capacity to invest or contribute in other ways to development in their ancestral countries.

But the South→North perspective overlooks substantial North→North and South→South migration. The latter in particular has expanded in recent years as the economic prospects of some developing countries have diverged. Middle-income and emerging economies (e.g. Chile, Thailand, China, Costa Rica, and South Africa) are increasingly attracting immigrants from poorer neighbors and in some instances more distant countries. While migrant-receiving countries should continue to look for ways to facilitate their own immigrant populations' engagement with countries of origin, they should also attend to the implications of South→South migration and work with Southern countries of destination and their migration source countries to increase the benefits and reduce the costs of migration within the global South.

North→North migration may not have great impact on the migration and development debate, but it does contain at least one important policy lesson: that migration is a normal rather than pathological feature of human existence and relations among states.

National policy is not the only relevant locus of migration and development action.

State/provincial and municipal governments often play important roles, and central governments should cooperate with them in programs to reinforce the development impact of migration. For example, in the United States, where subnational governments have no formal role in foreign or international development policy, the state of Florida established a volunteer agency to promote humanitarian and development work in the Caribbean and Central America, which are the origin of substantial immigration flows to the state. Several Canadian provinces, including Alberta, British Columbia, Manitoba, and Quebec have established immigration programs tailored to their particular needs, with the cooperation of the Canadian government. Similarly, the municipal council in the town of Cartaya, Spain, developed a project involving employers' associations, trade unions, NGOs, and local government agencies to better manage the circular flow of agricultural workers from Morocco. With EU funding through the AENEAS program, the Spanish project succeeded in improving recruitment and local integration, reinforcing social standards, providing additional training to the migrant workers, and avoiding the depression of wages and working conditions in the agricultural sector.⁷

Local officials' understanding of the labor markets and social context of particular places, as well as their interests in developing local-to-local partnerships, are a potential resource for national policymakers looking for innovative ways to link migration and development.

⁷ Carmen González Enríquez and Miquel Reynés Ramón, METOIKOS Project, *Circular Migration between Spain and Morocco: Something More than Agricultural Work?* (Florence, Italy: EUI, Robert Schuman Centre for Advanced Studies, 2011), www.eui.eu/Projects/METOIKOS/Documents/CaseStudies/METOIKOScasestudySpainMorocco.pdf.



III. Conclusions and Recommendations

A decade of research and practice on migration and development suggests that much remains to be done to understand and promote positive linkages between the two policy arenas. Governments and multilateral institutions have barely begun to institutionalize productive relationships between countries of origin and countries of destination. The frameworks for cooperation are typically too short-term, and are designed for projects rather than processes. Building trust between migrant communities and governments takes time and patience as well as mutual commitment. The coalitions that are relevant to migration and development action are often unconventional, bridging elites, agricultural workers, student and other youth groups, banks, local governments, private enterprises, and international institutions, as well as government agencies at the national level. The problems likely to be encountered in migration and development policy are political and organizational as often as financial or technical. All of these characteristics pose unusual challenges for policymakers.

Some recommendations from the past decade of policy experimentation are obvious. For instance, migration and development policy discussions are often confined either to development agencies, which have no input into the immigration debate, or to justice/home affairs/security agencies, which are motivated by immigration not development concerns. Governments on both sides of the North Atlantic should take a whole-of-government approach to migration and development policy, which recognizes, as Aaron Terrazas suggests, the impact of immigration policy on the economies and societies of the source countries.⁸ There are also potential benefits from greater involvement of local governments in both origin and destination countries.

Cooperation with origin-country governments is essential, if complicated. The GFMD is still young, and governments in Europe and North America should invest in maintaining its character as a “safe” space for discussion of issues that often become polarized between source and destination countries; they also should work to develop the GFMD’s potential as a platform for practical cooperation. However, before the GFMD can fill its potential as an inclusive (and therefore effective) platform for problem-solving, problems of civil-society organization representation at the forum must be resolved. Cooperation within the framework of the EU Global Approach to Migration is still perceived as a devil’s bargain to some, with a tradeoff of development assistance for outsourcing of immigration controls. European governments and the European Commission should work hard to build confidence in mobility partnerships as vehicles for cooperation in which all parties’ interests are respected. This partnership model also needs to be tested in an agreement with a large country such as Egypt or India to see if it is robust enough to make a difference.

More importantly, perhaps, the past decade has demonstrated that stronger and more positive impacts of migrants and migration on development will take time to evolve, and that policymakers will have to be flexible in their actions and expectations. No blueprint for action will produce an outcome that precisely resembles the original plan. Practice will lead to policy at least as much as the reverse. The discourse on migration and development in official settings recognizes this to some extent, judging by the recurring references to “best practice” and “lessons learned.” But a much deeper analysis of these lessons about what makes a practice useful needs to be undertaken, tracing how practices came to be as they are, what forces and interests shaped them, how they adapted to specific contexts, and who they reached and with what effect.

The final recommendation of this brief is to accompany the process of migration and development policymaking with an unsparing and continuous examination of what is working, and why.

⁸ Terrazas, *Migration and Development: Policy Perspectives from the United States*.



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Kathleen Newland is Co-Founder of the Migration Policy Institute and directs MPI's programs on Migrants, Migration, and Development and Comprehensive Protection for Refugees. Her work focuses on the relationship between migration and development, governance of international migration, and refugee protection.

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