

MORE THAN REMITTANCES: OTHER ASPECTS OF THE RELATIONSHIP BETWEEN MIGRATION AND DEVELOPMENT

*Ronald Skeldon**

A. BACKGROUND

That there is a relationship between population migration and development is axiomatic. Just what that relationship might be and how migration affects development, and development migration, is not, however, at all clear. Neither must it be assumed that migration and development are independent variables. This writer has maintained that migration is an integral part of development and the one cannot be truly separated from the other (Skeldon, 1997). Migration, or the more inclusive "mobility", can be conceptualized as the dynamic, spatial dimension of any society or economy. The mobility patterns of a country with a high Gross National Product (GDP) per capita, an economy dominated by service industries and the population distribution concentrated in urban areas, are clearly different from those of a country where the gross national product (GDP) per capita is low, the economy is based on agriculture and the population is dispersed throughout the rural sector. Equally, the mobility patterns of wealthier groups within any country are very different from those of poorer groups. Nevertheless, levels of development are not neatly correlated with particular volumes or types of migration. For example, within the developed world itself, the mobility rates of populations vary greatly. Mobility rates in the settler societies of Australia, Canada, New Zealand and the United States, where between 17 and 20 per cent of the population change their usual place of residence every year, are consistently higher than in most European countries and Japan, where generally less than 10 per cent of the population change residence every year (Long, 1991; Newton and Bell, 1996). The nature of the housing market in the respective countries is seen as one factor that can help to explain the differences; this raises the issue of appropriate policy intervention to influence the volume and direction of population movement.

Forms of population migration are often seen to increase with rising levels of GDP, or development (Zelinsky, 1971). Yet, in so much policy intervention, migration, both internal and international, is seen as an aberration and if levels of development in the rural sector or in the developing world could only be improved, then people would not have to migrate either to cities or to more developed countries. Research has not supported this idea but suggested that as any country develops, initially at least, rising levels of out-migration can be expected (Nyberg-Sørensen and others, 2002). Similarly, development is almost always associated with increased urbanization, much of which can be attributed to rural-to-urban migration. Concentration of population whether nationally, regionally or globally appears to be an integral part of development under the current dominant model of free markets and liberal democratic political systems.

While certain paths of development can generate migration, migration itself can be the facilitator of profound changes in economy and society that can be considered to be "development". Migration allows the transfer of goods and ideas from destinations back to origins, and perhaps the clearest link between migration and development is the sending of money back to the home area in the form of remittances. Estimates placed the volume of remittances from global international migration in 2001 at some US\$72.3 billion per annum through formal channels (Ratha, 2003). This sum can easily be increased substantially through the addition of the vast but unknown volume sent through informal channels. Even the volume through formal channels exceeds the volume of monies in direct foreign

* University of Sussex, United Kingdom. This is a chapter prepared for the Population Division of the United Nations, New York. It will be a chapter of the forthcoming report "Emerging Issues of International Migration", to be issued by the Population Division.

assistance from the developed to the developing world and is demonstrably a major force for change at national and local levels in countries of origin of migration. It is of such importance in the migration-development nexus that a separate paper is being prepared on this topic. The present paper will focus on other aspects of the complex relationship between migration and development and it will do so through the identification of a series of "dimensions" that allow different perspectives on the complex relationship. These dimensions include economic, demographic, environmental, political and gender perspectives on migration and development. Although the paper examines these dimensions as discrete entities, in reality they are but different filters through which we can examine the same phenomenon from distinct points of view.

economy and have seen China attain annual gross domestic product per capita growth during the period 1990-2001 of 8.8 per cent (United Nations, 2003, p. 280).

In manufacturing trade, the Republic of Korea and Taiwan Province of China had emerged as significant nations by the year 2000 and the former was also represented among the leading states that trade in services. Until the 1980s, these economies had been characterized as net exporters of labour and population, primarily to the oil producing countries of West Asia, in the case of the Republic of Korea and the United States, in the case of Taiwan Province of China, but also elsewhere. With rising costs of labour, labour-intensive industries such as textiles were moved off-shore as industries came to focus more on technology and capital-intensive activities as well as services. Both economies shifted from net emigration to net immigration in what have been called "turning points in migration" (Abella, 1994). Thus, increasing trade can indeed substitute for out-migration but lead to rising pressures for in-migration, with a likely increase in the total volumes of population movement. This theme will be pursued further below under the demographic dimension.

b. Distortions in the trading system

One clear difficulty in any search for a relationship between trade and migration is that models are based on the assumption that areas will capitalize on their comparative advantage in the supply of tradeable commodities. Each area should thus produce locally what it can either grow or manufacture most cheaply and trade these items for goods that can be generated more cheaply elsewhere. Thus, trade theory is based upon complementarities. However, despite stated commitments to the principles of free trade, in reality, it is rare that countries respond to strictly economic criteria. Tariff barriers erected by rich countries to protect primarily their agricultural sector, but also manufacturing, produce distortions that are likely to be prejudicial to the alleviation of poverty in developing countries and yet further complicate the complex relationship between migration and trade. For example, it is possible that North American and European farmers are exporting agricultural products at more than one third of their costs of production, thanks to subsidies given to the farmers (Oxfam, 2002). One of the most blatant examples of distortion is the subsidy given to producers of sugar in Europe where costs of production of sugar are more than six times that in Brazil. Brazil is estimated to lose around US\$500 million a year in market share, with even less efficient producers like Mozambique losing around US\$38 million in 2004 (*The Economist*, 17 April 2004). Subsidies given to European and American cotton growers undercut potentially more efficient producers in West Africa. The destruction of markets in the developing world may be a factor to force farmers off the land towards cities, with subsequent sp

trafficking of women is a possible future scenario unless changes are made nationally towards the migration of women, and internationally to the nature of the global trading system in textiles.

These distortions are likely to be amplified by the global patterns of foreign direct investment (FDI). Although two thirds of FDI in 2000 was concentrated within countries of the developed world, the distribution of the remaining third largely determined where export-oriented industrialization was established in the developing world. China has emerged as the leading recipient of FDI that is likely to accelerate internal migration to the coastal regions and larger cities. An associated effect, however, has been a reduction in FDI in other countries as foreign investors redirect funds to areas where higher return is expected. FDI in countries such as Indonesia, the Philippines, Thailand and Viet Nam has seen a marked decline following the crisis of 1997 but declines have continued into the twenty-first century in at least some of these countries (Organisation for Economic Co-operation and Development, forthcoming). What impact the decline in FDI will have on migration is as yet difficult to conclude but it is likely to be a factor in encouraging more people to leave for other countries or, more importantly, for their governments to accelerate existing policies to export labour overseas.

Although subsidies and quotas unquestionably prejudice farmers in developing countries, they are but part of a broader picture. The lack of infrastructure also plays an important role. In particular, future improvements to port facilities and customs regulations are seen as one way to stimulate significantly growth in intra-Asian trade (Wilson, Mann and Otsuki, 2003). Similarly, improvements to roads and airports will allow a more level playing field in global trade policy to operate effectively and to the greater benefit of people in poor countries.

c. Trade and migrant protection

The conditions of the workers in the manufacturing enterprises established under the export-oriented pattern of industrialization in developing countries raises yet another aspect of the trade and migration equation. In the drive for development, many countries have sidelined the issue of labour conditions and migrant rights and the multinational or transnational corporation (TNC), seen as a key player in this pattern of industrialization, has attracted much criticism (for example, Klein, 2000). While the drive for profit as the rationale of the TNC may have led many to ignore environmental and labour conditions, equally the TNCs are the most open to international scrutiny. TNCs are likely to pay higher wages than local companies (Legrain, 2002, p. 137). The worst abuses are likely to be perpetrated within the mass of subcontractors that are more difficult to monitor. The industries are established in developing countries

standards must be implemented from within. As the philanthropist entrepreneurs in late eighteenth- and nineteenth-century Britain discovered, a well-fed, well-housed and protected labour force is in their own

b. Regional integration

There are many types of regional trade arrangements. The most advanced form is the economic union in which there is a harmonization of all economic policy within the countries of the union, including the free movement of labour and the removal of all internal barriers to trade. The European Union (EU) is the most complete example in the world today, but there are many others that are moving at variable speeds towards such a union, including the North American Free Trade Agreement (NAFTA); the common market linking the southern Latin American nations (MERCOSUR); the Association of Southeast Asian Nations (ASEAN); and the Asia-Pacific Economic Cooperation forum (APEC).

a. Impacts on countries of origin

Governments in developing countries can view the migration of the highly skilled from two very different points of view: first, that the out-migration of the skilled is detrimental to the development of the country and every effort should be made to retain the skilled at home so that they may contribute to future development; second, that there is a global market for particular skills and it is to a country's advantage to channel manpower that cannot profitably be used at home into that market so that the country can tap into outside sources of revenue. The Philippines is perhaps the "classic" example of the second strategy, exporting over 800,000 workers every year since 1998 (Go, 2004), but other Asian countries such as China, Bangladesh, India and Viet Nam are following suit. A critical issue is to establish facilities in-country whereby workers can be trained to the standards required in overseas markets.

It is the first point of view, however, that has perhaps attracted more attention from development specialists: that the loss of the skilled is detrimental to the developmental prospects of the country concerned. Nevertheless, it is difficult to attribute specific development paths to anything as specific as the emigration of manpower. It is possible that the factors that encouraged the skilled to move away were also those inhibiting development in the first place, although this was certainly not universally the case. For example, large numbers of students left mainly for North America from about the time when a rapid economic growth began in the Eastern Asian economies and it would be difficult to imagine those economies having grown any faster if the students had remained at home. However, what applied in Eastern Asia need not be relevant to other situations. It has been estimated that Ghana lost some 60 per cent of the output of the main medical college over a 10-year period (Dovlo and Nyongator, 1999) and, between 1993 and 2002, some 3,157 health workers left Ghana that was equivalent to over 31 per cent of the health personnel trained in the country over that period (ISSER, 2003). Just what the impact of this exodus has been on Ghana's development prospects is, however, not yet clear.

If one assumes feedback between the exodus of the skilled and the behaviour of those entering the labour market, the migration can be viewed as essentially positive for development. Entrants to training programmes may deliberately opt for training in an occupation that will give them a higher probability of migrating. Not all, however, will be able to migrate owing to the limited number of positions overseas and the selection process of potential destinations, leaving the origin country with a larger pool of those specific skills than it had originally. Certainly, at the height of the emigration from Hong Kong in the lead-up to 1997, when up to 60,000 people were leaving every year, the majority of whom were highly educated or skilled, the pool of skilled personnel in Hong Kong continued to increase. Such an outcome

perhaps a more appropriate term in many parts of the world, although return appears less likely to those countries characterized by low economic growth and political instability. There, skill losses may be very real and, for obvious reasons, difficult to prevent.

One element of the migration of the skilled to the developed world is "skill wastage" where those with particular expertise enter occupations with much lower skill requirements. In part, the difficulty of obtaining professional accreditation may be responsible, and host countries may need to introduce bridging courses to allow migrants both to improve their skills and as a means to have existing skills recognized. In part, too, better-educated migrants often opt for any channel that will secure a position overseas, with one of the clearest examples of "deskilling" being female domestic workers. For example, around 1990, some 30 per cent of Filipina and Thai domestic workers in Hong Kong, for example, had some form of tertiary education, 24 per cent even having a degree (AMWC, 1991).

The migr e cleareha eecles

emigration will persist once recent sharp changes to the political and economic systems have stabilized remains to be seen. The identification of which areas are likely to make whole or partial "migration transitions" consequent upon their potential for local development still remains largely unresearched. However, prior out-migration and the resultant return flows of money, ideas and the return of some of the migrants themselves seems to be a key to the process at both national and local levels.

D. THE ENVIRONMENTAL DIMENSION

Geographical differences in the patterns of migration and development in the global system have just been discussed. Location, resource endowment and physical attributes of relief, climate and vegetation all play a role, all too often ignored, in how development proceeds. This is not to say that development is geographically determined but that the physical environment provides the attributes of the all-important space in which development occurs. Resources are not spread evenly throughout the world; neither are the kinds of favoured environments that have given rise to dense populations and the origins of civilizations. The relative importance of cultural and environmental factors in development lies far beyond the confines of this brief paper. Rather, there are specific developmental impacts on the environment that are likely to give rise to future population migrations.

1. Global climate change

Whether there is presently global climate change and whether human intervention is contributing to any such change remain controversial and contested topics. What appears certain is that human activity as a result of development is increasing the levels of greenhouse gases such as CO₂ in the atmosphere, primarily through the increased burning of hydrocarbons. These greenhouse gases trap heat and lead to global warming. Increases in average temperatures of 1.4 to 5.8⁰C are forecast through the twenty-first century by the Intergovernmental Panel on Climate Change (IPCC). However, the extent to which human interference is contributing to what may be long-term secular changes in temperature is less certain. The consequences of such long-term shifts are also contested, although evidence of melting glaciers, thinning ice caps and reduced snowfall seems to be well established in both Northern and Southern Hemispheres. Despite the uncertainties in the data, as far as the theme of this paper is concerned, the rise in sea level as a result of global climate change that itself is the consequence of increasing development appears to be the critical issue.

The projections of future rises in sea level are laden with uncertainty. Projections by IPCC place likely increases in the range of 0.11 to 0.77 metres by 2090 (IPCC, 2001). Projecting the likely areas and populations that will be affected by such a rise is even more problematic. Assuming a worst case scenario of a rise of 1 metre this century, and present populations, it has been estimated that some 6 million people

2. Other development-induced migrations

From the long-term and largely unknown consequences of development and environmental change we move to consider much more direct impacts of development on the environment that lead to population displacement. These development-induced migrations largely encompass those people displaced by the expansion of urban areas and the construction of roads and dams. Over the last decade of the twentieth century, it was estimated that between 90 and 100 million people were involuntarily displaced by infrastructural projects (Cernea and McDowell, 2000). The majority of these involved significant change, both direct and indirect, to the environment. Perhaps the most significant of these projects involves the construction of dams and the creation of reservoirs. In China, it has been estimated that schemes for every 100 GWh of electricity generated from large and medium hydroelectric schemes requires the flooding of 50 hectares of farmland and the resettlement of 560 people (Smil, 1992). The massive Three Gorges project alone will displace more than a million people.

Downstream of the dams, the reduction in river flow may cause hardship and the reduction of agriculture in traditional farming areas as, for example, along the Mekong River in Lai T haa
lw(ing)1245(

displa

nt of angriicultrfl -13.141(t)-2.8, to ld(rf)]Tban mectajasp(a)

il,

eiveop

onsanen trprvdsi α(s)-0.5(n o)1217e Smt

HE OLs IMENSION

T he iatliondileppis of(eiv)12.6(e)4(op m)1881t(ntri)1(t)

dicuns mere13.136tffugnse

r

e(n

the (s)-0.5(ri)81((s)-0.5(ng)12.7(e)0.1(nera)1(ul)8.1(l)-2.8yp)287

lowoa coSdp(ecl)784ivvt toSmebnfugeesoSmaprteca

thifrlfrf

The linkages between the emergence and consolidation of the nation state and population migrations are well known. Less well known are ideas about the long-term evolution of the state and linkages to economic development and to migration. Perhaps the most comprehensive treatment of the development of the state remains (Finer, 1997). More recently, Bobbitt (2002) has attempted to link state development with technological development and particularly the te

The policies of Canada, Japan and the United Kingdom can be used to illustrate quite different aspects of the responses. Canada, like Australia, New Zealand and the United States, is a creation of migration and has persisted with policies that will favour a regular intake of the kinds of migrants best suited to the needs of the state. The emphasis is on the "best and the brightest" or those who can contribute most to both nation building and future economic development. The emphasis in immigrant selection is on transferable skills. In 2002, over half of the annual intake, or 53.2 per cent, was made up of skilled workers and business immigrants and their families (Canada, 2003). The United Kingdom has a long tradition of immigration but, in the perceived threat of mass migration from its former colonies in the post-Second World War period, has attempted to close the door on much of the new immigration. Under increasing pressure to fill gaps in the labour force at various skill levels, the United Kingdom Government introduced the Highly Skilled Migrant Programme in 2001. That government is also reviewing and has more than doubled the number of migrants admitted under the Seasonal Agricultural Workers Scheme since 2001, and it introduced a new low-skill work permit scheme in 2003 (Organisation for Economic Co-operation and Development, 2003b). The preoccupation of the United Kingdom is still towards asylum seekers and illegal migration and politically, is, unlike Canada, a more reluctant participant in immigration. Unlike Nort

their general subjugation to men in many cultures in the developing world. Women are particularly

1. Diaspora as a global phenomenon

The diaspora is made up of migrants from a particular area living scattered outside their place of birth but remaining in contact with it through transnational linkages. As Cohen (1997) has demonstrated, there are several different types of diasporas, trading, labour, cultural as well as victim diasporas, to the extent that the word "diaspora" has virtually come to mean "international migration" in the current discourse on migration. The value of the concept is that it has drawn attention to the continued contact between origins and destinations and particularly to the circulation of migrants backwards and forwards that is the basis for transnational communities. In a post-Cold War world, and increasing population migration within a globalizing economy (Castles and Miller, 2003), diasporas provide a foundation for social identity among "deterritorialized" peoples.

The danger with the idea of diasporas is that it is essentialized into a coherent, homogeneous entity rather than the constantly changing and fractured phenomenon that it appears to be (Skeldon, 2001). The migrants may have been dissidents in their homeland or come from different areas or classes: diasporas can be highly heterogeneous. Some of the migrants and more of their children are likely to come to identify primarily with destination societies even without losing their roots. Assimilation does occur and policies of integration are important factors in deciding whether and how fast any such trend will take place. Nevertheless, any trend towards the market state, as described above, is likely to see the strengthening of "deterritorialization" and the emergence of increasing numbers of p Wao cleiiz112.6(en8(s".1.1()TTJ 20.

channels, which represented almost 4 per cent of the country's total economic output in that year (Woods,

REFERENCES

- Hugo, Graeme, Diane Rudd and Kevin Harris (2003). *Australia's Diaspora: Its Size, Nature and Policy Implications*. Canberra: Committee for Economic Development Australia.
- IPPC (2001). Climate change. Intergovernmental Panel on Climate Change. www.grida.no/climate/ipcc_tar/wgl/408.htm, accessed on 15 April 2004.
- ISSER (2003). *The State of the Ghanaian Economy in 2002*. Legon: Institute of Statistical, Social and Economic Research, University of Ghana.
- Kannan, K.P. and K.S. Hari (2002). Kerala's Gulf connection: remittances and their macroeconomic impact. In *Kerala's Gulf Connection: CDS Studies on International Labour Migration from Kerala State in India*, K.C. Zachariah, K.P. Kannan and S. Irudaya Rajan, eds. Thiruvananthapuram: Centre for Development Studies, pp.199-230.
- Kempadoo, Kamala and Jo Doezema (eds.) (1998). *Global Sex Workers: Rights, Resistance, and Redefinition*. New York: Routledge.
- Klein, Naomi (2000). *No Logo*. London: Flamingo.
- Kramer, Roger G. (2003). Developments in international migration from Asia to the United States. Paper presented at the Workshop on International Migration and Labour Market in Asia, Tokyo, Japan Institute of Labor and Organisation for Economic Co-operation and Development, 6-7 February.
- Lardy, Nicholas (1992). *Foreign Trade and Economic Reform in China, 1978-1990*. Cambridge: Cambridge University Press.
- Legrain, Philippe (2002). *Open World: The Truth About Globalization*. London: Abacus.
- Li, Peter S. (2000). Overseas Chinese networks: a reassessment. In *Chinese Business Networks: State, Economy and Culture*, Chan Kwok Bun, ed. Singapore: Prentice H/H3 1 ep7 mih5(a reas)7.ature

- _____ (1997). *Migration and Development: A Global Interpretation*. London: Longman.
- _____ (2001). The dangers of diaspora: orientalism, the nation state and the search for a new geopolitical order. In *International Migration into the 21st Century: Essays in Honour of Reginald Appleyard*, M. A. B. Siddique, ed. Cheltenham: Edward Elgar, pp. 109-125.
- _____ (2002). Migration and poverty. *Asia-Pacific Population Journal*, vol. 17, No. 4, pp. 67-82.

Table 1. Manufacturing Trade and the Relative Importance of Immigration, 2000

	<i>Exports</i>		<i>Imports</i>		<i>Migrant stock as a percentage of national population</i>
	<i>Percentage of world total</i>	<i>Rank</i>	<i>Percentage of world total</i>	<i>Rank</i>	
United States	12.3	1	18.9	1	12.4
Germany	8.7	2	7.5	2	9.0
Japan	7.7	3	5.7	3	1.3
France	4.7	4	4.6	5	10.6
United Kingdom	4.5	5	5.1	4	6.8
Canada	4.3	6	3.7	6	18.9
China	3.9	7	3.4	8	0.0
Italy	3.7	8	3.5	7	2.8
Netherlands	3.3	9	3.0	10	9.9
China, Hong Kong SAR	3.2	10	3.4	9	39.4
Belgium	2.9	11	2.7	12	8.6
Republic of Korea	2.7	12	2.4	13	1.3
Mexico	2.6	13	2.7	11	0.5
Taiwan Province of China	2.3	14	2.1	15	--
Singapore	2.2	15	--	--	33.6

Sources: P. Dicken, *Global Shift: Reshaping the Global Economic Map in the 21st Century*, London, Sage Publications, 2003, Fourth Edition, p. 40; United Nations, *International Migration 2002*, New York, Population Division, Department of Economic and Social.

Table 2. Relative Importance of Trade In Services, 2000

	<i>Exports</i>		<i>Imports</i>	
	<i>Percentage</i>	<i>Rank</i>	<i>Percentage</i>	<i>Rank</i>
United States	12.3	1	13.8	1
United Kingdom	7.0	2	5.7	4
France	5.7	3	4.3	5
Germany	5.6	4	9.2	2
Japan	4.8	5	8.1	3
Italy	4.0	6	3.9	6
Spain	3.7	7	2.1	12
Netherlands	3.6	8	3.6	7
China, Hong Kong SAR	2.9	9	1.8	15

Belgium .0017.ium2 9 0 07.36 -0.48 re f BT 9 0 0 9 1a,ie119G-20 93.4a,ie119186.6(1.8)493.4(15)JTJ -15.4533 -(2.438