



WIDER ATLANTIC POLICY PAPER SERIES

MIGRATION IN THE SOUTH ATLANTIC BASIN

Patterns, Governance, and Development

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G | M | F The German Marshall Fund
of the United States

STRENGTHENING TRANSATLANTIC COOPERATION



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PATTERNS, GOVERNANCE, AND DEVELOPMENT

WIDER ATLANTIC POLICY PAPERS

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EXECUTIVE SUMMARY

This report examines migration patterns in and between the two continents of the South Atlantic Basin — Africa and South America. It assesses migration governance and the migration provisions of regional economic integration agreements and explores the potential of migration and diasporas to accelerate economic development in the South Atlantic — a region that in the past was linked primarily by the one-way movement of slaves.

Migration today is primarily within each continent or from Africa and South America to Europe and North America. However, a South Atlantic migration corridor may develop, especially between Brazil and Portuguese-speaking countries in Africa and between other fast-growing African and South American countries. Comparative analyses of migration patterns in Africa and South America highlight common patterns, problems, and ways to foster constructive dialogues to cope with migration issues in the South Atlantic Basin.

Both Africa and Latin America are generating economic growth that creates middle class consumers and pressures for changes in political systems.¹ There are also new mobility patterns. High-skilled migrants continue to leave for high-income countries in North America and Europe, but migration within each continent is rising among workers at all skill levels as some countries grow faster than others. The World Bank estimated the 2010 number of African emigrants — persons living outside their countries of origin a year or more — at 30 million, including almost 8 million from North Africa and 22 million from sub-Saharan Africa. There were also 30 million emigrants from Latin America and the Caribbean,

¹ Brazil was rocked by protests in June 2013 that began with complaints about rising bus fares and expanded to condemn inequality, the rising cost of living, and government spending on sports stadiums for the 2014 World Cup and the 2016 summer Olympics. Over 1 million people marched in 100 cities in ever-growing demonstrations June 20, 2013.

with South America accounting for about 9 million.²

Remittances, “the most tangible link between migration and development,” are an important financial resource for the South Atlantic that could speed economic growth (Ratha and Mohapatra, 2012).³ Remittances reduce poverty in households receiving them, increase spending on education and health care, and can provide missing financial resources to make investments and take risks that can increase incomes over time. Remittances also have desirable macroeconomic effects, stimulating the inflow of foreign currency and enabling banks in migrant-sending countries to undertake additional loan activities. These beneficial effects of remittances have been widely acknowledged by development institutions and world leaders at forums including the Global Forum for Migration and Development.

Sustained economic growth based in part on natural resource exports could set the stage for South Atlantic learning and cooperation on migration related to development. For example, mining employers in Brazil and South Africa often complain of too few skilled workers and of migration bureaucracies that make it hard to recruit and employ skilled foreign workers. However, there is often resentment among the local poor toward migrants from other countries who operate shops in poor townships, a resentment that led to riots

² Argentina (1.4 million), Venezuela (1 million), and Brazil (688,000) are the largest receivers of immigrants.

³ In 2010, remittances to North Africa were \$18 billion, with Egypt receiving the largest amount (\$8 billion), followed by Morocco (\$6.4 billion), Algeria, and Tunisia (\$2 billion each). Remittances to sub-Saharan Africa were estimated at \$21.5 billion, up from \$3 billion in 1995. Remittances to Latin America and the Caribbean totaled \$58 billion in 2010. Mexico received about 40 percent of Latin America’s remittances (\$23 billion), followed by Central American and Caribbean countries. South America received \$14 billion, including \$4 billion in Brazil followed by Colombia (\$3 billion), Ecuador (\$2.5 billion), and Bolivia (\$1 billion).

and over 60 deaths in May and June 2008 in South Africa, as well as the displacement of over 40,000 migrants.

Governments in the South Atlantic actively participate in regional and global forums focused on exchanging migration data and discussing migration governance; the rights of migrants; human trafficking and smuggling; and the links between migration and development. Within Africa, these forums include the African Union, which has adopted the African Union Strategic Framework on Migration and the African Union Common Position on Migration and Development. There are also many regional forums that discuss migration issues, including the Migration Dialogue for Southern Africa (MIDSA), Migration Dialogue for West Africa (MIDWA), and the Intergovernmental Authority on Development (IGAD) regional conference on migration in East Africa.

Within Latin America, the South American Conference on Migration includes members of the Common Market of the South (MERCOSUR) and the Andean Community of Nations (CAN), plus Chile, Guyana, and Suriname. Dialogues between countries of the South and North Atlantic include the Euro-African Dialogue on Migration and Development and the Regional Conference on Migration in North and Central America (Puebla Process). African and Latin American governments actively participate in global forums, including the Global Forum on Migration and Development and the International Organization for Migration's International Dialogue on Migration.

There are three major lessons on migration in the South Atlantic:

1. Migration patterns are increasing in volume and complexity. Since 1950, most high-skilled migration from Africa and South America has

been northward, to more developed economies and former colonial powers in North America and Europe. Today, there is more migration within Africa and South America, as countries such as Brazil and South Africa attract migrants at all skill levels from nearby countries. There are also new migration corridors, as migrants move from Portugal to Brazil and Chinese nationals seek opportunities in Africa and South America.

2. Migration governance in the South Atlantic is often marked by gaps between promises and realities. Most governments have (parts of) ministries devoted to migration and development (including retaining links to their diasporas); many have joined free-trade agreements (FTAs) that include free-movement provisions; and most participate in regional consultative processes on migration (RCPs). However, it has often been hard to translate ambitious migration goals into realities, including “mainstreaming” or incorporating migration into development effectively, ensuring that workers can move freely across borders within FTAs, and turning the discussions at RCPs into changes felt on the ground.

3. Diasporas could help spur economic development in the South Atlantic. Africa and South America are “continents on the move,” with recent growth driven by exports of natural resources to Asia that have had the spillover effect of enlarging the middle class in many countries that previously had more of an economic pyramid shape. The diasporas from what are now fast-growing countries can help spur development at home, allowing capital, ideas, and energies gained abroad to take advantage of new opportunities at home. Diaspora-led development is often most successful in “new” industries, as when diaspora investment creates airlines and supermarkets to serve the emerging middle class. Emigration

countries in both continents have reached out to their diasporas, but efforts to involve citizens abroad in development at home are still in their infancy.

We make three major recommendations to improve migration management in the South Atlantic Basin:

1. **Freer trade and migration.** Most countries in Africa and South America belong to one or more of each continent's regional FTAs. An examination of experiences negotiating and implementing these FTAs, especially their provisions for freedom of movement, could help improve the implementation of FTAs within each continent and lay the basis for new FTAs with free-mobility provisions across the South Atlantic.

2. **Diaspora-led development.** There are significant diasporas from Africa and South America in other countries. Many diaspora members

are highly skilled, putting them in a position to contribute more to the development of their countries of origin than through simple remittances. Comparative discussions and analysis of diaspora policies and experiences could increase the development impacts of nationals abroad to their home countries.

3. **Improving migrant safety.** Migration within, from, and between Africa and South America is likely to continue, and may increase in the short term with faster development that enables poorer residents to move. Policy dialogues between migrant-sending countries as well as with transit and receiving countries could help avoid the tragedies that are becoming all too familiar, such as Africans dying in the Mediterranean en route to Europe or Latin Americans victimized by drug and criminal gangs while en route to Canada and the United States.

1 SOUTH ATLANTIC: MIGRATION AND DEVELOPMENT

Even though south-south migration is slightly larger than south-north migration, most migrants originate in southern or developing countries, and most move to another developing country or to an industrial country.

The number of international migrants — defined as persons outside their country of birth for at least a year — more than doubled between 1980 and 2013, from 103 million to 232 million. This means that in 2013, 3.2 percent of the world’s people were international migrants. This UN count includes all foreign-born persons — from naturalized citizens to settler immigrants to legal guest workers and students as well as estimates of irregular workers who satisfy the one-year-abroad requirement and are reported by governments.⁴ Half of all international migrants are women, including many who migrate on their own to work abroad.

Each international migrant is unique, and each migration corridor has unique features, but there are four major migration flows, often summarized as South-South, South-North, North-North, and North-South (Table 1):

- South-South: The largest flow of migrants, just over 82 million (36 percent) in 2013, moved from one developing country to another, as from Ghana to Nigeria or from Bolivia to Argentina.
- South-North: A close second with just under 82 million (35 percent) moved from a developing to an industrial or more-developed country, as from Morocco to Spain, Mexico to the United States, or the Philippines to South Korea. One-third of international migration involves south-north movement.
- North-North: Some 54 million people, or 23 percent of international migrants, moved from one industrial country to another, as from Canada to the United States.

⁴ If irregular migrants are included in the census, as in the United States, they are included in the UN estimate of the stock of migrants. The UN “corrects” migrant stock numbers when national reports are too low, and adds refugees if national counts do not include them.

- North-South: Almost 14 million people, or six percent of migrants, moved from industrial to developing countries, as with Japanese who work or retire in Thailand.

Even though south-south migration is slightly larger than south-north migration, most migrants originate in southern or developing countries, and most move to another developing country or to an industrial country. About 60 percent of global migrants were in the 30+ northern or industrial countries, and these 136 million migrants constituted 11 percent of these countries’ 1.2 billion residents. Some 96 million (40 percent) migrants were in the 170 poorer developing countries, making migrants 1.6 percent of their 6 billion residents. Almost half of the world’s migrants are women, 35 million (15 percent) migrants are under 20, and 16 million are refugees (less than seven percent).

Half of the world’s migrants are in the labor force of the country to which they moved, making migrants an average 10 percent of the 600 million workers in industrial countries. The migrant share of the work force varies; less than 2 percent of workers in Japan and Korea are migrants, compared with over 25 percent in Switzerland.

There are 96 million international migrants in developing countries, where they comprise less than 1.5 percent of residents and workers. The

Table 1: International Migrants in 2013 (million)

Origin	Destination		
	Industrial	Developing	Total
Industrial	53.7	13.7	67.4
Developing	81.9	82.3	164.2
Total	135.6	96	231.6
Industrial	23%	6%	29%
Developing	35%	36%	71%
Total	59%	41%	100%

Source: UN Population Division, 2013.

share of workers who are migrants in developing countries spans a wide range, from less than 1 percent in China, Nigeria, and Peru to over 80 percent in many oil exporting Gulf countries.

The more numerous middle- and low-skilled migrants often cross borders as tourists and start working or bypass formalities as they move between countries. This makes data on migration between African states incomplete. For example, the UN data on migration often do not include migrants who cross borders for seasonal work, cattle grazing, or small-scale buying and selling. Many of the migration issues that have led to conflicts within and between countries involve these informal migrants.

Africa and South America: Economy and Migration

Africa's GDP was \$1.9 trillion in 2011, including \$410 billion in South Africa and \$240 billion each in Nigeria and Egypt. These three countries had almost half of the continent's GDP. Most sub-Saharan African countries are members of regional free-trade agreements that include free-movement provisions for nationals of member states, but governments have been slow to implement free-movement, and when they do, they often facilitate only the movement of professionals. Since government accounts for a high share of formal jobs in many African countries and government jobs are usually restricted to nationals, the free-movement-for-professionals provisions of FTAs often apply to relatively few people.

Latin America's GDP was \$5.7 trillion in 2012, including \$2.4 trillion in Brazil (42 percent), \$1.2 trillion in Mexico (21 percent), and \$472 billion in Argentina (8 percent). These three countries accounted for over 70 percent of Latin America's GDP. Several regional groupings include migration provisions. The southern cone common market,

MERCOSUR or MERCOSUL (www.MERCOSUR.int), includes Argentina, Brazil, Paraguay, Uruguay, and Venezuela, with Bolivia poised to become the sixth member; the organization plans to eventually establish freedom of movement between member states.⁵ The Caribbean Community (www.caricom.org) is an organization of 15 Caribbean nations and dependencies created by the 1973 Treaty of Chaguaramas; it promotes economic integration, including freedom of movement, between member states.⁶

Trade between Africa and South America has been increasing, especially between Portuguese-speaking countries in Africa and Brazil. Egypt and South Africa are the largest trading partners of MERCOSUR countries. MERCOSUR members primarily import fossil fuels from Africa, followed by fertilizers, salt, and melted iron and steel. African imports from MERCOSUR include sugar, meat, cereals, fats, and animal and vegetable oils (Bartesaghi and Mangana 2013).

Africa in 2010 had 15 percent of the world's people (1.1 billion), 25 percent of the world's countries (54), and less than 10 percent of the world's international migrants (19.3 million). There is wide variation in migrant numbers and shares of population among countries. The UN reported that five African countries each had more than 1 million international migrants, and they collectively had 8.2 million or 43 percent of the total in 2010: Côte d'Ivoire — 2.4 million; South Africa and Ghana

⁵ In December 1998, MERCOSUR agreed to the establishment of a Social Labor Commission to ensure compliance with basic worker's rights in all member countries, for both native and migrant workers.

⁶ The treaty establishing the Caribbean Community and Common Market was signed at Chaguaramas, Trinidad and Tobago, July 4, 1973. CARICOM members are Antigua & Barbuda, Barbados, Bermuda, Bahamas, Belize, Dominica, St. Lucia, St. Vincent & the Grenadines, Grenada, Trinidad & Tobago, Jamaica, and Guyana.

Many of the migration issues that have led to conflicts within and between countries involve these informal migrants.

The migration-development nexus thus incorporates two elements: ways in which development aid and processes can reduce pressures for migration, particularly irregular movements of people, and ways in which migrants can be a resource for the development of their home communities.

— 1.9 million each; Nigeria — 1.1 million; and Burkina Faso — 1 million.

The World Bank reported that there were 22 million emigrants from sub-Saharan Africa in 2010, among which two-thirds stayed within sub-Saharan Africa, while a quarter moved to OECD countries. Most intra-African migrants move from poorer to richer countries, as from Burkina Faso and Mali to Côte d'Ivoire, or from Zimbabwe and other nearby countries to South Africa. In much of Eastern and Western Africa, migrants follow traditional migration patterns over un-policed borders drawn by colonial powers, which helps explain why many migrants are not included in government databases. In recent years, more Chinese have moved to Africa, perhaps 500,000 in 2008 and more today (Ma Mung 2008). South Africa has the most Chinese, between 100,000 and 300,000, followed by Nigeria with 80,000. Ma Mung groups them into three categories: labor migrants employed by Chinese enterprises constructing public works; entrepreneurial migrants such as importers and traders; and Chinese waiting for opportunities to move to Europe (Ma Mung 2008).

Latin America has 8 percent of the world's people (600 million), 15 percent of the world's countries (30), and 4 percent of the world's international migrants (8.5 million). In this region, most people and migrants are in South America, which has 6 percent of the world's people (400 million), 7 percent of the world's countries (14), and 2 percent of the world's international migrants (4.5 million).⁷

Over half of South America's international migrants were in two countries in 2010: Argentina had almost 1.5 million migrants and Venezuela over 1 million. Other countries with sizeable immigrant populations are Ecuador (with large numbers of Colombian refugees) and Chile. Unlike Africa,

⁷ The World Bank puts the stock of migrants at 6.6 million in the broader Latin America and Caribbean region.

the sources of migrants are more varied. For example, the top source countries for Argentina are neighboring and poorer South American countries and European countries such as Italy, Spain, and Poland. Similarly, Venezuela receives migrants from neighboring countries, especially Colombia and Spanish-speaking Caribbean countries (Dominican Republic and Cuba) as well as Spain, Portugal, and Italy; the Syrian Arab Republic is among the top ten sources of migrants in Venezuela.

Total emigration from South America is about 9 million. Four South American countries are among the region's top 10 emigration countries: Colombia (2 million), Brazil (1.4 million), Ecuador (1.1 million), and Peru (1 million). The World Bank reported that 85 percent of Latin American-Caribbean emigrants go to OECD countries, while 13 percent stay in the region.

Migration and Development

Intra-regional mobility in the South Atlantic Basin raises questions about the relationship of migration and development. International migration intersects with concerns about economic, social, and human development in a number of ways. Migration is a function of economic and demographic differences among countries and, depending on the circumstances, migration can stimulate or delay progress in meeting development goals in migrant-sending areas. The migration-development nexus thus incorporates two elements: ways in which development aid and processes can reduce pressures for migration, particularly irregular movements of people, and ways in which migrants can be a resource for the development of their home communities.

A migrant is someone who crosses a geographic border. The UN defines international migrants as persons who cross national borders and stay in another country for at least a year, for any purpose

and with any legal status in the host country. The number of generally recognized nation states increased from less than 50 in 1900 to 200 today, so the increasing number of national borders increases potential international migration. Development is a more complex term. Economic development may be defined as a sustained increase in the per capita income of an area, but is not the only measure of development, as Amartya Sen has emphasized. Sen notes that development must give people both an improved quality of life and more social well-being as well as the capability to act, such as to obtain food so they do not starve, as opposed to the “right” to buy food they cannot afford. The third dimension of development is sustainability, the type of development that meets the needs of current residents without diminishing the ability of future residents to meet their needs.

Economic development can have offsetting effects on emigration pressures. On one hand, the creation of decent jobs and rising wages in developing countries encourages many of those who might have sought jobs abroad to stay home, since convergence in economic conditions makes the rewards of migration smaller. On the other hand, development may enable some people who were too poor to migrate for better opportunities, so that international migration and development can increase together, leading to the so-called migration hump that can persist for one or more decades, such as from Mexico to the United States or from Central Europe to the United Kingdom and Ireland (Martin, 1993; Lucas, 2005).

International migrants are often different from the people they leave behind and from those in the societies to which they move. Most industrial country workers, when ranked by years of education (the best single predictor of earnings) form a diamond shape with a wide bulge in the middle for the 50 to 70 percent of adults who finished secondary school but did not complete

tertiary education (college). Foreign-born residents of industrial countries, on the other hand, have more of an hourglass education distribution that reflects their concentration at the extremes of the education ladder: migrants are more likely to have college degrees *and* more likely to have not completed secondary school, which makes averages related to foreign-born residents less meaningful.

The diamond and hourglass forms created by the educational distributions of natives and migrants reflect labor market and migration policy choices. At the top of the job ladder, the demand for health care, information technology (IT), and other professionals may rise faster than the supply of such workers because of the time required to train additional workers, leaving a vacuum often filled by migrant professionals. At the bottom of the job ladder, the reluctance of native-born workers to fill so-called three-D jobs — dirty, dangerous, and difficult — may encourage some employers to recruit migrant workers from lower-wage countries rather than raise wages, implement labor-saving technologies, or go out of business. Agricultural trade and other policies not directly related to migration may influence whether employers request migrant workers.

International labor migration patterns are shaped largely by the policies of both developing and more developed receiving countries to which migrants want to move (Martin, Abella, and Kuptsch, 2006). Many studies conclude that more migration would be good for migrants and for both sending and receiving countries, and that the greatest gains from migration involve low-skilled workers, since wage gaps are largest for them. Most countries with migrant workers have a three-part labor migration policy: welcome the skilled, rotate the low-skilled, and minimize irregular migration. This policy is very hard to implement.

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The overall effects of migration on development can be positive or negative, meaning that migrants can speed or slow development in their areas of origin, or that there can be virtuous and vicious circles between migration and development.

Most countries attract fewer skilled workers or global talent than desired; many find it hard to rotate low-skilled migrants in and out of the country; and almost all are increasing efforts to combat irregular migration. It should be emphasized that many countries accept migrants at all skill levels as settlers to unify families, although migration policies often make it easiest for skilled migrants to arrive with their families and settle. Irregular migrants can be offered the opportunity to legalize as settlers or temporary residents, or to depart without penalty.

The Three R's Linking Migration and Development

Mobile populations can contribute to economic development through their financial resources as well as through their skills, entrepreneurial activities, and support for democratization and human rights. Many of the effects migrants have on their countries of origin can be summarized by the three R's: recruitment, remittances, and returns.⁸

- Recruitment deals with who migrates. Are migrants individuals who would have been unemployed or underemployed at home, or are they key employees of business and government whose departure leads to layoffs, reduced services, and slower growth in countries they leave?
- Remittances to developing countries topped \$414 billion in 2013 and are rising by almost 10 percent a year. How can the cost of transferring small sums between countries be reduced? Once remittances arrive, are they spent to improve the education and health of children in migrant families, thereby accelerating the development of human capital, or do they fuel

⁸ Lucas (2005) uses a similar three-way framework, discussing the effects of departures on those left behind in sending countries, diasporas and their links to the countries they left, and returns and the activities of returnees.

competition for fixed assets, as when land or dowry prices rise as more money arrives in the area?

- Returns are migrants who either come back to their countries of origin or permanently settle abroad. Do migrants return with new skills and energies that fuel development, or do they rest and retire, perhaps waiting to go abroad again? Do migrants who settle abroad retain ties to their countries of origin, prompting diaspora-led development, or do they cut ties?

The overall effects of migration on development can be positive or negative, meaning that migrants can speed or slow development in their areas of origin, or that there can be virtuous and vicious circles between migration and development. Migration can set in motion *virtuous* circles, as when young workers who would have been unemployed at home find jobs abroad, send home remittances that reduce poverty and are invested to accelerate economic and job growth, and return with new skills and technologies that lead to new industries and jobs. The result of virtuous migration and development circles is a convergence in economic conditions and opportunities between migrant-sending and -receiving areas, as predicted by the factor-price equalization theorem that outlines how trade *or* migration can yield converging growth between countries.⁹

⁹ The factor-price equalization theorem assumes that there are two countries, C1 and C2, with two goods, G1 and G2, produced by two inputs, capital and labor (Mundell, 1957). If G1 is capital intensive and G2 is labor intensive, and the price of capital relative to labor, R/W, is lower in C1 than in C2, C1 is the capital-intensive country and C2 is the labor-intensive country. Countries primarily export commodities that require intensive use of the relatively cheaper factor, so that C1 should export mostly G1 to C2, while C2 exports G2 to C1, narrowing the costs of capital and labor in the two trading countries. With wage differences narrowing, there is less economic incentive to migrate from the lower- to the higher-wage country, that is, trade is a substitute for migration.

The alternative *vicious circle* is when more migration is associated with slower development and ever-more migration. A vicious circle can unfold if employed nurses, teachers, or engineers leave for overseas jobs, a form of brain drain that can reduce the quality and accessibility of health and educational services in migrant-sending areas and which can force factories to lay off workers because they lack key managers. In the vicious circle scenario, migrants abroad do not send home significant remittances, or they send home remittances that fuel inflation and raise the exchange rate, prompting layoffs in factories whose goods become uncompetitive as their price to foreign buyers increases. If migrants abroad do not return, or return only to rest and retire, there may be a limited transfer of new ideas, energies, and entrepreneurial abilities from migrant destinations to origins.

If migrants move workers from lower to higher wage countries, and if migrant wages rise from the average of the sending country to the average of the receiving country, more migration could result in a doubling of world GDP (about \$74 trillion in 2012). This is the thinking behind assertions that current barriers to migration leave “trillion-dollar bills” on the sidewalk; it is also the justification for many calls to open more channels into richer countries for migrants from poorer countries (Clemens, 2011).

However, there is no “law” that requires or ensures that more labor migration promotes virtuous development circles, just as there is no law that says more foreign investment assures faster economic

growth.¹⁰ Efforts to explain the sources of economic growth in cross-country comparisons have asked whether the key is investment, technology, or institutions, and these studies end with the answer “it depends” (Kenny, 2011, p. 38). The same answer applies to the question of whether more migration is associated with faster development across countries. Policy makes a difference, justifying a more detailed look at how each migration channel affects development.

Recruitment

Before workers from one country are recruited to work in another, governments must respond to employers who request permission to hire foreign workers. Most governments have “local workers first” policies, and many allow employers to hire migrant workers only after they try and fail to recruit local workers. In sectors where the employment of migrant workers persists over time, as in agriculture, health care, food preparation, and janitorial services, harmonizing employment and labor migration policies can make recruitment more efficient and protective of workers. It can also allow workers, employers, and governments to anticipate future migration opportunities, which, in turn, can affect training and other institutions.

Migration is not random: young people are most likely to move over borders because they have the

¹⁰ So-called Harrod-Domar growth models assume a capital-output ratio that requires a percentage, for example 4 percent, of GDP be devoted to investment in order to achieve 1 percent economic growth. Solow countered that technological change, not investment, was the major driver of economic growth. These exogenous growth theories suggested that giving foreign aid or technology to developing countries could speed development. Today’s endogenous growth emphasize the importance of good institutions (such as the rule of law), and enforceable contracts and process technologies (including just-in-time production methods and computerized inventory management) to explain why some countries grow faster than others. The evidence for institutions and sticky or hard-to-transfer processes is that mobile phones and TVs have spread quickly to developing countries, but not the contracts and ways of thinking associated with faster growth (Kenny, 2011, Chapter 3).

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Recruitment, the process of matching workers with jobs, often involves high fees that are paid by migrants, and high migration costs are often aggravated by the high-cost loans many migrants take out to pay them.

least “invested” in jobs and careers at home and the longest period to recoup their “investment in migration” abroad. However, even among young people, exactly who migrates is heavily shaped by the recruitment efforts of employers and recruiters in destination areas, recruiting agents and governments in sending areas, and networks that link them. For example, if employers recruit youth to work in construction or seasonal resort industries, networks will evolve to move them over borders to construction sites and resort hotels. If employers recruit IT professionals and nurses, institutions will evolve to train computer specialists and nurses and help graduates to move abroad. Alternatively, if foreign employers recruit domestic helpers and farm workers, networks will evolve to move low-skilled migrants over borders to fill jobs in private homes and on farms.

Job matching involves costs that often increase with geographic and cultural distance. Recruitment or job-matching costs can be expressed as a share of earnings, such as the rule-of-thumb that the recruitment costs of an executive are equivalent to 6 to 12 months of his or her first year’s salary. However, low-skill workers generally pay a higher share of their foreign earnings in recruitment costs than high-skill migrant workers, largely because the supply of low-skilled workers is large relative to the (foreign) demand for them.

Recruitment, the process of matching workers with jobs, often involves high fees that are paid by migrants, and high migration costs are often aggravated by the high-cost loans many migrants take out to pay them. As a result, indebted migrants may be especially vulnerable abroad and have less ability to learn skills and send back remittances. There is no easy way to measure recruitment costs, in part because international norms and national laws have established standards, such as workers not paying any recruitment fees over one month’s foreign earnings, but these provisions are routinely

violated, making it hard to know exactly how much was paid (Martin, 2012).

In most migration corridors, the recruitment of migrants is concentrated at the top and at the bottom of the education ladder, that is, among those with college educations and among low-skilled migrants. The recruitment of well-educated professional workers is generally done openly, as foreign employers seek workers at educational institutions abroad or rely on brokers or agents that recruit nurses, IT specialists, and teachers to fill jobs. Many countries attract foreign students, and allow those who graduate from local universities to stay and work if they receive a job offer from a local employer, making them effectively probationary immigrants who gradually earn a secure status.

Most of the world’s migrant workers are low skilled, employed as domestic workers or laborers, and in similar occupations abroad. Most lower-

Table 2. Remittance versus Recruitment Savings, Low-Skilled Migrant

Low-skilled migrant earning \$200 a month on three-year contract			
	Typical	Reduce 50%	Worker savings
Earnings	7,200		
Remittances	5,000		
Share of earnings	69%		
Recruitment costs	2,000	1,000	1,000
Share of earnings	28%	14%	
Remittance costs	500	250	250
Share of earnings	7%	3%	

Source: see text

skilled workers find foreign jobs with the help of for-profit recruiters who often charge workers for job-matching services. Migrants, employers, and governments want low recruitment costs and good worker-job matches so that migrant workers are in the “right” jobs abroad, satisfying employers and enabling migrants to achieve savings targets without overstaying or taking second jobs. However, recruiters may not have the same incentives to lower recruitment costs and ensure good worker-job matches.

ILO conventions call for employers to pay all recruitment costs for migrant workers they hire so that governments can operate no-fee labor exchanges. The 1997 ILO Convention 181 C181 on private employment agencies allows governments to create exceptions to Article 7’s statement that “Private employment agencies shall not charge directly or indirectly, in whole or in part, any fees or costs to workers.” Some governments set maximum recruitment charges that are a fraction of foreign earnings, such as setting maximum recruitment charges at a month’s foreign earnings, which amounts to 4.2 percent of earnings under a two-year contract and 2.8 percent under a three-year contract.

Many migrants report paying far more in recruitment costs, up to a quarter of what they will earn abroad — \$2,000 for a three-year contract paying \$200 a month or \$7,200 while abroad. The migrant may remit \$5,000 of these earnings, and pay 10 percent of what is remitted in money transfer costs, so that cutting remittance costs in half saves the migrant \$250. Cutting recruitment costs in half, on the other hand, would save the migrant four times more: \$1,000.

Layers of agents and intermediaries between official recruiters and migrant workers make it hard to accurately measure recruitment costs, which include financial costs for passports, visas, and

health checks. Opportunity costs are also incurred when migrants must travel to capital cities in order to complete exit procedures or to participate in pre-departure orientation and training, since workers cannot earn wages while preparing to go abroad.

Remittances

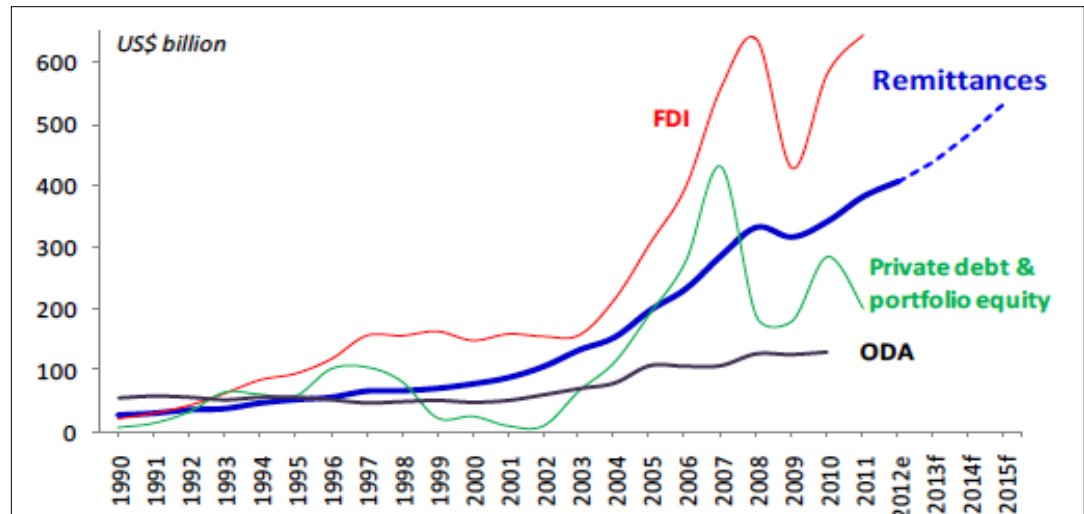
In 2013, remittances to developing countries exceeded \$414 billion, and are expected to approach \$500 billion in 2015 (World Bank 2013). Official Development Assistance (ODA) provided by the 26 members of the Development Assistance Committee (DAC) of the OECD was \$126 billion in 2012, about one-fourth as much as remittances. Unlike foreign direct investment and private capital flows, remittances remained stable during the 2008-09 recession, while FDI and private capital flows to developing countries fell sharply (Sirkeci, Cohen, and Ratha, 2012).

Remittances have two major components: 1) workers remittances, the wages and salaries that are sent home by migrants staying abroad 12 months or more, and 2) compensation of employees (called labor income before 1995), the wages and benefits of migrants staying abroad less than 12 months.¹¹ Many countries do not know how long the migrants who remit funds have been abroad, so most analyses combine workers remittances and compensation of employees. For example, Mexico reports the majority of money inflows under worker remittances, while the Philippines reports the most under compensation of employees. The volume of remittances depends on the number of migrants, their earnings abroad, and their willingness to send money home.

¹¹ A third item not generally included in discussions of remittances are migrants’ transfers, the net worth of migrants who move from one country to another. For example, if a person with stock migrates from one country to another, the value of the stock owned moves from one country to another in international accounts.

In 2013, remittances to developing countries exceeded \$414 billion, and are expected to approach \$500 billion in 2015.

Figure 1. Remittances, FDI, and ODA to Developing Countries, 1990-2015



Source: "Migration and Development Brief 20," World Bank, April 19, 2013, <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1288990760745/MigrationDevelopmentBrief20.pdf>

Ten countries receive two-thirds of remittances (World Bank, 2012), including two in Africa and one in Latin America. India received an estimated \$69 billion in 2012; China, \$60 billion; the Philippines, \$24 billion; Mexico, \$23 billion; and Nigeria and Egypt, \$21 billion each. Bangladesh and Pakistan received \$14 billion each, followed by Vietnam with \$10 billion and Lebanon with \$7 billion. Remittances are the largest share of the economy in a diverse group of countries, including ex-USSR countries whose Soviet industries collapsed, such as Tajikistan (remittances equivalent to 47 percent of GDP) and Moldova (23 percent), island countries such as Tonga and Samoa, and Central American countries with large diasporas in the United States, such as Honduras and El Salvador.

Remittances to sub-Saharan Africa in 2010 were estimated to be \$22 billion, including \$10 billion to Nigeria, \$3 billion to Sudan, and \$2 billion to Kenya. About 9 million North African emigrants

are living in other countries. While Europe remains the major destination, there had been significant movements of Tunisians and Egyptians, in particular, to Libya until the 2011 conflict, when millions returned home amidst the fighting. Remittances to Latin America and the Caribbean totaled \$58 billion in 2010. Mexico received about 40 percent of all remittances (\$23 billion) in Latin America and the Caribbean, with Central American countries also receiving significant amounts. Total remittances to South America were estimated at \$14 billion. Brazil is the largest recipient in South America (\$4 billion), followed by Colombia (\$3 billion), Ecuador (\$2.5 billion), and Bolivia (\$1 billion).

Most governments want to maximize remittances, even though more remittances do not necessarily translate into faster development. Studies agree that the best way to maximize the volume of remittances migrants send home is to have an appropriate

exchange rate and economic policies that promise growth (Ratha, 2004).

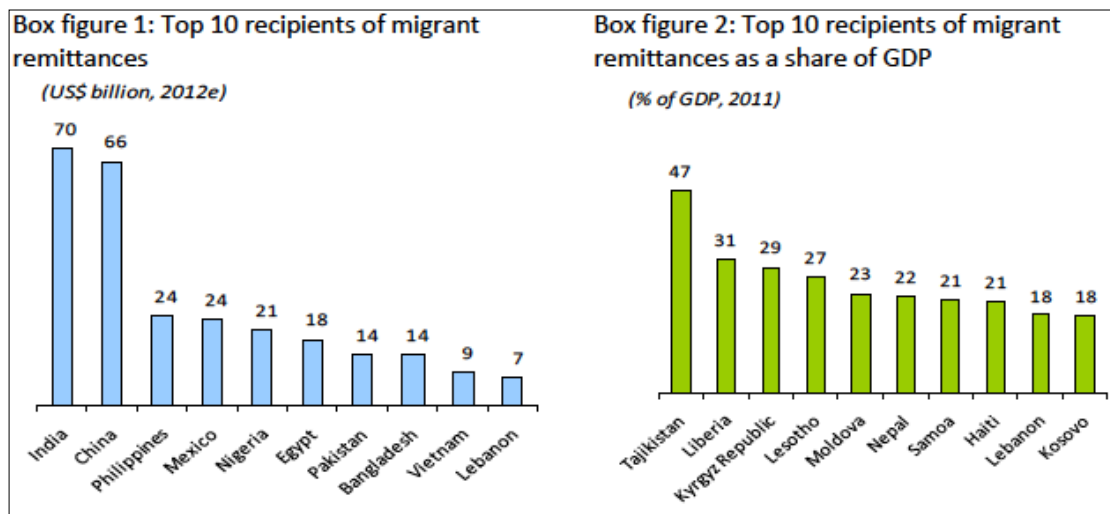
The G8 and G20 countries have embraced two goals related to remittances: send remittances over borders via regulated financial institutions, and reduce the cost of such formal money transfers. One reason for formalization of remittance flows is to reduce channels that can be used by terrorists. Migrants have demonstrated a willingness to transfer money via formal channels, especially if it is easy and cheap to do so, but this usually requires banking outlets in migrant communities both at home and abroad, as well as competition to lower transfer costs.

Globally, the average cost of transferring \$300 over national borders fell from 15 percent (\$45) in the late 1990s to about 10 percent (\$30) today. The G8 and G20 countries pledged to cooperate to reduce remittance costs, and their 5x5 program aims to reduce remittance costs by five percentage points within five years, that is, from 10 to 5 percent of the

amount transferred. One of the sharpest reductions in cost was in the Mexico-U.S. corridor, where the average cost of transferring \$300 fell from 9.5 percent (\$28.50) in the late 1990s to 2 percent (\$6) today. Western Union and Moneygram remain the major remittance firms, but their share of the global remittance market has been falling and other money transmitters have filled the gap; Western Union's share dropped from 75 percent in the late 1990s to 15 percent in 2013, whereas Moneygram's fell from 22 to 5 percent in the same period.

Governments sometimes use the volume of remittances as a short-hand indicator of migration's effects on development. Remittances can improve the lives of migrants and their families, and their spending can accelerate economic growth and job creation — even for non-migrants — via the multiplier effects of spending. However, remittances can also fuel corruption and delay fundamental changes necessary for sustainable growth.

Figure 2. Remittances: Top 10 Recipients and Remittances Share of GDP, 2012



Source: "Migration and Development Brief 20," World Bank, April 19, 2013, <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1288990760745/MigrationDevelopmentBrief20.pdf>

In the virtuous circle, returning migrants provide the energy, ideas, and entrepreneurial vigor to start or expand businesses at home or find jobs that use the skills and discipline they acquired abroad, raising productivity and speeding development.

Workers going abroad are often breadwinners for their families, so most remittances replace earnings at home and are used for consumption. The fact that migrant workers are supporting families from abroad helps to explain why remittances often remain stable even as exchange rates and investment outlooks change.¹² However, by earning more abroad than a worker would have earned at home, families receiving remittances can spend on other items as well as save and invest.

The multiplier effects of remittances can be substantial, with each dollar spent on locally produced goods generating an additional two dollars in economic output for the businesses that produce and supply the products bought with remittances. Remittances are particularly important in households headed by women and older persons. According to research conducted for the World Bank, “international remittances — defined as the share of remittances in country GDP — has a strong, statistical impact on reducing poverty. On average, a 10 percent increase in the share of international remittances in a country’s GDP will lead to a 1.6 percent decline in the share of people living in poverty” (Adams and Page 2003).

Remittance expenditures on education and healthcare also stimulate human development, but they are not a substitute for Official Development Assistance. Although remittances may help alleviate poverty in families with migrants, remittances do not reach everyone in need and may increase inequality between recipients and non-recipients. Moreover, remittances depend on contributions from people who may themselves be living in poverty. Female migrants, in particular, are often the lowest-wage workers abroad, but they are responsible for a significant portion of remittances,

¹² Automatic stabilizers in developed countries, such as unemployment insurance, help to stabilize the flow of remittances to developing countries that have the same economic cycles as the countries in which their migrants work.

which they sometimes make by skimping on their own health care and nutrition in order to continue sending money home.

In addition to sending remittances, migrants can steer foreign direct investment (FDI) to their countries of origin and persuade their employers to buy products from their countries of origin. The existence of migrants abroad increases travel and tourism between countries, as well as trade in ethnic foods and other home-country items. Migrants abroad may undertake other activities, including organizing themselves to provide funds for political parties and candidates in their countries of origin. Many of these activities are informally organized, making it difficult to ascertain their volume and impacts.

Returns and Diasporas

The third R in the migration and development equation is “returns” or settlement abroad, and once again there can be virtuous or vicious circles. In the virtuous circle, returning migrants provide the energy, ideas, and entrepreneurial vigor to start or expand businesses at home or find jobs that use the skills and discipline they acquired abroad, raising productivity and speeding development. Migrants are generally drawn from the ranks of the risk takers, and if the new capital they acquired abroad is combined with risk-taking behavior upon their return, the result can be a new impetus for economic development.

The vicious circle can unfold if migrants settle abroad and cut ties to their countries of origin, so that remittances decline and migrants are “lost” to the country of origin. Alternatively, migrants may return, but only to rest and retire, limiting their development impacts. Finally, migrants could circulate between sending and receiving areas, and their back-and-forth circulation can, under some

circumstances, contribute to economic growth in both countries.

The question of whether returning migrants contribute to development at home is best answered with “it depends.” In most cases where migration is credited with contributing to development, migrants leave and then return when their country of origin is growing fast. For example, in the 1970s, the Taiwanese government invested mostly in primary and secondary education, so Taiwanese seeking higher education often went abroad for advanced study. During that decade, over 90 percent of those who earned doctorates abroad remained overseas despite rapid economic growth at home.¹³

During the 1980s, before the end of martial law, some of the Taiwanese abroad began to return, while others maintained “homes” in North America and spent so much time commuting that they were called “astronauts.” Taiwan’s government encouraged returns with policies such as the creation of the Hsinchu Science-Based Industrial Park in 1980, which was to become a rival to Silicon Valley in California. Financial incentives were available to high-tech businesses that located in Hsinchu, including subsidized Western-style housing, and Hsinchu was soon a major success, employing over 100,000 workers in 300 companies that by the year 2000 generated revenues of \$28 billion (Luo and Wang, 2002). In the year 2000, about 40 percent of Hsinchu’s companies were headed by returned overseas migrants, and 10 percent of the 4,100 returned migrants employed in the park had doctorates.

Taiwan’s experience suggests that a successful development strategy consists of both investing

¹³ These students were highly motivated to pursue advanced studies. Before they could go abroad, they had to complete two years of military service and obtain private or overseas financing.

in the type of education appropriate to the stage of economic development, and tapping into what former Chinese leader Premier Zhao Ziyang called “stored brainpower overseas” at a time when the economy can absorb more professionals. After 2000, many Chinese cities offered financial subsidies to encourage Chinese professionals abroad to return, making “Returning Student Entrepreneur Buildings” a common sight.¹⁴

The poorest countries pose the largest challenge to encouraging returns. Several international organizations, including the International Organization for Migration and the United Nations Development Program, operate return-of-talent programs. These programs subsidize the transportation and living costs of professionals from a country abroad, if they agree to return and work in government or academic institutions. Many participating professionals have an immigrant or long-term secure status abroad, and remain in their country of origin only a year or two, yet that may be sufficient to help develop new judicial systems that establish the rule of law. The temporary return of university professors under the UNDP’s TOLKEN program can help augment course offerings and spur new research partnerships.

The diaspora can play an important role in promoting development. Migrants often form associations to raise and remit funds for infrastructure development and income-generation activities in their home communities. Migrant groups, such as Malians in France or Mexicans and Central Americans in the United States, have supported health clinics, built schools, repaired roads, and invested in small business enterprises in their home communities. Tapping the resources

¹⁴ Shanghai reportedly has 30,000 returned professionals, 90 percent with masters or Ph.D. degrees earned abroad, who are employed or starting businesses. Jonathan Kaufman, “China Reforms Bring Back Executives Schooled in U.S.,” *Wall Street Journal*, March 6, 2003; Rone Tempest, “China Tries to Woo Its Tech Talent Back Home,” *Los Angeles Times*, November 25, 2002.

The diaspora can play an important role in promoting development. Migrants often form associations to raise and remit funds for infrastructure development and income-generation activities in their home communities.

of emigrants and members of the diaspora more effectively has become a goal of many developing countries.

Many governments reach out to their diasporas (Agunias 2009). Some create separate ministries for diaspora affairs, including Tunisia's Ministry of Social Affairs, Solidarity, and Tunisians Abroad, and Mali's Ministry of Malians Abroad and African Integration. Other governments establish senior-level offices within existing ministries to consult with the diaspora and develop programs to encourage them to invest in their countries of origin. Examples of such offices include Brazil's

Undersecretary General for Brazilian Communities Abroad, Chile's Office for Chileans Abroad, and Uruguay's Directorate General for Consular Affairs and Expatriate Ties, all of which are part of the respective Ministry of Foreign Affairs. A third approach (not necessarily mutually exclusive from the others) relies on inter- or non-ministerial mechanisms, including Mexico's National Council on Mexican Communities Abroad; Chile's Inter-ministerial Committee for Chilean Communities Abroad; and Morocco's Ministerial Delegate for the Prime Minister Responsible for Moroccans Resident Abroad.

2 MIGRATION AND DEVELOPMENT: CASE STUDIES

Africa is a continent that has long been on the move. With the highest share of workers employed in agriculture, farmers have migrated to find fertile land for growing crops and grazing cattle, and this traditional migration continued after colonial powers drew national borders that remained largely intact after independence in the 1960s. Many African borders are porous, and many Africans lack national ID cards, so much of the traditional migration that occurs is “undocumented.”

African leaders embraced economic integration agreements that anticipated free-movement of workers. However, implementation has been slow, as governments have reversed previous welcomes for migrant workers during crises. For example, Côte d’Ivoire President Felix Houphouët-Boigny welcomed migrants from poorer neighboring countries during the 1980s to work on cocoa farms, but his successor Henri Konan Bedie endorsed “Bviorite,” preferential rights for “pure” Ivoirians. This led to attacks on Muslim migrants from Burkina Faso and Mali that were aggravated by fighting between rebels in the largely Muslim northern part of the country and the Christian south. In 2001-02, fighting and attacks on migrants threatened the cocoa crop.¹⁵ Libya went through a similar period of first welcoming and then expelling migrants from sub-Saharan Africa.

African leaders today aim to implement free-trade and free-movement agreements more systematically, using national and regional organizations to improve the issuance of documents and to create mechanisms that facilitate labor migration. Most of the agreements and implementation deal with the very small share of workers who are professionals and employed in formal-sector jobs.

¹⁵ *Migration News*. 2002. Africa: Côte d’Ivoire. Vol 9. No 11. November. http://migration.ucdavis.edu/mn/more.php?id=2860_0_5_0

South America was a continent of immigration for the first half of the 20th century, and became a region of emigration at the end of the 20th century, when ethnic Italians from Argentina moved to Italy and ethnic Japanese from Brazil and Peru moved to Japan. The movement from Latin America to Spain was most diverse, as Ecuadorians and Colombians as well as people from Bolivia, Peru, Venezuela, and Paraguay moved to Spain early in the 21st century. The recession of 2008-09 stopped much of this emigration, and led to some reverse migration.

Migration within South America has become more complex and diverse, as Bolivians continue to move to Argentina, ethnic Japanese Brazilians return from Japan, Colombians flee to Ecuador as refugees from drug-related violence, and Ecuadoreans circulate between Ecuador and Spain.

Most of the migration and development literature focuses on the potential of out-migration to speed development at home via remittances and returns or diaspora contributions. Less well studied are the impacts of immigration on the development of countries that receive them, especially developing countries that have higher wage levels or faster growth rates than their neighbors.

To highlight the strengths and weaknesses of migration policies and practices in the South Atlantic Basin, we examine four representative countries. South Africa and Brazil are net immigration countries, although both send large numbers of migrants to other countries as well. Morocco and Ecuador are net emigration countries, but both also host immigrants and are transited by migrants headed to other regions, as with sub-Saharan migrants who cross Morocco en route to Europe. These cases were chosen to reflect the complexity of migration patterns in the South Atlantic Basin.

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South Africa is both a country of destination and emigration for migrants. The World Bank estimated that in 2010 almost 900,000 South Africans lived outside the country.

South Africa

The South African economy rests on narrow supports. The country of almost 50 million had a labor force of 19 million in 2010, including 9 million in formal sector jobs, 5 million in informal jobs, and 5 million unemployed, making the unemployment rate over 25 percent. Many of those with informal jobs live in townships surrounding major cities and find day-laborer jobs that pay 75 to 100 rand a day (\$10 to \$15). In most industrial countries, the labor force is half of the population, and almost all workers are in formal sector jobs (Turkey and Mexico are exceptions among OECD member countries; both have low labor force participation among women).

The reasons for low labor force participation and high unemployment in South Africa have been well documented. They include supply-side factors such as poor education and training, people living far from jobs (a legacy of apartheid), and weak job-search incentives because of government cash grants to the elderly and orphans, which are often shared with their extended families. Demand-side factors include slow economic and job growth, a shift away from low-skill jobs, and relatively high wages, especially in sectors where unions are strong and can obtain a high wage with one group of employers that is then extended by law to an entire sector. Unions oppose proposals to offer wage subsidies to encourage formal sector to hire the unemployed, arguing that the result would be a two-tiered labor force.

South Africa is both a country of destination and emigration for migrants. The World Bank estimated that in 2010 almost 900,000 South Africans lived outside the country. This represents only 1.7 percent of South Africa's population, but the emigration rate for those with tertiary education was 7.5 percent of the population. This included almost 30 percent of all physicians trained in South

Africa and 21.1 percent of those born in South Africa but trained elsewhere. The top destination countries for South Africans are the United Kingdom, Mozambique, Australia, the United States, Canada, New Zealand, Namibia, Zimbabwe, Portugal, and the Netherlands.

At the same time, some 2.4 million migrants have moved to South Africa, making them 4.5 percent of the population. The top source countries are Zimbabwe, Mozambique, Lesotho, Swaziland, Botswana, and Malawi, as well as a few from Australia and New Zealand. About 42 percent are women.

The South African government is unsure about how to deal with employer requests to admit skilled foreign workers to the country. The government acknowledges persistent shortages of skilled workers, knows that many of those emigrating from South Africa are skilled, and recognizes that South Africa's education and training system does not generate graduates with needed skills. However, relatively few skilled foreigners are admitted.

The process for admitting skilled migrants is complex. There are six types of work permits: four require South African employers to offer jobs to foreigners and only two (quota visas and business permits) allow foreigners to enter South Africa and find work. The employer-based work visas include general permits for employers who receive certification that South African workers are not available to fill a particular job vacancy; there are also work visas for exceptional skills and intra-company transfers.

Half of all work permit visas issued are general, meaning that the employer has been certified as needing a foreigner to fill a job vacancy. About 90 percent of all requests for work visas are approved, but sometimes with significant lags of up to two years.

Think tanks urge the government to widen doors for skilled foreigners by increasing the number of quota visas, which allow foreigners to enter South Africa without a pre-arranged job. The current system requires foreigners who have skills that are in scarce supply to apply to the Department of Home Affairs (DHA) for entry and work permits. There are two agencies involved in the quota system; the Department of Labor publishes a National Master Scarce Skills List (NMSSL) and the DHA a Work Permit Quota List (WPQL) based on the NMSSL.

In recent years, about 1,100 quota visas a year have been issued, which is a low number relative to DHA's WPQL, which lists scarcities by occupation. For example, 333 teachers received quota visas when the scarcity was determined to be 1,000 in 2007-08.

The NMSSL, developed in consultation with other government ministries, identified a shortage of 950,000 skilled workers in 2007, one-third being managers, and 500,000 in 2008, when less than 10 percent were managers. In some health-care occupations, the NMSSL and Department of Health identify shortages, but the WPQL does not make visas easily available to fill them.

Why does the WPQL allow so few quota visas, and why do so few foreigners seek entry via the quota system? First, qualified foreigners may not know about the quota list or find South Africa attractive. Second, employers may prefer to hire foreigners who are dependent upon them for their status, such as foreign workers with general work permits. Third, DHA may not be sufficiently welcoming to eager foreign professionals, who must also deal with South African bodies charged with certifying their skills.

A business investor or entrepreneur visa is available to foreigners who invest at least 2.5 million rand

(\$341,000) and employ at least five South African workers over a five-year period; less stringent requirements apply in tourism, agriculture, and other sectors. The visa is initially issued for 24 months, but can be turned into a permanent resident visa after that time if the business has satisfied requirements.

Morocco

Morocco is a country of 33 million that has long served as a link between Africa and Europe. About 60 percent of residents live in cities, and one-quarter of Moroccans are under 15, suggesting rapid labor force growth. Unemployment is highest among young people (15-24) in urban areas, where the rate was 33 percent in 2013. The unemployment rate for college graduates topped 20 percent in 2013, suggesting that the country has done far better at expanding access to higher education than in creating jobs for graduates. In 2013, Morocco introduced its first unemployment insurance program, to be financed through contributions from employees, employers, and the government.¹⁶ The program will provide 70 percent of average monthly wages (calculated over the past 36 months of employment), to a maximum of Dh2,300 (\$270) a month.

Morocco's per capita GDP of about \$3,300 in 2013 makes it richer than most African countries to the south, but poorer than Spain and France, the countries with the largest Moroccan diasporas. Agriculture generates less than one-sixth of Moroccan GDP, but employs over 40 percent of the population; rural residents are among the most

¹⁶ The Indemnité pour perte d'emploi (IPE) system will not cover seasonal workers nor those workers who are employed but not registered by their employers. For example, in 2011 CNSS, the national social security fund, reported that only 2.5 million of the 5.3 million salaried workers were registered by their employers, including 1 million public sector workers. The IPE will help registered workers who lose their jobs, but not the larger number of non-registered workers and workers who have not found jobs.

In 2013, Morocco introduced its first unemployment insurance program, to be financed through contributions from employees, employers, and the government.

Morocco is attractive for transit migration because of its proximity to Europe; the Strait of Gibraltar is only nine miles wide at the narrowest point separating Morocco from Spain.

likely Moroccans to emigrate. The government is committed to developing the non-farm economy, as illustrated by both the expansion of aerospace and logistics industries linked to shipping, as well as by the opening in 2012 of a major Renault auto plant that will export most of its production.

Morocco has a long history of migration, beginning in pre-colonial times when semi-nomadic groups moved regularly and when rural residents migrated seasonally, both groups seeking greater economic opportunities. In the 15th century, Morocco received Jews and Arabs expelled from Spain. After the French colonization of Algeria in 1830, Moroccans began migrating to work on farms owned by French settlers as well as to new urban areas. According to de Haas (2005), over 85,000 Moroccans a year moved to Algeria in the late 1930s.

Moroccans began migrating to France after the French protectorate was established in Morocco in 1912, and Morocco-Europe migration peaked in the 1960s and 1970s with the introduction of guest worker programs between Morocco and West Germany (1963), France (1963), Belgium (1964), and the Netherlands (1969) (de Haas 2005).

About 3 million Moroccans now live outside of the country, making the diaspora 10 percent of the 33 million Moroccan residents (Bartolomeo et al 2009). About 85 percent of Moroccans abroad are in Europe, with the largest numbers in France, Spain, Italy, Belgium, the Netherlands, and Germany; Moroccans are second only to Turks among non-EU nationals living in Europe. Moroccans abroad represent all educational and skill levels. About 17 percent of Moroccans with tertiary education live outside of the country, including one-third of physicians born in Morocco.

Morocco has a small foreign population with legal residence visas (estimated at 60,000) but is a major

transit country for migrants from throughout Africa headed to Europe (Bartolomeo et al 2009). The 2009 CARIM migration profile (Bartolomeo et al 2009) describes this pattern of transit migration:

“Morocco has received large irregular flows from sub-Saharan Africa, estimated by the Moroccan Ministry of the Interior at approximately 15,000 in 2007. A survey conducted by the Association Marocaine d’Etudes et de Recherches sur les Migrations drew an interesting profile for the sub-Saharan migrant: male (79.7%), relatively young (mean age 27.7 years old), single (82.2%), with a medium-high level of education (48.5%).”

Of the irregular migrants in Morocco in 2009, 1,235 had requested asylum. The largest number of asylum seekers came from Côte d’Ivoire, the Democratic Republic of the Congo (DRC), and Iraq (Bartolomeo 2009), but smaller numbers came from the much wider array of countries whose citizens attempt to reach Europe via Morocco, including nationals of Sierra Leone, Liberia, Nigeria, Senegal, The Gambia, Liberia, Mali, Ghana, Burkina Faso, Niger, Sudan, the Central African Republic, Cameroon, and Asian countries such as India, Pakistan, and Bangladesh. The number of newly arrived asylum seekers peaked in 2001 and declined thereafter, largely because of new enforcement measures. Tens of thousands of migrants are believed to have settled in Morocco, unable to go on to Europe and unwilling or unable to return to their home countries (de Haas 2005). A small portion of them has been awarded refugee status by the UN High Commissioner for Refugees.

Morocco is attractive for transit migration because of its proximity to Europe; the Strait of Gibraltar is only nine miles wide at the narrowest point separating Morocco from Spain. There are also two Spanish enclaves on Morocco’s northern coast, Ceuta and Melilla, surrounded by fences to keep

Moroccans and other migrants out. Migrants attempt to scale the border fence and enter these Spanish enclaves so they are effectively on Spanish soil. In 2013, there were several incidents of African migrants tearing down fences and rushing past border police.

Under pressure from the European Union and reflecting Moroccan concerns about migrants drowning in the Strait of Gibraltar, Morocco instituted a number of legislative and administrative reforms to reduce both transit through its territory as well as irregular migration of Moroccans to Europe (Berriane and Aderghal 2009). While these changes have reduced transit migration to Europe via Morocco, there are concerns that bona fide refugees seeking asylum in Europe have been deterred.¹⁷ In response to tougher controls inside Morocco, some sub-Saharan Africans have taken more dangerous routes to Europe; there has been an increase in boat departures from Mauritania and Senegal, and in rubber dinghies that escape detection in Morocco and Spain trying to cross the Strait of Gibraltar.

Morocco is an active participant in mechanisms for cooperation between North African and EU countries, such as the Five plus Five Dialogue on Migration that brings together Algeria, France, Italy, Libya, Malta, Mauritania, Morocco, Portugal, Spain, and Tunisia, and the Mediterranean Transit Migration (MTM) Dialogue, which includes 40 governments (see below). In July 2013, the EU and Morocco signed a formal migration agreement to create “a set of political objectives and provides for a series of initiatives which are designed to ensure that the movement of persons is managed as effectively as possible.”

¹⁷ See, for example, Myriam Cherti and Peter Grant, *The Myth of Transit: Sub-Saharan Migration in Morocco* (Institute for Public Policy Research, 2013).

The EU-Morocco agreement offers significant benefits to Morocco, including the potential to increase labor migration between Morocco and the EU through collaboration in “improvement of information available to qualified Moroccan citizens on employment, education, and training opportunities available in the EU and mutual recognition of professional and university qualifications easier (New Europe 2013).” The agreement commits both sides to collaborate more closely to stem irregular transit migration to Europe through Morocco.

Morocco, which received more foreign investment in 2012 than any other North African country, has also reached out to its diaspora in hopes of promoting greater economic development. The Hassan II Foundation for Moroccans Residing Abroad, established in 1990, seeks to “maintain and strengthen the fundamental ties that Moroccan migrants retain with their country and to help them overcome the difficulties they encounter when emigrating” (Hassan II Foundation 2006). The Ministerial Delegate to the Prime Minister in charge of Moroccans living abroad “offers advice on investment, manages cultural and educational events, and encourages social action among non-residents” (Cohen 2012). In addition, the Marocains du Monde (MDM) program supports investment by providing the capital needed for certain business projects (Cohen 2012). The long-term effectiveness of such programs has not been assessed, nor has their efficacy been determined in comparison to other initiatives to promote development (Cohen 2012).

The economic downturn in Europe as well as the political unrest in the Middle East and North Africa has had serious effects on Moroccans abroad. In response, the Moroccan ministry has expanded its offering of social services, sending social workers to consulates abroad and providing assistance to Moroccan workers forced to return home. Morocco

Under pressure from the European Union and reflecting Moroccan concerns about migrants drowning in the Strait of Gibraltar, Morocco instituted a number of legislative and administrative reforms to reduce both transit through its territory as well as irregular migration of Moroccans to Europe.

The richest 10 percent of Brazilians get about half of national income, the poorer half get about 10 percent.

These initiatives led to the creation of a Munich-based Morocco-German network (www.dmk-online.org) in 2009, which facilitates the transfer of diaspora expertise to business enterprises, local authorities, and national universities in Morocco. Similar networks were established in Belgium in 2010 and in Canada in 2011. One government priority is to tap the technical expertise of the Moroccan diaspora to develop Morocco's renewable energy sector and reduce the country's dependence on imported oil. Diaspora-development activities include training, participation in conferences, offers of electronic and pedagogical advice, and donations of medical materials.¹⁷

Brazil

Brazil, the world's fifth largest country in people and area, occupies half of South America, and is home to the dominant economy of Latin America. Its per capita income is about \$6,000, the same as Argentina's but below the \$8,000 of Chile. Brazil has long been considered a country with great potential, a country of the future held back by inequality, poor infrastructure, and corruption.¹⁸ Brazil has 27 states, and incomes in the poor northeastern part of the country are one-third of those in the richer southeast. Within states and cities, there are sharp differences between richer areas and favelas (slums) — per capita incomes can differ by 20 or 30 to 1. The richest 10 percent of Brazilians get about half of national income, the poorer half get about 10 percent.

¹⁷ <http://en.marocainsdumonde.gov.ma/ministry-/programs-of-the-ministry/mre-skills-mobilization-program.aspx>

¹⁸ *The Economist* (April 20, 2007) concluded that the root of Brazil's malaise is that reformers layer one change on top of another rather than sweeping away the old and starting anew. The survey article noted that the Brazilian government is sandwiched between those who benefit from a large state at the top of the economic ladder and those who receive government payments at the bottom. As a result, the middle class is squeezed, as indicated by the fact that almost all new formal sector jobs pay less than twice the minimum wage. The question is whether Brazil can change fast enough to uplift the poor, protect the rich, and maintain the optimism of the middle class.

Brazil is one of the four BRICs (Brazil, Russia, India, and China) that Goldman Sachs predicts could have a combined economy larger than the current rich countries by 2050. China is the dominant BRIC, but Brazil has an economy larger than that of India and Russia, and is the only BRIC without nuclear weapons.¹⁹ The BRICs in 2012 had 40 percent of the world's people and about 12 percent of the world's GDP.

Like most Latin American countries, Brazil had an import-substitution strategy between the 1950s and the 1980s, meaning that it aimed to produce its own cars, appliances, and other goods behind high tariff walls. This produced the miracle economic years of the 1960s and 1970s, but failed in the 1980s as oil prices rose. The real currency, introduced by then finance minister Fernando Henrique Cardoso in 1994 to reduce inflation, combined with a freer trade policy to increase exports and imports. Brazil's exports surged, especially of farm goods such as soybeans. Today, Brazil is the world's leading producer and exporter of coffee, oranges, soybeans, sugar and ethanol, meat (beef and chicken), and tobacco.

Similar to many South Atlantic countries, Brazil has mostly poor K-12 schools and better public universities, prompting wealthier parents to send their children to private K-12 schools and leaving the average Brazilian worker with less than six years of schooling. Brazilian students often find themselves at the bottom of international test score rankings of 10-year olds, and many repeat grades. Teachers begin with low salaries that rise rapidly, and can retire five years earlier than other

¹⁹ China has become Brazil's biggest trading partner, buying more soybeans and iron ore and investing billions in Brazil's energy sector. Over 80 percent of Brazil's exports to China were raw materials in 2010, while 98 percent of China's exports to Brazil were manufactured products.

workers.²⁰ About 2 million people a year join the 100-million strong Brazilian labor force, and the unemployment rate was over 6 percent in 2013.

Historically, Brazil was one of the principal destination countries in the Americas for migrants. When the Portuguese arrived in 1500, there were 3 million indigenous persons in what is now Brazil, divided into 1,000 tribes and living mostly along the Atlantic coast and major rivers. The Portuguese were traders rather than settlers; the first settlers did not arrive until 1530 in what is today Santos, Brazil's major port.

Brazil was named for the brazil wood tree, which generated a red dye that was valuable in Europe, but sugar soon became the major export, and slaves were imported to work on sugar plantations. The first African slaves arrived in Brazil in 1550, and Brazil received almost half of the 9-10 million African slaves brought to the New World between 1519 and 1867. Sugar accounted for almost all of Brazil's exports between 1600 and 1650, and Brazil's northeast became much richer than colonial New England or Virginia. However, northeastern Brazil went into decline in the late 17th century because of cheaper sugar from the Caribbean.

Gold and diamonds from Minas Gerais in the southeast were the next Brazilian boom, attracting colonists from Portugal, and coffee production in southern Brazil followed, so that coffee became Brazil's main export by 1830. The importation of slaves was banned in 1850, prompting Sao Paulo coffee growers to buy slaves from declining northeastern sugar plantations and to demand free immigration from Europe.²¹ Immigration rose

²⁰ Formal-sector workers can retire after 35 years of work (30 for women) regardless of age, so many workers retire by 55, and many younger workers leave earlier with disability payments. Public-sector workers earn about twice as much as their private-sector counterparts.

²¹ After the United States abolished slavery in 1865, it persisted only in Brazil (until 1888).

sharply, from 65,000 in 1889 to 215,000 in 1891. Some 5.4 million immigrants arrived in Brazil between 1872 and 1972, including 1.2 million in the 1890s. Most were Italians, Spaniards, and Portuguese; they were quickly absorbed, thus reinforcing the Brazilian belief in its unique melting pot.

Brazil today has a large and diverse population, almost 200 million in 2013. Immigration slowed in the mid-20th century, partly because of the World Wars followed by economic recovery in Europe and partly because of changing Brazilian policies and politics. Between 1950 and 1975, Brazil's population doubled from 50 million to 100 million; Brazilian women averaged 6.3 children in 1960.

In recent years, Brazil has once again become a magnet for immigrants and Brazilians returning from abroad. The ethnic Japanese (nikkei) is a case in point. In 1990, Japan began to allow nikkei from Brazil and Peru to migrate to fill primarily low-skill jobs in manufacturing, and about 350,000 moved to Japan.²² However, the recession in 2008-09 led to high unemployment rates among nikkeijin, over 40 percent in some surveys, and 11,000 ethnic Japanese returned to Brazil in 2009 with return bonuses offered by the Japanese government that required them not to return to Japan for at least three years. With Brazil's unemployment rate at 5.3 percent, options in Brazil are better than in Japan for many of the Nikkeijin. Among those moving to Brazil are migrants who have Japanese nationality (estimated at 70,000 by the World Bank).

Also moving to Brazil is a growing number of Portuguese, reversing what had been movements in the opposite direction. Some 214,000 Portuguese nationals lived in Brazil in 2010, more than the

²² There are an estimated 2.6 million ethnic Japanese outside Japan, over half in Brazil and 40 percent in the United States.

In recent years, Brazil has once again become a magnet for immigrants and Brazilians returning from abroad.

A booming construction sector linked to Brazil's hosting of the World Cup in 2014 and of the Olympics in 2016 is attracting migrants from poorer Bolivia.

70,000 Brazilians in Portugal.²³ Media reports indicate that Brazil's growing economy is particularly attractive to unemployed professionals who are comfortable operating in a Portuguese-speaking business environment. As one migrant said: "It's a pretty depressing environment there [Portugal]. Things are tough.... Here [Brazil] the market is on fire. There are lots of opportunities to find work, to find clients and projects" (Phillips 2011).

Brazil is seeking to attract high-skilled migrants. Brazil's Secretary of Strategic Affairs Ricardo Paes de Barros recently said, "In a globalized world, we need not only the flow of goods and services but also the flow of minds. We're not after population; we're after talent and human capital. By opening society, we can accelerate the development process" (Whitefield 2013). Paes de Barros said that over the past half century, Brazil had become "very closed to immigration," with less than 0.5 percent of residents foreign-born in 2010. Paes de Barros said that Brazil would like to have 2 or 3 percent foreign-born residents.

According to the International Organization for Migration:

"In light of these discussions, there has been interest to improve current legislation related to migration to Brazil. The agreements governing the free movement of workers, signed within the framework of MERCOSUL, establish a new level in regional relations regarding migration. After a long consultation process, the government has sent a proposal to Congress for a new 'Foreigner Status,' which aims to replace legislation currently in force that was created during the period of the

²³ These numbers are based on World Bank data available at <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROSPECTS/0,,contentMDK:22803131~pagePK:64165401~piPK:64165026~theSitePK:476883,00.html>

'Emergency State,' in order to assure equality of treatment between national and immigrant citizens" (IOM 2010).

Although similar legislation does not appear to be a high priority for low-skill migration, Brazil has admitted some low-skill migrants through its humanitarian programs. For example, Brazil issued almost 5,000 visas to Haitians after the 2010 earthquake, and several thousand more Haitians arrived via Peru. Illegal immigration is rising, and includes Haitians who did not qualify for the humanitarian admissions program, some of whom are living in squalid camps awaiting resolution of their status.

A booming construction sector linked to Brazil's hosting of the World Cup in 2014 and of the Olympics in 2016²⁴ is attracting migrants from poorer Bolivia. Officially, there are about 20,000 Bolivians in Brazil, but some estimates suggest the number is over 100,000, including some living in slave-like conditions around Sao Paulo and prompting discussion of establishing migration centers in Bolivia to discourage illegal out-migration. Human trafficking also appears to have increased, involving migrants from as far away as Bangladesh.²⁵

In response to rising migration, Brazil announced four principles to guide its immigration policy. Brazil's permanent representative to the United Nations in Geneva said that immigration policy is based on: 1) reciprocity; 2) respect for the rights and the dignity of human beings; 3) provision of

²⁴ Brazil was rocked by protests in June 2013 that began with complaints about rising bus fares and expanded to condemn inequality, the rising cost of living, and government spending on sports stadiums for the 2014 World Cup and the 2016 summer Olympics. Over 1 million people marched in 100 cities in ever-growing demonstrations June 20, 2013, protesting the high cost of living, high taxes, and inadequate public services.

²⁵ <http://www.npr.org/blogs/parallels/2013/06/27/191300066/with-brazils-economy-growing-illegal-migrants-flow-in>

incentives for regular migration; and 4) rejection of the criminalization of irregular migration and of the deliberate conceptual confusion between migration and criminality (Farani Azevedo 2011). The latter point is to be accompanied by enhanced cooperation to combat criminal groups while removing obstacles for unauthorized foreigners to regularize (Farani Azevedo 2011).

Brazil has also been reaching out to its diaspora. The under-secretary general of the Brazilian Communities Abroad (Subsecretaria Geral das Comunidades Brasileiras no Exterior) in the Foreign Ministry and the Mixed Parliamentary Inquiry Commission have attempted to raise the profile of diaspora in Brazil (IOM 2010). One study reported:

“Taking into account the new migratory picture and its implications for national development, Brazil formulated a new consular policy oriented to a more effective protection of citizens abroad. It was clearly defined that the assistance and protection of Brazilians abroad was a priority of the country’s foreign policy. Secondly, it intended to change [the ministry’s] administrative culture concerning citizens abroad ... [with a] new breed of officials with an increasingly professionalized service orientation, in which courtesy and efficiency can assist its citizens abroad. Thirdly, it was defined that there had to be a conceptual change regarding consular services. These ‘had to go where citizens are,’ leaving aside the diplomacy’s former position of merely receiver of demands. A fourth element was linked to the diffusion of consular services where [the ministry] had to be more active in informing people, since citizenship also meant ‘to know your rights’” (Rivarola Puntigliano 2008).

In 2010, a forum for dialogue with the diaspora was established, and diaspora councils were elected.

The aim is to engage the diaspora in discussions about Brazil’s economic future. It is too soon to know whether these processes will be successful in accomplishing the dual goals of protecting Brazilians abroad and of working with the diaspora to spur economic growth in Brazil.

Ecuador

Ecuador is a country of 15 million with a per capita GDP of \$5,300. The country’s major export is oil, followed by farm commodities including bananas (Ecuador is the world’s leading exporter), flowers, cocoa, and shrimp. After a financial crisis in 1999, Ecuador adopted the U.S. dollar in 2000 as its currency, and since the 2007 election of President Rafael Correa and his Alianza Pais party has followed a state-led economic policy marked by high public spending and investment financed largely by debt and taxes on oil.²⁶

Unlike many of its neighbors, Ecuador saw relatively little migration in the colonial and immediate post-independence period (Jokisch 2007). Spanish traders and several thousand slaves arrived in the 18th and early 19th centuries; later, as the cocoa industry grew, Arabic speaking migrants from the Levant arrived.

Emigration rose in the 20th century. About 11,000 Ecuadoreans received legal permanent residence in the United States between 1930 and 1959. With the collapse of the weaving industry that produced Panama hats, emigration increased, and over half a million Ecuadorians left between 1998 to 2004 (Jokisch 2007). Movements to the United States

Unlike many of its neighbors, Ecuador saw relatively little migration in the colonial and immediate post-independence period.

²⁶ Ecuador defaulted on \$3.2 billion of sovereign debt in 2008; most of today’s lending to Ecuador is from China.

Ecuador has now become a country of immigration. Colombians have taken refuge in Ecuador from the civil war and drug cartel violence in their country and Peruvians migrate, often clandestinely, for work and to benefit from earnings in U.S. dollars.

continued,²⁷ but many Ecuadoreans migrated to Spain, which they could enter without visas until 2003. There were fewer language barriers and plentiful work in Spain until 2008-09, and Ecuadoreans from all parts of the country began to emigrate, including urban residents with higher levels of education and people from a diverse range of ethnic groups (Jokisch 2007).

Ecuador has now become a country of immigration. Colombians have taken refuge in Ecuador from the civil war and drug cartel violence in their country and Peruvians migrate, often clandestinely, for work and to benefit from earnings in U.S. dollars. Over 80,000 Colombians were registered as refugees in Ecuador in 2010; up to 200,000 more were reported to be in Ecuador to escape kidnappings and extortion in the Colombian border state of Narino.²⁸ By 2012, Ecuador hosted 138,391 refugees and asylum seekers, most from Colombia (UNHCR 2013), although only 55,000 were recognized as refugees by the government.²⁹

Ecuador has changed its policies toward Colombians. Initially, most Colombians were considered to be irregular migrants, but the Ecuadoran government later offered an enhanced registration system granting refugee status to thousands of Colombians. Authorities used a broad definition of refugees contained in the 1983

²⁷ *The New York Times* described the smuggling of Ecuadoreans to the United States via Guatemala in 2004. The reporter joined 205 Ecuadoreans on an 11-day trip on a fishing boat, at a time when 60,000 Ecuadoreans a year were using such boats to travel from Ecuador to Central America and on to the United States via Mexico at a cost of \$10,000 each. Many were from southern Ecuador. Ginger Thompson, "By a Back Door to the U.S.: A Migrant's Grim Sea Voyage," *The New York Times*, June 13, 2004.

²⁸ Chris Kraul, "Colombians increasingly fleeing to Ecuador," *Los Angeles Times*, February 12, 2010. Ecuador used mobile refugee evaluation teams to handle the asylum applications of Colombians, and granted most one-year visas that provide them with education, health care, and short-term food and housing aid that the Ecuadorian government estimated cost \$40 million in 2009.

²⁹ Colombia is ranked in GDP per capita as 28 by the IMF; Ecuador has a lower GDP per capita, ranking at 61.

Cartagena Declaration, which considers people fleeing conflict to be refugees.

At the end of 2010, the government adopted more restrictive procedures for dealing with Colombians, citing concerns about fraudulent asylum claims and prompting the May 2012 Refugee Decree 1182 that removed the Cartagena Declaration definition from the proceedings. A combination of factors led to these changes in policy, including negative public sentiments in Ecuador about the Colombians and peace negotiations in Colombia.

Migration from Peru is mostly economic and cross-border, often without legal permission. Ecuador and Peru signed an agreement to ease entry restrictions on October 25, 2008, and, since this agreement came into force in February 2011, there is freer mobility for tourism and employment (IOM 2012).

Ecuador reorganized its offices responsible for migration in 2007 with the establishment of the Ministry of National Migration (SENAMI). Operating through Ecuadorian Houses abroad, the government aims to provide care for the diaspora, to ensure the respect for the rights of Ecuadorians abroad, and to strengthen national identity and ensure links between Ecuadorians abroad and Ecuador. Services include information and public services; care, counseling, and legal assistance; training and education; promotion of cultural and natural heritage; and information and advice on the National Human Development Plan for Migration (IOM 2012).

The aims of the national plan promulgated by SENAMI include:

- To develop an immigration policy based on respect and cognizance of the human, economic, social, and cultural rights of all migrants.

- To build and strengthen the ties of migrants with their families in Ecuador.
- To encourage Ecuadorians to stay home and to foster the sustainable return of the diaspora.
- To promote the human development of migrants, their families, and their communities.
- To promote intercultural processes and construction of a universal citizenship.

The government launched three programs to fulfill these commitments. The first, Ecuadorian Homes Abroad, aims to foster links with migrants abroad. The second, “Welcome Home,” supports returning

migrants.³⁰ The third includes co-development programs aimed at youth to create the environment for Ecuadorians to remain at home (IOM 2012). Ecuador has led an effort within the entire Andean region to adopt similar national plans for migration.

³⁰ Welcome Home, begun in 2007 by President Rafael Correa, aims to attract Ecuadorians in Spain and the United States with savings and skills that can help to accelerate development at home. Ecuador has very high tariffs on cars and appliances, and waives these for some migrants returning to stay.

3 MIGRATION GOVERNANCE: FTAs AND RCPs

Many FTAs include provisions that also liberalize labor mobility.

There are several reasons for liberalizing migration alongside trade, including the migration hump that can accompany freer trade, since jobs in previously protected sectors are often eliminated faster than new jobs are created for displaced workers by more investment and growth.

This section focuses on two forms of regional governance that affect how governments address migration issues: labor migration between member states of regional free-trade agreements (FTAs) and the regional consultative processes (RCPs) that have been established to promote cooperation on migration management. The materials are comparative in two senses: they compare forms of cooperation to manage migration and they examine the parallel development of these processes in Africa and South America. FTAs aim to reduce barriers to trade and investment among participating countries. They are grounded in economic theory and experience that shows that most residents of countries specialize in producing the goods in which each country has a comparative advantage when trade barriers are lowered. In the classic example, if Portugal specializes in the production of wine and Britain in the production of wool, and the two countries trade freely, most residents of both countries are better off. Freer trade can act as a substitute for the migration of labor under some circumstances, as countries trade goods that embody different amounts of labor reflecting their endowments (for example, when high-wage countries import labor-intensive goods from low-wage countries).

Many FTAs include provisions that also liberalize labor mobility. There are several reasons for liberalizing migration alongside trade, including the migration hump that can accompany freer trade, since jobs in previously protected sectors are often eliminated faster than new jobs are created for displaced workers by more investment and growth. Organizing the resulting migration into legal channels protects workers and avoids an upsurge in unauthorized migration. At the top of the skills ladder, increased trade in complex goods and labor mobility linked to multi-national corporations are

often justifications for easing restrictions on labor migration.³¹

RCPs on migration are state-led and usually informal dialogues that bring together countries in particular regions to discuss migration issues (<http://www.iom.int/cms/rcp>). Many RCPs begin from particular events, as with the Puebla Process that emerged from California's enactment of Proposition 187 in 1994 and now includes Canada, the United States, Mexico, and many Central American and Caribbean countries. RCPs deal with many migration issues, including what to do about unauthorized nationals of countries who are abroad when natural disasters strike their homelands,³² how to return citizens to their countries of origin after they have been convicted of crimes in another country, and how to deal with migrants who transit through one country en route to another country.

RCPs have three major impacts on migration management: 1) agenda setting and issue definition, 2) consensus building and position convergence, and 3) changes in law, policy, and practice at the national and regional levels (Hansen 2010). Most governments value the informality of RCPs, since "Informality helps break down barriers to cooperation, such as an absence of trust between states, fears of political or financial costs, adversarial international relationships, or a lack of understanding of the perspectives and concerns of others (Hansen 2010). However, informality is also seen as one of the principal weaknesses in RCPs,

³¹ Complex goods require specialized and customized inputs and are often tailored to the needs of particular buyers. Sellers must often educate the buyer before the sale and to provide services after the sale.

³² After Hurricane Mitch killed over 9,000 people, left 600,000 homeless, and destroyed the transportation infrastructure in Central America in 1999, the presidents of Honduras, Nicaragua, Guatemala, and El Salvador asked the United States to grant Temporary Protected Status to allow unauthorized and legal Central Americans in the United States to work in the United States and send remittances home in order to aid in reconstruction.

since there are few straightforward mechanisms through which consensus in RCP meetings leads to actual change in policies.

IOM counted 16 major RCPs in 2012 including most of the world's countries, but found wide variance in development and effectiveness. There are also inter-regional consultative mechanisms that address migration issues of concern to more than one region. This section discusses four RCPs: the Migration Dialogue for Southern Africa (MIDSA), Migration Dialogue for West Africa (MIDWA), EURO-African Ministerial Conference on Migration and Development, and the South American Conference on Migration.

FTAs and Migration: GATS

Most countries have welcome-the-skilled, rotate-the-low-skilled, and minimize-unauthorized-migration policies. This means that many governments want to attract highly skilled foreigners as immigrants and temporary workers, rotate low-skilled foreign workers in and out of the country to fill both seasonal and permanent jobs, and enforce policies against illegal entry and unauthorized worker employment. Experience shows that it is very difficult to implement such three-pronged policies. Many governments, especially in Europe, lament that they have fewer skilled and professional migrants than desired, find it hard to rotate low-skilled legal guest workers in and out of the country as planned, and report there are “too many” unauthorized migrants (Martin, Abella, and Kuptsch, 2006).

Migration policies intend to welcome desired immigrants and visitors and restrict the entry and stay of the undesired. This dual purpose of welcoming and restricting or expelling makes bilateral, regional, and global migration agreements fundamentally different from FTAs, which increase trade and investment flows. These differences help

to explain why most FTAs do not have migration provisions and why the General Agreement on Trade in Services (GATS) has found it difficult to stimulate the freer movement of service providers. The GATS has had more success in expediting intra-company transfers of employees of multinationals between subsidiaries in various countries than in freeing up the movement of service providers who will be independent entrepreneurs or employees in the country of destination.

A common metaphor captures the difference in the thinking of trade and migration policymakers. Proponents of freer trade often invoke the bicycle theory, which argues that policymakers must constantly strive to open more free trade and investment channels to offset the efforts of protectionists, making FTAs analogous to canals that must be dug widely and deeply, and constantly enlarged, to ensure a free flow of goods and services over national borders. Migration policymakers, on the other hand, often have the opposite mentality. In a world of demographic and economic inequalities that is being transformed by communications and transportation revolutions, they often believe that doors for migrants must be small and opened cautiously to prevent migration from getting “out of control.”

Global rules for trade in services, which totaled \$3.3 trillion in 2009, are negotiated under the GATS. There are four major ways to provide services across national borders: cross-border supply, consumption abroad, foreign direct investment (FDI) or commercial presence, and Mode 4 migration, which the GATS refers to as the temporary movement of “natural persons.” Unlike goods, services are often produced and consumed simultaneously, as with haircuts, and they may change the consumer, as with medical services.

Most countries have welcome-the-skilled, rotate-the-low-skilled, and minimize-unauthorized-migration policies.

If destination countries exempt the wages paid to migrant service providers from payroll taxes, migrants and their employers would save the 20 to 40 percent that such taxes typically add to earnings.

The major focus of global trade and migration discussions at the GATS is Mode 4 movements of service providers, which can be substitutes or complements to the other types of trade in services. For example, accountancy services can be provided online (Mode 1) rather than by sending an accountant abroad to audit financial statements (Mode 4), or the client could travel to the country where the service provider is located to receive services (Mode 2). Similarly, an IT service provider could visit a client abroad (Mode 4), establish a subsidiary in the country to serve clients there (Mode 3), or provide services to foreign clients via the internet (Mode 1).

Developing countries led by India want to use GATS negotiations to liberalize Mode 4 movements of service providers. They want to persuade WTO member countries to reduce barriers to service providers from other WTO member countries by opening all services sectors to foreign providers with horizontal commitments, the norm in WTO Mode 4 commitments, so that migrant-sending countries do not have to determine which sectors are open to Mode 4 migrants.

However, the fact that migration commitments offered under GATS are to be extended to all WTO members makes it hard for countries in freedom-of-movement zones such as the EU to make extensive commitments under the GATS. Furthermore, many Mode 4 commitments are unbound, meaning no opening, or they provide partial opening (as when they are unbound but accompanied by an “except for” list). The most extensive GATS free-movement commitments are for business visitors and intra-corporate transfers (Martin, 2006).

Developing countries seek concessions or commitments from richer countries in four major areas. First, developing countries want industrial countries to eliminate the economic needs tests

that are often used to determine whether employers truly “need” foreign workers. Economic needs tests usually require employers to search for and fail to find local workers while offering at least government-set minimum wages; failure to find local workers results in a certification, usually from the Ministry of Labor, that can be used to have a visa granted to the foreigner specified by the employer.

Second, developing countries want migrant-receiving countries to expedite the issuance of visas and work permits, preferably by creating one-stop shops that bring together all relevant government agencies and establish timelines for issuing visas. Many migrant-sending countries want their GATS partners to develop appeals procedures for employers and foreigners whose requests for visas and work permits are denied.

Third, developing countries want the richer migrant-receiving countries to which most migrants move to facilitate the recognition of credentials earned outside the country in which the migrant will work, and to ensure that any required licenses needed to work are issued in a timely fashion. In this way, migrant-sending countries hope that their nationals who cross borders to provide services can quickly obtain the recognition and licenses that are often required to work as professionals.

Fourth, many migrant-sending countries want destination countries to exempt their citizens from participating in work-related benefit programs and the taxes that finance them. If destination countries exempt the wages paid to migrant service providers from payroll taxes, migrants and their employers would save the 20 to 40 percent that such taxes typically add to earnings. Lower labor costs associated with migrants, in turn, could encourage employers to prefer to hire migrant service providers (Martin, 2006).

Each of these issues has a “numbers versus rights” component, as highlighted by the debate over whether migrant service providers should be required to receive at least the minimum wage in the destination country (Ruhs and Martin, 2008). A bedrock principle of ILO Conventions 97 (1949) and 143 (1975), as well as the 1990 United Nations International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, is wage parity between migrant and local workers. UN conventions stipulate that all workers should be treated equally in the labor market, receiving the same wages for the same work and participating fully in work-related benefit programs.

Economists from countries that would like to use GATS to increase migration argue that some “protections” for migrants such as wage parity are a form of protectionism for local workers. Chaudhuri et al (2004) emphasize that requiring migrant service providers to be paid minimum or equal wages may reduce the number who obtain employment in higher-wage countries: “Wage-parity... is intended to provide a nondiscriminatory environment, [but] tends to erode the cost advantage of hiring foreigners and works like a de facto quota.” Another Indian economist asserted that requiring equal wages for migrant and local workers “negates the very basis of cross-country labor flows which stems from endowment-based cost differentials between countries.” (Chanda, 2001, 635).

Resolving such migrant numbers versus migrants rights tradeoffs is not easy. However, with many developing countries hoping to send more migrant service providers abroad, some appear to prefer numbers over rights, that is, some governments prefer to send more migrants who do not receive the same wages as nationals in foreign labor markets rather than ensuring that their nationals are treated equally in the countries in which they

work, as with Asian countries sending migrant workers to the Gulf oil exporting countries. Numbers-rights tradeoffs are likely to recur at the WTO and in other international forums, including the Global Forum on Migration and Development (www.gfmd.org).

FTAs and Migration: Africa

African states have created several FTAs, including the Economic Community of West African States (ECOWAS), the East African Community (EAC), and the Southern African Development Community (SADC). The Abuja Treaty of 1991 established five African economic regions and called on the countries in each to allow the free movement of people and workers to promote regional economic cooperation and growth.

However, establishing freedom of movement within these regions has been difficult. For example, the 15-member ECOWAS, created in 1975, has several times delayed the full implementation of freedom-of-movement, and ECOWAS member states have deported ECOWAS nationals during recessions (www.ecowas.int). In 2012, most of the estimated 7.5 million West African migrants, 3 percent of ECOWAS residents, who had moved from one ECOWAS country to another were not properly registered or recognized in the country to which they had moved.

ECOWAS, with 300 million people, including 175 million in Nigeria, aims to foster closer economic and people ties. ECOWAS nationals may enter another member state without a visa for up to 90 days, and the ECOWAS passport introduced in 2000 is gradually replacing national passports. However, as the ILO noted, “national leaders are often cautious about the effect [of free movement] on their domestic labor markets... by opening up a country’s borders to the influx of foreign labor, the already limited job opportunities available to local

UN conventions stipulate that all workers should be treated equally in the labor market, receiving the same wages for the same work and participating fully in work-related benefit programs.

ECOWAS is an FTA marked by ambitious plans that are sometimes fulfilled by a subset of countries that are more homogeneous, such as the eight ECOWAS member states using the West African CFA franc, which is guaranteed by the French government.

residents will be put under greater pressure from outside labor competition” (Robert, 2005: 19). The ILO noted that bribes are commonly expected at security check points established on international roads and border posts, and noted that “insufficient political commitment and resources, linguistic barriers, lack of expertise, uneven compliance with Community obligations and persistent economic crises along with high unemployment in many of the countries are further obstacles to the free movement of labor, exacerbated by high population growth which strains resources for educational development and social assistance” (Robert, 2005: 19).

ECOWAS is an FTA marked by ambitious plans that are sometimes fulfilled by a subset of countries that are more homogeneous, such as the eight ECOWAS member states using the West African CFA franc, which is guaranteed by the French government. ECOWAS has developed a common Travel Certificate, harmonized migration forms, and established committees in each member state to monitor progress toward free movement. ECOWAS continues to announce policies and programs to facilitate free movement, as with the General Convention on Social Security in December 2012 to “encourage intra-regional labor mobility” by allowing workers employed in another ECOWAS country to receive social security credit for their foreign work in their country of origin. Since only a small fraction of ECOWAS workers are enrolled in any social security program, this agreement will affect few people.

The East African Community (www.eac.int) aims to promote free trade, investment, and mobility between five countries with 135 million residents, almost 90 percent of which live in three countries: Tanzania, Kenya, and Uganda. Article 10 of the (EAC) Common Market Protocol, effective July 1, 2010, guarantees freedom of movement between Tanzania, Uganda, Kenya, Rwanda, and Burundi.

Nationals of member states have the right to move to another member state, apply for and accept job offers, form and join unions, and receive social security benefits associated with their jobs.

However, the public sector, the largest source of formal jobs in the EAC, is excluded from such freedom of movement. Member countries can also block migrant workers from other EAC states for reasons of “public health, policy, or security.”

Freedom of movement in the EAC is supposed to function as with NAFTA, that is, EAC nationals arrive at border entry posts with a passport or ID showing their nationality and with a job offer from a local employer, and they should receive six-month temporary permits. After arriving in the workplace, the employer is supposed to apply for a regular work permit for the EAC migrant. Even though the EAC says that freedom of movement applies to all workers, in Uganda, for example, the categories specified are only professionals and managers.

The EAC protocol expects member states to develop mutual recognition agreements to recognize the qualifications of professional migrants, and member states are to harmonize training systems so that, for example, engineers and doctors have similar qualifications. In some EAC countries, the government requires all licensed professionals to belong to a private association, such as the Ugandan Institution of Professional Engineers, so that the decisions of these private associations about whether to admit a migrant determine whether foreign-earned credentials will be recognized in the country to which a migrant moved.

The EAC has a migration portal (www.eac.int/migration) that includes a variety of resources, including links to many global migration organizations, but no data on cross-border labor flows. Most EAC migration reports outline

the benefits that would flow from more labor mobility and the need to incorporate migration into development planning, but few describe movements of workers that are occurring. Most workers in the EAC are low-skilled, and many already work in neighboring countries, but most do not receive formal job offers or work permits while employed abroad.

The Southern African Development Community (SADC) adopted the Protocol on Facilitation of the Movement of Persons of 2005 (www.sadc.int/documents-publications/show/800) to strengthen the goal of achieving free movement of capital, labor, goods, and services among the 15 member countries with 235 million residents. The protocol provides for entry of SADC nationals into SADC member countries for up to 90 days a year without visas and calls for standardizing migration forms and creating SADC desks at major ports of entry, but does not mention labor migration.

Most analyses emphasize how “elusive” the desire for free movement really is (Oucho 2003), especially in richer SADC member countries such as Botswana and South Africa. In richer countries, there is strong opposition to more workers from poorer SADC member countries. Also, certain issues have stalled effective implementation of free movement, ranging from refugees and asylum seekers from countries that are to enjoy free movement to smuggling and trans-border crime (Segratti 2011).

Regional Consultative Processes: Africa

The Migration Dialogue for Southern Africa (MIDSA) was founded in 2000 as a consultative process on migration-related issues for SADC member states (www.migrationdialogue.org/index.php). SADC member states participating in MIDSA include Angola, Botswana, DRC, Lesotho, Madagascar, Malawi, Mauritius, Mozambique,

Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe. Secretariat services are provided by the International Organization for Migration and, unlike most other RCPs, MIDSA encourages participation of civil society.

MIDSA’s website describes its goals as follows:³³

- Assist SADC governments to respond to the AU Strategic Framework on Migration and the AU Common Position on Migration and Development.
- Stimulate discussion and debate on the implications of ratifying the SADC Draft Protocol on the Facilitation of Movement.
- Assist governments to participate in global debates about migration and development, e.g., the Global Commission on International Migration, UN High Level Dialogue on International Migration, and Global Forum on Migration and Development.

Discussions have focused on issues such as the linkages between migration and development, impact on healthcare, labor mobility, human trafficking and smuggling, and management of migration programs. A ministerial meeting in 2010 outlined priorities for MIDSA countries to aid in accomplishing their common goals:³⁴

- Enhance migration management coordination, including through the establishment of migration focal points in relevant ministries; reach an agreement on common regional standard operating practices including minimum standards for migrants’ access to basic social services; capacity building; ongoing

³³ See http://www.migrationdialogue.org/midsa/index.php?option=com_content&view=article&id=1&Itemid=3

³⁴ See http://www.migrationdialogue.org/midsa/index.php?option=com_content&view=article&id=4&Itemid=7

Most workers in the EAC are low-skilled, and many already work in neighboring countries, but most do not receive formal job offers or work permits while employed abroad.

By linking MDSA to the broader SADC processes, the relevance of migration has been brought to broader policy attention.

exchange of experiences and best practices; harmonized border management systems; and an integrated regional information management system.

- Encourage countries to expedite ratification of the SADC Protocol on the Facilitation of Movement of Persons in accordance with SADC decisions.
- Address challenges of irregular migration by increasing public awareness in order to discourage irregular migration as well as promoting legal labor mobility channels and opportunities.
- Promote the participation of the diaspora in development and mitigate the effects of brain drain by, for example, increasing opportunities for skilled migrants to remain within the region, undertaking a regional assessment of remittance flows and developing a Regional Diaspora Engagement Framework.
- Improve the collection, analysis, dissemination, and harmonization of migration data, ensuring its application to policymaking and incorporation into national development plans, requiring capacity building of national statistical offices, national migration institutions, and the SADC statistical department.

The July 2013 MDSA focused on the need to cooperate to implement a Regional Action Plan on Labor Migration that had been adopted in 2012. The plan provides guidance for “improving the capacity of governments to better manage labor migration by harmonizing data collection systems, immigration policy and legislation, and addressing migrants’ health vulnerability.”³⁵

³⁵ <http://www.iom.int/cms/en/sites/iom/home/news-and-views/press-briefing-notes/pbn-2013/pbn-listing/southern-africa-ministers-discus.html>

MDSA has had several positive impacts. First, it has created new networks within and between governments to engage on migration issues. Ministries that did not usually work together, such as Foreign Affairs, Interior/Homeland Security, and Human Services came together to prepare for and participate in MDSA meetings. Second, the many conferences organized by MDSA appear to have increased knowledge and understanding of a wide range of migration issues. Third, by linking MDSA to the broader SADC processes, the relevance of migration has been brought to broader policy attention. Yet, although it has achieved the goal of stimulating discussion of the SADC Protocol on the Facilitation of Movement, there has been little progress toward its entry into force.

The Migration Dialogue for West Africa (MIDWA) had a similar origin as MDSA. Also founded in 2000, MIDWA is linked to ECOWAS. It includes Benin, Burkina Faso, Cape Verde, Côte d’Ivoire, Ghana, The Gambia, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo. MIDWA was established with five areas of interest (IOM, no date):

- Promotion of peace and stability in West Africa and protection of migrants’ rights.
- Contribution of migrants to the development of their country of origin.
- Poverty alleviation in emigration areas.
- Information, sensitization, and research on the different aspects of international migration in West Africa.
- Intra-regional and inter-regional cooperation.

The UN Economic and Social Council adopted a Common Approach on Migration, which was to serve as the general framework for MIDWA initiatives. Six key objectives were identified:

- Achieving the free movement of persons within the ECOWAS zone;
- Managing regular migration;
- Combating human trafficking;
- Harmonizing policies;
- Protecting the rights of migrants, asylum seekers, and refugees; and
- Recognizing the gender dimension of migration.

The protection of migrants in the context of both instability within West Africa and movements to Europe gained particular attention. A Regional Conference on Refugee Protection and International Migration in West Africa was held on November 13-14, 2008, in Dakar, Senegal. The conference highlighted the importance of finding legal alternatives to irregular migration while protecting those who often take risks to find safety and opportunities. In 2010, a series of workshops addressed protection in the context of mixed migration of asylum seekers and labor migrants.

On the whole, however, MIDWA has not been as active as some of the other RCPs. Hansen (2010) explains one reason: “an RCP made up only of technical staff will have people with a great deal of knowledge of how things work, but without the authority to change anything. Since its founding meeting, MIDWA, for example, has not generally attracted high-level political attention, which may be one of the factors explaining the relative dormancy of the process.” Nor is MIDWA the only, or even most important, mechanism for discussing migration issues of particular interest to West African countries, as discussed below.

The Euro-African Ministerial Conference on Migration and Development has been a much

higher profile venue for negotiating agreements on mixed migration, among other issues. Three such conferences have taken place to date, each producing an outcome document.³⁶ Attending these meetings are high-level representatives of the EU member states, North African countries, and West African ones.

The Dakar Strategy guides the work towards implementation of the plans adopted in the earlier meetings. It outlines actions to be taken in support of ten core objectives:

1. To facilitate exchanges between the various parties involved in mobility.
2. To provide national and regional institutions with the means and capacities to implement mobility policies.
3. To guarantee that migrants’ rights and integration are respected.
4. To improve border management, the efficiency of readmission procedures and return conditions of irregular migrants.
5. To reinforce protection for vulnerable groups.
6. To secure civil registers and to streamline their management.
7. To adopt an inclusive approach to matters of migration and development.
8. To improve the mobilization of migrant remittances to the benefit of their country of origin.

³⁶ The outcome documents are Declaration and Action Plan adopted on the occasion of the First Euro-African Ministerial Conference on Migration and Development in Rabat on July 10-11, 2006, the Declaration and Cooperation Program adopted on the occasion of the Second Euro-African Ministerial Conference on migration and development held in Paris on November 25, 2008, and the Dakar Strategy adopted on the occasion of the Third Euro-African Ministerial Conference on migration and development held in Dakar on November 23, 2011.

The Euro-African Ministerial Conference on Migration and Development has been a much higher profile venue for negotiating agreements on mixed migration, among other issues.

The major goal of MERCOSUR is economic integration between member countries, including freedom of movement.

9. To realize the potential for migrant engagement with their countries of origin.

10. To establish standards for policy consistency and coordination on acquiring and sharing information.

The action steps are to be assessed periodically until the next ministerial meeting in 2014. In the meantime, the initiative has led to numerous regional and national projects to meet its objectives. Morocco alone is involved in more than 75 projects, some as a partner in a regional program and others specifically on its territory. The range is vast. For example, one program entitled “Fit for Europe” created an information point, organized study visits and provided training courses for would-be immigrants, and worked with employers to organize a selection and engagement process for migrants seeking employment. Other programs sought to strengthen the criminal justice system’s response to the smuggling of migrants in North Africa; help stranded migrants seeking return and reintegration in their home countries; establish links between women in the Moroccan diaspora living in Italy and their communities of origin in Morocco in order to promote a return of skills; establish a large-scale chicken farm as an income-generating activity for inhabitants of a rural area in northern Morocco who might otherwise emigrate; link migrant associations with rural associations in Morocco; and support the Psychosocial Care Program of the Migration Centre in Rabat.

FTAs and Migration: Latin America

The Treaty of Asuncion, signed March 26, 1991, created MERCOSUR, which encompasses five states with 275 million residents: Argentina, Brazil, Paraguay, Uruguay, and Venezuela (www.MERCOSUR.int). Bolivia has since become a member. Chile, Colombia, Ecuador, Guyana, Peru, and Suriname are associated members.

The key to MERCOSUR’s success is cooperation between traditional competitors Argentina and Brazil, much as the EU’s success hinges on cooperation between historic rivals France and Germany. Brazil dominates MERCOSUR’s population and economy, and accounts for most of the region’s trade with the rest of the world, but only 10 percent of Brazil’s imports and exports are with MERCOSUR member countries.

The major goal of MERCOSUR is economic integration between member countries, including freedom of movement. However, the path to economic integration has not been smooth. Common external tariffs were first implemented in 1995, but they did not come into full force until 2006, with at least 300 products on individual country exemption lists. During the economic crisis of 2001 and the devaluation of the peso in 2002, Argentina unilaterally imposed restrictions on trade during its economic crisis (Arieti, 2006), largely by adjusting export taxes and subsidies and erecting non-tariff barriers to imports.

MERCOSUR aims for eventual freedom of movement. In theory, MERCOSUR nationals may currently move among member states, although the right to work is regulated by host governments. Progress in liberalizing labor mobility has been slow. A MERCOSUR social security agreement was signed in 1997, but many of the steps aimed at facilitating migration within MERCOSUR have taken far longer to be implemented than anticipated. For example, in 1996, the four core members agreed to common immigration procedures within six months, but it took a year to develop a common immigration card in Argentina, Uruguay, and Paraguay and even longer in Brazil. There is not yet a MERCOSUR visa.

Much of the migration that occurs in the MERCOSUR region is outside formal channels. In the 1990s, the IOM estimated there were 1.3 million

migrants in the region, including 62 percent who moved from Bolivia, Chile, Paraguay, and Uruguay to Argentina and another 16 percent in Brazil (IOM, 2003, p188). Some migrants left Argentina during the economic crisis of 2001.

In December 2002, MERCOSUR leaders signed an Agreement on Residency for MERCOSUR Nationals to provide them with “equal civil, social, cultural, and economic rights and freedoms” as citizens of the MERCOSUR country in which they are living, “particularly the right to work and to carry out any legal activity.” The related Agreement on Regulating the Migration of MERCOSUR Citizens encouraged MERCOSUR governments to legalize unauthorized nationals of Argentina, Brazil, Paraguay, and Uruguay as well as nationals of associated MERCOSUR members (Cerruti, 17-20). Unauthorized MERCOSUR nationals could obtain legal status for two years by presenting a valid passport, birth certificate, and clean criminal record to authorities in the country in which they were living, and could obtain permanent residence rights by proving they could support themselves and their families.

Argentina legalized about 570,000 foreigners in 2006-07, and Brazil launched a legalization program in July 2009 to allow unauthorized foreigners in the country since before February 1, 2009, to legalize their status if they submitted a police report showing a clean record. Some 50,000 (Ministry of Justice estimate) to 200,000 (NGO estimates) unauthorized foreigners from Paraguay, Peru, and Bolivia were expected to apply during the six-month application period for two-year permits, after which they could become permanent residents. Brazil had legalization programs in 1988 and 1998; some 60,000 foreigners were legalized in 1998.

The Andean Community of Nations (Comunidad Andina or CAN) is a smaller trade bloc that

includes 100 million people in Bolivia, Colombia, Ecuador, and Peru (www.comunidadandina.org). Venezuela resigned from CAN in 2006 to join MERCOSUR, and Chile, one of the original 1969 members, withdrew in 1976. CAN and MERCOSUR pledged in 1999 to explore merging to create a South American Free Trade Area (SAFTA) and eventually of a Union of South American Nations (USAN), patterned after the European Union. A consultative treaty to create the USAN was signed in May 2008.

Since 2005, nationals of CAN member states can travel to other CAN member states without visas for up to 90 days. An Andean passport was introduced in 2001 obliging CAN member states to issue common passports with similar nomenclature and security features. In 2013, CAN decision 545 implemented procedures to make it easier for wage and salary workers who receive job offers from employers in other CAN member states to move to the other member state and receive a work visa by showing their labor contracts. Seasonal workers employed in farming abroad for up to 90 days and border commuters who return to their country of nationality every day do not need work visas (www.comunidadandina.org/ingles/normativa/D545e.htm).

In addition to the MERCOSUR and CAN processes, three other free trade initiatives in the Western Hemisphere are pertinent as models for handling (or not) immigration issues. The Caribbean Community (www.caricom.org) is an organization of 15 Caribbean nations and dependencies created by the 1973 Treaty of Chaguaramas that aims to promote economic integration, including freedom of movement, between member states. Implementation of the free trade provisions has been slow, however, and a prominent destination country, the Bahamas, has not joined CARICOM because of its opposition to free movement.

In December 2002, MERCOSUR leaders signed an Agreement on Residency for MERCOSUR Nationals to provide them with “equal civil, social, cultural, and economic rights and freedoms” as citizens of the MERCOSUR country in which they are living, “particularly the right to work and to carry out any legal activity.”

As with MIDSA, an advantage of SACM has been to bring together foreign and interior ministries that often have different interests in migration.

In 1994, the North American Free Trade Agreement was signed by Mexico, the United States, and Canada. Although free movement among the three countries was explicitly excluded from the negotiations, NAFTA does include provisions for expedited entry of managers and executives and professionals in specified occupations.

Also in 1994, then President Clinton launched a Free Trade Area of the Americas initiative to promote economic integration among 34 Western Hemisphere nations (www.ftaa-alca.org). The 34-chapter draft agreement negotiated in November 2003 (www.ftaa-alca.org/FTAADraft03/Index_e.asp) includes a labor chapter, Chapter 7, which asserts “Labor issues are not contemplated in the ... FTAA negotiation mandate. Therefore, no provisions on this issue should exist in the FTAA Agreement.” Chapter 7 goes on to call on member states to abide by the ILO’s 1998 ILO Declaration on Fundamental Principles and Rights at Work, which calls for adherence to eight key ILO conventions in dealing with trade disputes that involve goods made under substandard conditions.³⁷

Regional Consultative Processes: Latin America

The South American Conference on Migration (SACM), also known as the Lima Process, was established in 2001 and includes Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, and Venezuela, with the IOM providing administrative support. SACM provides a platform for consultations on development; diasporas; rights of migrants; integration; information exchange; migration statistics; and trafficking and smuggling. Underlying the work is a commitment to:

- Ensure respect for the human rights of migrants regardless of their status;
- Promote discourse on migration in relation to development;
- Strengthen dialogue and political coordination among states;
- Highlight the significance of migrants’ contributions to the welfare and cultural enrichment of societies in countries of origin; and
- Facilitate the participation of representatives from civil society.

SACM aims to bring the political and practical together to implement policies that have broad support in the member countries. For example, to improve migration data, SACM established a Migration Information Network to exchange and make available statistics, information on changes in legislation, and studies of migration patterns and impacts with focal points in various countries to liaise with other focal points and transmit the information to the other states (Hansen 2010). SACM also tackled the far more difficult issue of the criminalization of irregular migrants, aiming to put into effect declarations regarding decriminalization (Hansen). SACM consultations also influence policy adoption. Hansen (2010) notes that SACM discussions “inspired the 2002 MERCOSUR Residency Agreement and Argentina’s 2004 National Migration Act.”

As with MIDSA, an advantage of SACM has been to bring together foreign and interior ministries that often have different interests in migration. Hansen explains: “Interior ministries came to understand that migration policies could have a negative impact on bilateral and multilateral relations; foreign ministries came to comprehend better the pressures of border control.” SACM

³⁷ A fifth summit of the Americas was held in April 2009 (www.summitamericas.com).

has also been a vehicle for funding initiatives discussed at the consultations. For example, in accordance with the South American Plan for Human Development of Migration (PSDHM in Spanish), SACM's Technical Secretariat was asked to coordinate receipt of proposals and offers of support for implementation of training programs in human rights of migrants and information systems (SACM 2011).

In some respects, SACM is the opposite of MIDWA in the way it operates. While MIDWA operates at the technical level, SACM operates at the political level with ministerial-level participation at its annual meetings. Hansen (2010) notes that SACM "achieves a great deal in terms of consensus building and issuing joint political positions, but as the process aims at producing annual declarations there is usually little time for discussion of technical documents, best practices or common policies. The aim is rather to negotiate a formal declaration."

Like MIDSA, SACM engages civil society in its deliberations, with the attendant costs and benefits. Involvement of civil society may hinder frank exchanges between governments on politically sensitive matters, but NGOs add credibility to a process otherwise criticized as lacking transparency. Moreover, government-only discussions may mean that good ideas from other stakeholders are not considered.

The RCP with the longest history of civil society engagement, the Regional Conference on Migration (Puebla Process) that involves countries from Canada to Panama and the Dominican Republic, established a model followed by other RCPs and the Global Forum on Migration and Development (www.rcmvs.org). Puebla has a parallel civil society network that meets in specifically designated sessions with governments and provides considerable input through this process.

4 CONCLUSIONS AND RECOMMENDATIONS

The growing volume and complexity of migration, the large diasporas abroad who could contribute to development at home, and the need to develop migration management policies that respect worker rights and promote development in countries that previously had little migration justify exchanges across the South Atlantic to identify and share best practices.

Migration patterns in the South Atlantic are increasing in volume and diversifying in patterns of movement, making them more complex. Since 1950, most high-skilled migration from Africa and South America has been northward, to more developed economies and former colonial powers in North America and Europe. Today there is more migration within Africa and South America, as countries such as Brazil and South Africa attract migrants at all skill levels from nearby countries. There are also new migration corridors, as migrants move from Portugal and Japan to Brazil or from China to African nations.

The growing volume and complexity of migration, the large diasporas abroad who could contribute to development at home, and the need to develop migration management policies that respect worker rights and promote development in countries that previously had little migration justify exchanges across the South Atlantic to identify and share best practices. Just as the United States, Canada, and countries of the European Union have established mechanisms for consultation on common migration interests and problems, discussions amongst the destination and source countries in the South Atlantic would be useful.

Migration governance in the South Atlantic is often marked by gaps between promises and realities. Most governments have (parts of) ministries devoted to migration and development (including diasporas), many have joined FTAs that include free-movement provisions, and most participate in Regional Consultative Processes (RCPs) on migration. However, it has often been hard to translate migration goals into realities, including “mainstreaming” or incorporating migration into development effectively, ensuring that workers can move freely over borders within FTAs, and turning the discussions at RCPs into changes felt on the ground. There are best practices in each of these

areas, and discussing them in the RCPs and other forums would allow for a systematic exchange of information.

One good practice increasingly recognized by countries in the South Atlantic Basin is the engagement of migrants who are outside the country and those who have returned. Diasporas can spur economic development in their countries of origin. Africa and South America are “continents on the move,” with recent growth driven by exports of natural resources to Asia that have had the spillover effect of enlarging the middle class in many countries that previously had more of a pyramid shape. The diasporas from what are now fast-growing countries can bring capital, ideas, and energies gained abroad to take advantage of new opportunities. Diaspora-led development is often most successful in “new” industries, as when diaspora investment creates airlines and supermarkets to serve the new middle class. Emigration countries in both continents have reached out to their diasporas, but these initiatives are still in their infancy.

The growth in South-South migration is not yet at a level to negate the need for continuing dialogue between countries in Africa and South America with those in the North Atlantic Basin. Africans and Latin Americans still move in large numbers to Europe and North America, often transiting other countries en route. Whether it is Ecuadorians transiting Central America and Mexico or Congolese transiting Morocco, countries in the South Atlantic Basin share an interest to ensure an effective balance between initiatives to curb irregular migration and to protect the safety and rights of migrants.

We recommend that policymakers in the South Atlantic Basin countries engage in constructive dialogue that examines migration issues of mutual concern and develop frameworks to collaborate

on managing what are likely to be increasing movements across the South Atlantic. A South Atlantic Basin dialogue could be built around three items of common interest:

- **Free Trade and Migration.** Discussion of the interconnections between trade and migration could begin with comparisons of the experiences in Africa and South America negotiating and implementing sub-regional agreements. As trade between the two continents increases, the dialogue could turn to discussion of ways in which the movement of people across the South Atlantic could be integrated more effectively into agreements on trade in services.
- **Engaging the Diaspora.** Many countries in Africa and South America have implemented policies in recent years to engage members of their diaspora in development at home. As their nationals migrate to other developing countries, the South Atlantic Basin countries could take the lead in identifying the most effective mechanisms to work with diaspora

groups to promote development in the context of South-South migration as well as in the more familiar patterns of South-North migration.

- **Ensuring the Rights and Safety of Migrants.** Irregular migration from countries in the South Atlantic Basin poses risks to millions of migrants each year. These movements take many forms, both within Africa and South America and from those continents to North America and Europe. The death of more than 350 migrants transiting from North Africa to Italy and Malta by boat in October 2013 was one of the more visible manifestations of the dangers of irregular migration. Similarly, the discovery in 2010 of a mass grave of Central Americans killed by drug cartels in Mexico pointed to the dangers of land crossings. South Atlantic dialogue on policies to improve the safety of migrants in transit as well as at their final destinations would help identify more effective ways to address these problems.

Discussion of the interconnections between trade and migration could begin with comparisons of the experiences in Africa and South America negotiating and implementing sub-regional agreements.

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The image features a solid green background with several horizontal white lines. Small white dots are placed at various intervals along these lines, creating a minimalist, grid-like pattern. The lines and dots are distributed across the page, with a higher concentration in the upper half and a few scattered dots in the lower half.

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