A WEB OF CONTRADICTION: AN ASSESSMENT OF THE MIGRATION-DEVELOPMENT NEXUS AND ITS RELEVANCE TO MIDA

by

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Abstract

Although organizations and researchers have long pointed to the impact of migration on the development of countries of origin, one can hardly deny the bright spotlight and the rapid resurgence within policy debates, that the migration-development nexus enjoys over recent years. European politicians, inter-governmental organizations and academics alike unequivocally point out that migration if managed appropriately, could bring the proverbial ‘win-win-win’ result for migrants themselves, sending, and receiving countries. So much so that, circular migration is being advocated as the solution to the migration challenges facing the European Union (EU) today.

However, at a closer look, the evidence found is contradictory at best and largely depends on how development is defined and the breadth with which remittances are measured. Thus, this paper seeks for greater knowledge of this contemporary movement of persons, without which the EU will continue to develop policies and recommendations that may satisfy their member states, but not their intended audience. Starting with the Gastarbeiter programmes of the 1960-70s and concluding with the recent EU Blue Card initiative, this paper will conclude that the overall contribution of migrants to development is dependent on a scheme’s ability to a) encourage ‘return of innovation’ and b) broaden its outlook on non-financial remittances.

Using the International Organization for Migration’s (IOM) Migration for Development in Africa (MIDA) Italy-Ghana/Senegal programme, and based on Ionescu’s four point criteria for successful circular migration policy, this paper will evaluate the MIDA Italy framework and suggest means by which its successes could be magnified.
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<th>Description</th>
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<tr>
<td>AU</td>
<td>African Union</td>
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<tr>
<td>ACP</td>
<td>African, Caribbean, and Pacific countries</td>
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<td>BBC</td>
<td>British Broadcasting Corporation</td>
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<td>CCTV</td>
<td>Closed Circuit Television</td>
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<tr>
<td>CeSPI</td>
<td>Centre for International Political Studies</td>
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<td>EC</td>
<td>European Commission</td>
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<td>EEC</td>
<td>European Economic Community</td>
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<td>EP</td>
<td>European Parliament</td>
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<td>EU</td>
<td>European Union</td>
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<td>FN</td>
<td>Front National</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>GCIM</td>
<td>Global Commission on International Migration</td>
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<td>GFMD</td>
<td>Global Forum on Migration and Development</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>HIPC</td>
<td>Heavily Indebted Poor Countries</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IOM</td>
<td>International Organization for Migration</td>
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<tr>
<td>MDG’s</td>
<td>United Nations Millennium Development Goals</td>
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<td>MIDA</td>
<td>Migration and Development in Africa</td>
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<td>MPI</td>
<td>Migration Policy Institute</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<td>NRI</td>
<td>Non-Resident Indians</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<tr>
<td>PIO</td>
<td>Person of Indian Origin</td>
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<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
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<td>SME</td>
<td>Small-Medium Enterprises</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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<tr>
<td>HIV/AIDS</td>
<td>Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome</td>
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<tr>
<td>TOKTEN</td>
<td>Transfer of Knowledge Through Expatriate Nationals</td>
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<td>VOIP</td>
<td>Voice Over Internet Protocol</td>
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Preface

This impending analysis began during a six month internship with the International Organization for Migration (IOM), at the Special Liaison Mission to the International Organizations, in Vienna – Austria. It was during my tenure there that the proposed Directive establishing an EU Blue Card was released by the European Commission on October 23, 2007; based on a premises that if managed appropriately, migration would have a positive impact for countries of destination, the migrants themselves, and their countries of origin (the proverbial ‘win-win-win’). The European Union (EU) was in the midst of establishing an EU-wide approach towards migration with circular migration at its core.

Concurrently, the Mission was approached unofficially by the Austrian Chamber of Commerce and a conglomerate of Austrian governmental agencies such as the Integrations Fund, Ministry of Foreign Affairs, and the Ministry of the Interior, along with non governmental actors such as the Red Cross and academics, to design an immigration model for Austria that reflected the successes of traditional immigration countries like Canada and the United States. It was during the preparation of this presentation to the members of the so called ‘Canada Round’, on the various European migration models, that I realized how ingrained and widely accepted the notion of migration being turned into a ‘win-win-win’ situation had become. It seemed that the migration-development nexus had found unwavering support throughout Europe, in spite of its contradictions. It was at this time that I decided to indulge myself into an investigation of the discourse. What you have before you is an attempt by this author to wade through the ‘dirt’ and political rhetoric, to present a clear account of the facts. In an effort to apply some of the migration-development theory, I ex-
amine an ongoing Migration and Development in Africa (MIDA) project in Italy that focuses on the resident Ghanaian and Italian diaspora within its borders. Any statements made during the course of this dissertation are the responsibility of this author and do not reflect the IOM or its official political stance.
Acknowledgements

No such endeavor is ever possible without the support of others; the author would like to express his gratitude to members of the IOM Vienna office, especially Frau Tanja Dedovic and Frau Tana Anglana (IOM Rome), for their unwavering and unconditional support in providing me with the necessary documentation and guidance to not only carry out this venture, but opening my eyes to the world of Migration and Development in Africa. Moreover, a debt of gratitude is owed to my thesis advising committee of Professors Merje Kuus, Stefan Gänzle, and Kurt Hübner at the Institute for European Studies, University of British Columbia, whose patience, academic leadership, flexibility, and moral support was heavily relied upon during the research and writing of this paper. Thank you!

To Christin for doing an invaluable job as my editor, translator, friend, partner, and confidant – without you this would have been just another paper – Dankeschön für alles. Lastly to my parents, to whom I dedicate this endeavor, whose lives have been the ideal case study for chain migration, whose shoulders I have been carried upon for the past twenty seven years and felt nothing but unconditional love and support, and whose work ethic and commitment to perfection has taught me that with a little self-belief anything is possible!
“Countries and international organizations increasingly perceive migration as a phenomenon whose positive impacts in development terms can be substantial, provided that appropriate policies are in place” (European Commission, 2005, p. 16)

Chapter 1 - Introduction

From the age of sixteen the young men of Pradelles, central France, having planted each year’s harvest, left the harsh highland winter conditions for the warm southern Mediterranean climate to toil away in the vineyards and fields, while the women and the elderly took on the responsibility of maintaining the household back home. Once harvesting season began, “the men returned with a gold piece or two toward their family’s tax debts, sister’s dowries, or to purchase a plot of land” (Moch, 2003, p. 1). The trek was certainly not without adversity – each year men lost their lives on the road due to hunger and exposure to the elements – yet the annual adventure continued.

Leaving home during the 1730s was part of life in this small village of 225 inhabitants and although some peasants left the area seasonally, others were certain to never return. Nevertheless, a surprisingly large proportion left the village of their birth in search of money and a better life. Such an anecdote defies popular misconceptions of an early Europe, often characterized by stagnation and immobility. On the contrary, during the 18th century, people moved around a great deal, so much so that according to Leslie Moch (the author of Moving Europeans) human movement was connected with every facet of life in Western Europe. Some moved from village to village, others departed the countryside in search of an urban life. In short, “there have always existed seasonal, temporary, rural-rural,
rural-urban, and urban-urban migration, alongside emigration from and immigration to Europe” (Ibid).

The systematic study of migration began with Arthur Ravenstein’s analysis, titled *Laws of Migration* for the Journal of the Royal Statistical Society, of the 1881 British census which he expanded to include Scandinavia, the German Empire, France, Iberia, central Europe, and the Balkans. Subsequent research has managed to categorize the movement of persons into four central groups: local migration, referring to movement within your home market; circular migration, people that returned home after a specific period of time such as the men of Pradelles; chain migration, those already at a destination helping newcomers to find jobs and housing – “these systems operated like a transmission belt that brings newcomers from one area to a particular location”; and career migration, characterized by those whose employment determined their movement rather than village contacts or their family’s needs, such as church personnel (Moch, 2003, p. 16). Over the past three hundred years local migration systems and circular migration dominated the 17th century, giving way in the “19th and 20th centuries to chain migration systems and the proliferation of career migration” (Moch, 2003, p. 18). More recently, there appears to have been a resurgence of circular migration throughout Europe, Asia, and Africa, as well as an interest to foster such trends using artificial migration schemes.

Today the UN estimates that three percent of the world’s population lives outside of their country of birth, or about 175 million persons, and although the overall ratio has remained consistent over the last thirty or so years, what has attracted considerable public
attention is their increased visibility in high-income developed countries. For instance, European immigration has more than doubled over the past forty-four years with the international migrants making up 8.8 percent of the continent’s 495 million residents and EU destination countries such as Germany, the United Kingdom, Sweden, France, Italy, and Spain sitting squarely at the centre. Given that factors such as geographical proximity, historical ties, and linguistic compatibility determine migration, it comes as no surprise that Europe’s migrants mainly originate from neighboring Central and Eastern European regions, Northern Africa, Asia and the Middle East. Consequently, the changing complexion of European immigration and presence of more “non-European, non-white, non-Christian people” than ever before has made immigration a central issue on the European political agenda (Parsons & Smeeding, 2006, p. 6).

1.1. Research Question and Significance

The European Commission (EC), since the 1999 Tampere European Council, has attempted to establish a European migration policy and on the 23rd of October 2007 adopted a proposal for a Directive establishing the conditions for entry and residence of third country nationals (more commonly known as the Blue Card). It is believed that by initiating temporary work schemes, and thereby circular migration, immigration will not only “provide Member States and EU companies with the additional ‘tools’ to recruit, retain and better allocate the workers they need” but does so while ensuring that the countries of origin and the migrants themselves are benefiting, thus achieving the proverbial ‘win-win-win’ sce-

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1 The stock of immigrants to high income countries increased at about 3 percent per year from 1980 to 2000, up from the 2.4 percent pace in the 1970s. Conversely, migration to developing countries rose by only 1.3 percent per year from 1970 to 2000 (World Bank, 2006). See Figure 1.
nario (European Commission, 2007a). However, whilst migration and some of its more obvious effects on host societies have been extensively studied, many aspects of migratory flows are still poorly understood, including their impact on countries of origin. For instance, Joseph Chamie, the Head of the UN’s Population Division – a man who should know – explains that because of a lack of good data “we are unable to say precisely what is going on” (UK House of Commons, 2004, p. 25). Moreover, despite the vast array of empirical evidence from Southern Europe, Asia and Latin America, very little is known about the developmental impact of international migration in Africa.

Therefore, this paper primarily focuses on European migration and investigates the plethora of evidence behind the migration-development nexus, as it relates to African immigration within the EU. It finds that despite its overwhelming positive consensus amongst policy experts and the European community at large, there remains tremendous uncertainty and contradiction that the European Commission can not afford to ignore. In spite of the lack of consensus on the issue, the EU and organizations like the IOM continue to promote circular migration, via the Migration and Development in Africa (MIDA) framework, as a means by which governments can mitigate the negative costs associated to migration and encourage the positive effects such as development in countries of origin. The paper examines the Italy-Ghana/Senegal project as a case study and evaluates the project’s framework using Ionescu’s four point criteria for any successful migration oriented development policy (Ionescu, 2006).²

The paper concludes that if circular migration is to work, it must not only face its jaded past, but do so whilst focusing on broadening our understanding of remittances and ensuring that ‘return of innovation’ be the central focus of every return project. Moreover, by

² For further details on Ionescu’s four point criteria please refer to Chapter 6.1 (pages 94-101).
evaluating the MIDA Italy framework in Ghana and Senegal the author aspires to lend further clarity to a region, on a continent, that until very recently has been largely obscure – Western Africa – and bring to the forefront countless contradictions that emerge between EU’s stated altruistic desire for development and its self-interest in controlling the entry and departure of its immigrant population.

Not only does such a discussion heighten our understanding of migration and development challenges on the continent but it also has greater practical and financial implications, for organizations such as the IOM, as it could open doors to funding from ministries and entities in charge of development, among the donor Member States, or encourages non-member states to include references to migration in their future development strategies. A positive assessment would only further cement IOM’s identity as an effective partner in development and could help extend the organization’s reach and reinforce its current collaboration with United Nations (UN) Agencies, Funds and Programmes whose mandates focus on development work, such as United Nations Development Programme (UNDP), the World Bank and the International Fund for Agricultural Development (IFAD).

1.2. Structure and Methodology

Chapter two begins by setting the scene with a description of where Europe’s migrants come from and how their change in complexion has led to a general sense of overwhelming fear despite their growing presence and value to the EU labour force. Thereafter, chapter three begins with a survey of the EU migration acquis between 1999 and 2007. Despite the European Commission not having complete competence on the issue of immigration, it was based on the request of the European Council that a Europe wide approach was sought. The
intent of this section is not to take the reader through a step by step historical account of its development but to simply highlight and illustrate the emergence of circular migration as a desired goal of EU immigration policy. Having successfully established a link between EU immigration policy and circular migration, Chapter four is a literature review that analyzes existing analytical and empirical evidence by the World Bank, Migration Policy Institute (MPI), IOM, and Centre for International Political Studies (CeSPI), throughout Africa, Asia, South America and Europe, to illustrate the plethora of uncertainty that surrounds the migration-development nexus. Defining and explaining the key components the chapter then focuses on the three key elements to circular migration – return, remittances, and recruitment. Interviews of IOM staff in Vienna (Austria) and Rome (Italy) provide a unique institutional perspective that is meant to complement the statistical results. Chapter five examines a case study of circular migration and describes the MIDA framework by outlining its birth and growth from 2001 onwards, leading to its implementation in Italy in conjunction with municipal and national Italian governmental and banking authorities, as well as Ghanaian and Senegalese diaspora. The purpose is twofold; first, the MIDA framework is the best representation of an international organization broadening its understanding of development and remittances and illustrates this by their involvement of local and diaspora communities. Secondly, using Dina Ionescu’s four point ‘measuring stick’, Chapter Six analyzes the MIDA Italy project specifically and concludes that not only is an additional distinction between returns of failure and conservatism versus a return of innovation necessary if a migration policy is to have the desired effect of developing home countries, but a broader understanding of remittances is necessary. Chapter Seven brings the paper to a close by suggesting that given the uncertainty and contradiction surrounding the migration-
development nexus, not to mention the challenge of meeting the demands of 27 separate political agendas from EU member states across the continent, perhaps the Commission’s willingness to embrace circular migration irrespective of its operational flaws is simply because it resembles a compromise that is politically feasible.

The methodology used mainly consists of an extensive document review, dialogues with selected IOM Vienna members who have implemented (or are implementing) projects with a development component during my six month internship, and attending a series of Vienna Migration Group (VMG) meetings on the subject of migration and development. The document review included IOM internal documents, EU strategy (Green and White) papers and Communications, concept papers, programme and project documents, research papers from various sources, and conference reports. Documents on development, such as the UNDP Human Development reports, papers on the Millennium Development Goals and World Bank Development reports were consulted, whilst two internal evaluations of MIDA programmes were also used as references for the MIDA evaluation.
Chapter 2 - A Demographic Coincidence?

Much of the recent waves of non-European immigration appear to be the unintended, and often undesired, a so-called remnants of post-war reconstruction. Faced with wartime displacements, temporary workers were brought in on bilateral government agreements to “fill a passing need in labour markets” on a temporary basis (Parsons & Smeeding, 2006, p. 7). After the Common Market (1957) was formed, a great deal of internal migration followed as workers gradually moved about within the European Economic Community (EEC) spreading migrants across southern Europe. By the mid-1970s eight million foreign men, women and children lived in northwestern Europe; migrant workers from Northern Africa, Portugal, Spain, Italy, Turkey, Greece, and Yugoslavia had settled in through out France, Germany, Switzerland, Netherlands, Belgium, Luxembourg, and Sweden had not returned to the countries of origin, instead choosing to bring their families to join them and establish full-fledged communities in Europe. In spite of being brought in temporarily, to replace the deaths and low birth rates that plagued the continent after the Second World War, migration became the dominant source of European population growth and “for many Europeans, to bolster their nation and economic growth through immigration” meant losing their nation and Europe as they knew it (Parsons & Smeeding, 2006, p. 3). As in the post World War II era, Europe today faces a similar demographic coincidence, and the following chapter aspires to portray the actors involved that cross Europe’s borders daily with the intent of dismissing general misconceptions associated to the general migration debate while strengthening our knowledge of their origins and reasons for departure.
Given an undeniable need for labour (skilled and unskilled), an ageing population, and a dwindling market, the EU and its Member States are forcing themselves to reconsider their outlook towards growth through immigration. According to most estimates, European countries will experience a rapid ageing of their populations and a declining workforce within the coming decades; that is “the size of the native-born work force in Europe will decline by over 16 million by 2025, and by nearly 44 million by 2050” (Dayton-Johnson, Katseli, Maniatis, Munz, & Papademetriou, 2007, p. 16). Conversely, developing regions of the world, such as Europe’s neighbours to the south (North Africa), are expected to add nearly one billion workers to the world’s labour force by 2025. Moreover, about thirty-one percent of developing countries’ population sits below the age of fourteen compared to eighteen percent in high income countries, making their arrival that much more appealing. This is particularly helpful when we consider that not only are Europeans having fewer children, but they are also living longer lives and simultaneously growing older. According to the OECD, the EU-15 average for labour force participation by older people between the ages of 55-64 is forty seven years, considerably less when compared to other developed parts of the world (Australia – 52.2 years, Canada – 56.6 years, Japan – 65.8, United States – 62.4). Thus, it should come as no surprise that EU worker-retiree average ratio is projected to fall to 2:1 (from today’s 4:1) by 2040, leaving many worried about the state of the European welfare system (Parsons & Smeeding, 2006, p. 14). As a result, international migrants will be the key driving force for the European Union if it hopes to achieve its stated Lisbon Strategy of becoming the “most dynamic and competitive knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion, and respect for the environment” by 2010. Moreover, faced
with the demographic challenges stated above, immigration would also help reduce Europe’s dependency on its local labour force; Table 1 shows that unlike Japan, the United States and other developed countries, the EU’s labour force has reduced thereby increasing its dependency and weakening its economic supremacy.

Table 1: Labour Force and Dependency Rates EU vs. World

Table 1 was removed because of copyright restrictions. It described the labour force, in millions, over a period of 25 years from 2000-2025 in Europe, Japan, the United States, Other High-Income countries, Total High Income countries, and Total Developing countries. It was found in (World Bank, 2006, p. 30)
A second contributing factor to the increase in European immigration is the recent economic success of the North Hemisphere, in comparison to the ever-growing inequality of wealth and lack of prosperity in the South. The United Nations Millennium Development Goals Report for 2007 notes that although great strides are being made in the world, about half of the developing world’s population still lack basic sanitation facilities, as half a million sub-Saharan women continue to die each year from treatable and preventable complications of pregnancy and childbirth. Moreover, most economies have failed to provide employment for their youth and in parts of East Asia the consumption power of the poorest people has dramatically declined between 1990 and 2004. Push factors such as poverty, insecurity, unemployment, environmental degradation, violence, and political instability, are just some of the reasons that drive residents of developing countries out of their homes and in search of a new beginning. The pull of employment, better wages, improved standard of living, and personal/professional development has proven to be too hard to resist but perhaps, the biggest temptation of all is the sense of hope and optimism migrants expect to achieve.

Nevertheless, internal migration has and continues to be the most significant source of movement in Europe. Using Katseli’s (2006) analysis of census data between 1999-2003 we observe that just over half of the EU’s foreign born population (57.1 percent) was born in other EU-15 countries. In other words, one third of the remainder (16.4 percent) came from Wider Europe (with Turkey having sent the largest number of migrants to the EU at 5.8 percent) and a slightly smaller proportion originating in Africa (13.6 percent) (see Figure 1). The remainders originate from Asia, Latin America, and the Middle East respectively. When foreign born individuals who have maintained their foreign nationality are
taken into consideration, Africa emerges as the second largest source of migrants representing 20.6 percent of the population living within the EU, with wider Europe right behind. If one examines the level of qualification migrants’ posses at the time of entry it adds a rather surprising twist, for if we compare the highly skilled to the low skilled foreign born European residents it is important to note that the main sending region is Africa with 13.5 percent of all highly skilled foreign born living in the EU, followed by Asia (9%) and Wider Europe (8.6 percent) (see Figure 2). Conversely, and contradictory to common perception, Asia is the continent with the highest share of low skilled foreign born living in the EU at 24.4% followed by the Wider Europe region at 21 percent.
Figure 1: Share of Foreign Born Living in the EU, by non-EU Country of Birth

Figure 1 was removed due to copyright restrictions. The information contained in figure 1 was a description of the share of foreign born individuals living in the EU, by non-EU country of birth, that did not originate from the EU-15.
Figure 2: Share of Foreign Born Living in the EU, with Foreign Nationality, by non-EU Country of Birth

Figure 2 was removed due to copyright restrictions. The information contained in figure 2 was a description of the share of foreign born individuals living in the EU, who maintained their foreign nationality, and did not originate from the EU-15.

Both images can be found in (L. Katseli, R. Lucas, & T. Xenogiani, 2006, p. 60)
If we look a step closer and zoom into the Italian situation more carefully we observe that like Europe, “Italy is a country with a long history of emigration and a very short experience of immigration” (Zimmermann, 1997, p. 303). During the period of 1861-1976 as a result of the economic crisis and the poverty levels of central and southern Italy, over twenty six million Italians emigrated half of them towards other European countries and the rest to North and South America. After World War II, Italians again emigrated towards Europe, especially Germany following the mass internal migration trend from the South to the North West. However, by 1980 Italy had changed from being a sender country to a country of destination with a foreign population hovering around 300,000, coming mainly from the developing regions in Eastern Europe. Moreover, their composition began to change as well and in the late 80s and 90s, 86 percent of the total immigrants in Italy came from Asia, Africa, Yugoslavia, Albania and Romania (Zimmermann, 1997). By, 2000 immigrants were younger (65.2 percent were between the ages of 18-39), male (54.7 percent), and more than three-quarters were registered as manual workers. They located themselves in the urban parts of Northern Italy (Brescia, Vicenza, and Verona) where the demand for work was highest and facilities were available. Today approximately 2.5 million immigrants live in Italy, that is approximately 8.7 percent of the total Italian population.

Migration, more specifically European migration, has gone through a transformation of sorts over recent years and acknowledging such a shift is essential to the overall success of migration policy. Old migration, although circular, was internal rather than external, that is it took place within a city, country side, or country. Moreover, given the costs incurred, it occurred less frequently, for extended periods of time, and at greater risk. Migration analy-

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3 A more detailed demographic account of Ghanaian and Senegalese diaspora in Italy will follow – See Section 4.3.
sis absorbed itself with the curse of brain drain, family reunification, and the costs incurred by destination countries (such as a decrease in average wages, job security, abuse of social security, etc). The *Gastarbeiter* programs of the 1950s and 1960s left migration experts wondering where they had gone wrong and how temporary migration could, in fact, stay temporary.

Today, in light of a globalizing world characterized by the emergence of the Internet and high-speed travel, migration is increasingly being acknowledged as a “phenomenon that cannot be managed” (Dayton-Johnson et al., 2007, p. 21). For instance, migrants are increasingly on the move and are more inclined to move about than ever before.\(^4\) Banking deregulations and modern technology (e.g. twin debit cards, wireless monetary transfer) has enabled emigrants to send money across the world cheaply and efficiently, thus ensuring the well-being of their families and loved ones without their return. As labour shortages slowly increase throughout Western Europe, rampant uncertainty plagues its neighboring developing regions, immigrants are bound to look for opportunities for work outside of their nations’ borders. Talks of brain drain have turned into brain gain and destination governments faced with the sheer volume of international remittances being transferred from their countries have begun to sit up and take notice. As a result, migration in this age of mobility is beginning to be thought of as an instrument of change, which if managed appropriately could continue to benefit countries of destination and simultaneously help develop countries of origin. However, rather than bring down the walls of ‘Fortress Europe’ the EU appears to be keen on installing a rotating door!

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\(^4\) The number of international migrants in 1960 was 75.4 million. In 2005, this number is almost 200 million.
Chapter 3 - Towards a Comprehensive European Policy

An age of mobility demands the creation of an immigration system transparent to all users, responsive to the needs of employers, their employees, and mindful of the importance of creating welcoming environments. The EU took its first step with the adoption of the Amsterdam Treaty in 1999, placing immigration within the competence of the EU, whilst Member States maintained their right to regulate their individual levels of immigration. Creating such a system poses a special challenge given the tightly regulated division of competencies between the national and supra-national actors (defined by the principle of Subsidiarity), nonetheless progress has been made and the 2007 Commission communication on mobility partnerships is a noteworthy example of the EC’s attempt to take a first step towards establishing a Europe wide policy.

An EU policy towards managing migration has been a slow and continuous work in progress and can be traced back to the European Council at Tampere (1999) where Member States called for a “comprehensive approach to migration [that] address[es] political, human rights and development issues in countries and regions of origin and transit” (European Council, 1999). Furthermore, a partnership with third countries was seen as “a key element for the success of such a policy, with a view to promoting co-development” (Ibid). The work program agreed in Tampere hoped to realize this objective in two phases: the establishment of a basic common legal framework incorporating minimum standards in the areas covered by the Treaty; and secondly a gradual convergence of legislation, policy and practice through an open method of co-ordination between the Member States. This section will show that since Tampere, the migration issue was successfully introduced onto
the agenda of the dialogue between the Community and many countries. By examining EU communications and strategy papers the author hopes to show the EU embracing the migration and development nexus in spite of its uncertainty and complexity for self-serving reasons rather than its altruistic claims.

By 2002, the European Council of Seville urged that “any future cooperation, association or equivalent agreement which the European Union or the European Community concludes with any country should include a clause on joint management of migration flows and on compulsory readmission in the event of illegal immigration” (European Commission, 2002, p. 23). To that end, and in accordance with the Tampere European Council conclusions, a timeline was established to introduce joint operations at external borders, a core curriculum of border guard training and the consolidation of European provisions concerning borders. Furthermore, the European Council pointed out that closer economic cooperation, trade expansion, development assistance and conflict prevention were all means of promoting economic prosperity in the countries concerned, thereby reducing the underlying causes of migration flows, but remained conditional on the conclusion of a compulsory readmission agreement. Such readmission by third countries, more commonly known today as mobility partnerships, would not only apply to third country nationals who are unlawfully residing in an EU Member State, but other countries’ nationals who could be shown to have passed through the country in question. In exchange, third countries would be offered incentives such as better market access to their nationals, or tariff preferences to their exports, in addition to assistance in implementing and strengthening the third country’s capacity to minimize illegal migration.
So as to ensure coherence between the Community development and migration policy, the 2002 EC Communication to the Council and European Parliament (EP) entitled *Integrating Migration Issues in the European Union’s Relations with Third Countries* analyzed the “phenomenon of international migration, assessed its effects on developing countries, and explored ways to help them [developing countries] in managing migratory flows” and acknowledged that “migration issues ought to be part and parcel of Community development policy, including poverty reduction strategies” (European Commission, 2002, p. 21). Moreover, noting that the positive effects of migration are often handicapped by the negative effects such as brain drain the Commission recommended the following to increase the number of lucrative job opportunities in local home communities (European Commission, 2002, p. 24):

- **Promotion of outsourcing arrangements between developed to developing countries, notably in the Information Technology and Research and Development sectors.** Such schemes would generate global ‘tele-working’ where high-skilled (and relatively well-paid) people in developing countries would sell their services to companies in developed countries. Outsourcing arrangements may also involve short term postings in the EU, and Member States may wish to consider reviewing visa-restrictions in order to facilitate this.

- **Promotion – within the context of the political dialogue – of labour policies by developing countries which aim to attract and reintegrate skilled migrants currently working abroad.** Such policies shall include the provision of favorable working conditions, but also practical arrangements such as the recognition of education and experience obtained abroad.
- Facilitation of ‘virtual return’ of migrants that intend to contribute to the economic and social development of his or her country of origin, without permanently returning to it. In this context one area of attention could be the strengthening of communication facilities between trans-national communities and their country or region of origin (e.g. by facilitating ‘tele-lectures’ by academics in diaspora for local universities, in local languages).

- In view of the particularly dramatic health situation in these countries, the EU could explore the feasibility of introducing a code of conduct for public medical institutions to refrain from active recruitment of medical staff in sub-Saharan Africa and other developing countries facing domestic staff shortages.

Building on the conclusions of the Tampere and Seville European Council meetings, the European Council of November 2004 approved the Hague Programme in the hopes of addressing past failures and “earlier attempts to regulate immigration flows in the EU and facilitate the integration of immigrants into labour markets and society” (Dayton-Johnson et al., 2007, p. 41). Not only did it refine the concept of co-development enshrined by the Conclusions of the Tampere European Council, but called for the setting up of a common immigration and asylum policy for all EU Member States and most importantly included key measures for foreigners to legally work in the EU and a common visa rule.
Noting further evidence from countries and international organizations, the Commission reiterated its belief in the link between migration and development three years later, by emphasizing that “the links between migration and development offer a significant potential for furthering development goals, without constituting a substitute to enhanced Official Development Assistance (ODA) and improved policies” (European Commission, 2005, p. 5). The Commission indicated its intention to do so through the development of appropriate EU policies on economic migration, the promotion of cheaper and more secure channels for private migrant remittances, and policies to turn the “brain-drain” into a “brain-gain” through appropriate incentives and mobility schemes (European Commission, 2005, p. 15). Furthermore, the Commission recommended the use of circular migration to encourage the temporary mobility (through return or ‘virtual’ return programmes) back and forth of workers between country of origin and the EU, thus satisfying Member States’ need for workers whilst “offering appropriate rewards to participating migrants” and adding value to their country’s development by mitigating the effects of brain drain (European Commission, 2005, p. 7).

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5 The UK House of Commons International Development Committee’s 6th Report of Session 2003-2004 entitled Migration and Development: How to make Migration work for Poverty Reduction, argued that migration can have a positive impact on the development of sending countries if destination governments and others followed policies such as ethical recruitment and “flexible systems of temporary and circular migration, and ways of making return sustainable” (UK House of Commons, 2004, p. 4). Additionally, the Global Commission on International Migration (GCIM), whose report was published in October 2005 and stated that “the international community had failed to capitalize on the opportunities and to meet the challenges associated with international migration” and blamed their inability to formulate and implement effective migration policies and tendency to make important decisions “in areas such as development, trade, aid and the labour market” without “considering their impact on international migration” (GCIM, 2005, p. 2).

6 According to the Return Action Programme, approved by the Council on 28 November 2002, country-specific return programmes should be designed. The aim of such programmes should be to ensure effective and timely return. Furthermore, the question of creating sustainable solutions as a means to tackle root causes for illegal immigration should be considered. Return, either temporary or permanent, can bring back human, financial, economic and social capital to developing countries. Return programmes should therefore explicitly take this dimension into account (Found in Annex of European Commission, 2005).
By late 2006, the virtues of temporary migration and mobility partnerships had found the support of Ministers of the Interior Wolfgang Schäuble and Nicholas Sarkozy who “presented their strategy paper at an informal meeting of interior ministers from the six largest EU countries (Germany, France, Great Britain, Italy, Poland, Spain) in Stratford-upon-Avon” (Angenendt, 2007, p. 1). In it they called for a fundamental rethinking and tighter coordination of European migration policy by recommending new and innovative models such as ‘circular’ or temporary migration, which were also proposed by the Global Commission on International Migration and at the high-level dialogue of the United Nations, but placed an emphasis on controlling and limiting migration by stating that regular migration works only if we resolutely combat and stop irregular migration. To this end, we urgently need an efficient system of returns and readmissions: “we must have an effective and reliable policy on returns first, before we can open the door to many other new approaches to migration policy” (“Interior Minister Wolfgang Schäuble calls on EU and the African Union to cooperate/EU-AU conference in Tripoli,” 2006).

By December 2006, the European Council had fully embraced and approved the ideas put forth by the Commission in the aforementioned communication on Migration and Development (2005), and the Policy Plan on Legal Migration (COM (2005) 669) which laid down the need for a simplified admission procedure for specific categories of migrants (highly qualified workers, seasonal workers, remunerated trainees and intra-corporate transferees) whilst securing the legal status of third country workers already residing in Member States. On 16 May 2007, the EC reinforced its preference for temporary migration when it published the communication on Circular Migration and Mobility Partnerships between the European Union and Third Countries as part of its ongoing development of an EC
global approach to migration. It proposed to initiate mobility partnerships with third countries that expressed an interest and commitment to fighting illegal migration. In return, the EU would facilitate the migration of its nationals through the circulation of third country nationals already settled in the EU or of persons residing in a third country who want to come to the EU temporarily for work, study, and/or training. An EU immigration policy had turned into a mechanism for control, rather than development as the EC had claimed eight years ago.

On October 23rd 2007, two of the five proposals from the 2005 policy plan on Legal Migration were adopted – the proposal for a Directive on highly qualified workers and a Directive on a single application procedure for a single permit for third country nationals to reside and work in the territory of a Member State, most notably referred to as the “EU Blue Card”. By establishing a fast track procedure for the admission of highly qualified third country workers based on a common criteria (a work contract, professional qualifications and a minimum salary level which has to be at least three times the level of existing wages at the national level), workers admitted under this scheme would receive a special residence and work permit called the ‘EU Blue Card’ entitling them to live and work for an initial period of two years (extendable for one more year up to a maximum of three years in total) at which point they must return and make their country of origin their primary place of residence. It is hoped that an EU equivalent of the American Green card, will make the continent a competitive destination of choice for highly skilled migrants who thus far have been making Canada, the US, Australia, and New Zealand their primary ‘home away from home’. Many, including this author, wonder how such a return program is going to be successful given the challenges Europe faced little over thirty years ago with the Gastarbeiter
programs. How are national authorities going to ensure the return of highly skilled immigrants? Moreover, how successful can, or will, the EU Blue Card be in attracting highly skilled emigrants away from the United States, Canada, and Australia when all that is on offer is temporary immigration.

Not only do we see the EC’s willingness to put the migration-development nexus onto its agenda, thus acknowledging its economic and social role in the development of countries of origin, but we see a focus on a) policies that encourage attraction and reintegration and b) return and ‘virtual return’. Also, one should note the beginnings of what will soon amount to mobility partnerships and circular migration strategies that in forthcoming years will be heralded as the ‘golden bullet’; on the one hand solving the EU’s migration woes and, on the other, maximizing the positive benefits of emigration on the development of source countries; all of this during a time when the debate is anything but resolved.

Interestingly enough, for Member States, circular migration seems to be more about ‘managing’ immigration and controlling the phenomenon by introducing “labour migration quotas for specific professions” that would be set not at the European level – as with labour migration as a whole – but at the national level (Quoted in Angenendt, 2007). According to the ministers involved, the economic situations and labour market needs are so specific to local conditions that Member States would need the flexibility circular migration and temporary migration quotas offer and thus making it clear that at its core “the German-French initiative is about reducing illegal immigration through temporary immigration programmes” rather than the development of countries of origin (Angenendt, 2007, p. 2). Although the ministers also cite development policy goals, these are clearly subordinate: “they merely allude to the possibility of awarding temporary visas to selected migrants in
order to offer them vocational training opportunities (or further education) and thus to foster educational elites in the countries of origin” (Ibid).
Chapter 4 - The Migration-Development Debate

One of the most significant trends in the 21st century is the rise of international labour migration. Those who move from a poor country to a rich one for the purposes of employment can “expect to see their income rise fivefold or more”; an incentive so enticing that in 2006 the UN International Migration Report noted that approximately three percent of the world’s population is believed to be living outside of their country of birth and sixty percent of those currently reside in more developed regions of the world (see Figure 3).

Figure 3: International Migrants as a Percentage of World Population, of Less Developed Regions, and of More Developed Regions, 1960-2005.

Figure 3 was removed due to copyright restrictions. The graph removed illustrated the number of international migrants, as a percentage of world population as well as of less developed regions and of more developed regions from 1960-2005.

Note: International migrants as a percentage of world population. “More developed regions” comprise all regions of Europe plus Northern America, Australia, New Zealand and Japan. Source: (United Nations, Trends in Total Migrant Stock)
Although the ratio of migrants to world population has remained relatively consistent for over forty years, the issue of migration appears to have captured the attention of politicians, policy analysts, academics, and the public\(^7\) (Economist, 2008). For instance, in 2002, the French Far-Right leader of the Front National (FN), Monsieur Le Pen, called migration the “biggest problem facing France, Europe, and probably the world” warning that if nothing was done “we risked being submerged” (BBC, 2002). Similarly, in a 2005 United Kingdom Mori poll, migration was the second most important issue to members of British society only behind foreign affairs/defence and international terrorism. In France, Nicholas Sarkozy won the French Presidential elections partly thanks to his anti-migrant rhetoric and in 2007 activists in the United States Congress smashed a bill making immigration easier. Such incidents have made migration a hot button topic and with Europe now emerging as a popular destination for immigrants from developing regions such as Africa and Asia, there is a rising sense of urgency about addressing the topic. Without migration, the ageing dwindling population in “much of the rich world would already be on the decline today” and if Europe hopes to accomplish its self-proclaimed intent of becoming the world’s ‘most competitive and dynamic knowledge-based economy in the world’, the continent is going to need a combination of many highly skilled workers and people who are willing to do the un-pleasant and tiring jobs (see Figure 4); “not enough young natives have the right skills or motivation, so the rich must hope that outsiders will keep coming” (Economist, 2008, p. 2).

Not only is this thought to have positive ramifications for Europe, but it is also believed to be beneficial for sending countries as well. The International Monetary Fund (IMF)

\(^7\) The equivalent figure in 1960 amounted to 75 million persons or 2.5% of the world’s population (UN, 2006b).
has found that emigration from Belize, El Salvador, Guyana and Jamaica has led to higher wages and less poverty, while household surveys in Ghana and Uganda have found that remittances reduced the number of people living in poverty by 5 and 11 percent respectively (Adams, 2006). It has even been suggested that with the rich countries taking more and more skilled migrants than ever before, emigration would add to a country’s stock of brainpower; that is migrants who go abroad will spend more time studying, pick up more skills and experiences, and then bring them all home. Consequently, larger share of remittances are used to fund schooling and the success of others encourages other locals to get an education. One Philippines government minister even remarked that “overseas employment has built more homes, sent more children of the poor to college and established more business enterprise than all the other programmes of the government put together” (Author’s notes of October 5th, 2007, VMG Global Forum on Migration and Development). All of this, however, assumes a great deal which in reality is difficult to prove and inconsistent at best. Therefore, this section attempts to exemplify the controversial and contradictory nature of the migration-development nexus by reviewing existing literature in the hopes of illustrating that circular migration appears to have a developmental potential only when a broader understanding of development and remittances is embraced.

Until recently, the subject of migration and development was approached from the viewpoint of tackling the root causes of migration. That is, development in areas of high migration was seen as a means of discouraging emigration and discussions often revolved around the negative impacts of brain drain and its ill effects on social services such as health care and education on local development. However, today this approach is increasingly being overshadowed by the recognition that individual migrants can contribute to the develop-
ment of their country of origin through the transfer of remittances and human capital using existing transnational networks and members of diaspora communities. So, what do we mean by development?

Since the adoption in 2000 of the Millennium Declaration and the Millennium Development Goals (MDG’s), by all United Nations Member States, the MDG’s have become the yard-stick by which all universal development is measured by. With a target date set for 2015, all one hundred and ninety-one Member States have pledged to “promote poverty reduction, education, maternal health, gender equality, and aim at combating child mortality, AIDS and other diseases” (UNDP, accessed Feb.1,2008). Although there are a multitude of ways in which one can define development (economic development, social development, human development, community development or co-development), for the purposes of this paper, the term development will be used in its broadest sense, referring to the gradual improvement in economic and social conditions of poorer people.

At first glance, international migration does not feature prominently in the original framework of the eight MDG’s and, not so surprisingly, has been largely excluded from development agendas. However, a majority of international migrants originate from developing countries and “several governments of states that are primarily countries of destination for migrants, such as the United Kingdom, Sweden, Denmark and the Netherlands”, have started to acknowledge and become aware of the link between international migration and development (Usher, 2005, p. 5). Assessing how migration is linked to attaining the Millennium Development Goals can go a long way to comprehending the migration-development nexus.
There is no simple cause and effect relationship between migration and the 8 MDGs, as migration can prove to have both a negative and positive influence on their achievement. For instance, the *Road map Towards the Implementation of the United Nations Millennium Declaration* notes migration as one of the causes of the worsening global malaria problem. Similarly, the Millennium Project’s Interim Task Force Reports on *HIV/AIDS, Malaria, TB and Access to Essential Medicines* points out that migration has a negative impact on the eradication of diseases (Goal Five), child mortality (Goal Eight) and maternal health (Goal Seven) by pointing towards the large number of emigrating health professionals leaving their countries of origin. Conversely, migrant communities abroad not only send remittances thereby helping to reduce poverty levels (Goal One) but are known to help foster innovation, trigger learning processes or “facilitate the transfer of knowledge and technology to their countries of origin” (Usher, 2005, p. 17). Moreover, migration can also help develop a sense of gender equality (Goal Four); in 2000 about 49 percent of the world’s migrants were female and more and more women are migrating independently, or as part of the family, creating a sense of independence and autonomy. By developing the survival and coping skills during the migration process, women can in turn serve as role models and agents for change back home.
4.1. What is Circular Migration?

As early as 1982, Graeme Hugo used “circular migration” to describe the international migration within Indonesia. Since then the term today has come to be associated most with temporary work programs that are thought to be conceptually quite different from the ‘one-time-only’ temporary migration programs that dominated European history during the later half of the 20th century. Nineteenth and early twentieth century migration was often viewed as settler migration; migrants left with their families and possessions to seek a new life and although many planned to return, a relatively expensive and cumbersome transportation and communication system encouraged many to settle in countries such as the United States, Canada, Australia, and Argentina. However, post-war migration, by contrast, was hoped to be temporary by both emigration and immigration countries. The need for migrant workers saw the advent of the Gastarbeiter and Bracero programs of yester-year. Emigration coun-
tries misjudged assuming that “individual migrants would return after one or two years abroad and that the need and opportunity to export labour would persist for only one or two decades” (Papademetriou & Martin, 1991). Today, the world has been transformed – states, societies, economies and cultures in different regions of the world are increasing integrated and interdependent. New technologies have facilitated the transfer of persons, capital, goods, information, and services giving men, women, and their children the luxury of mobility. Instead of being unidirectional and permanent, migration has become increasingly temporary, seasonal and circular. The Global Forum on Migration and Development (GFMD) Report describes circular migration as “a continuing, long-term, and fluid movement of people among countries that occupy what is now increasingly recognized as a single economic space” (GFMD, 2007). It is the GFMD’s definition of circular migration which this paper shall work.

Circular migration challenges the way politicians, policy experts, and academics view migration. Once perceived as a zero-sum game, circular migration is thought to be a ‘win-win-win’ situation for all those involved; that is, circular migration programs is beneficial to all three actors involved in the process of migration. Primarily, countries of destination are able to satisfy their desperate thirst for labour by hiring labour stemming from an external source. Secondarily, and perhaps more recently, countries of origin are thought to also benefit due to the high amounts of remittances transferred home from countries of destination to countries of origin. This money is believed to reduce poverty and positively contribute to the livelihoods of all those back home. Lastly, the migrants themselves are legally entering the European Union labour market gaining valuable experience and skills that they can bring back home to their countries of origin upon their return, whether temporarily or
permanently, thus augmenting one of the serious constraints on development in many poor countries – brain drain.

The difficulties in implementing circular migration have received much attention during the post-mortem years of the failed Gastarbeiter and Bracero era of the 1950’s and 1960’s. The idea was to “ensure ‘rotation’ by recruiting workers for a limited period, restricting their rights, and minimizing family reunion” thus expecting them to make little demand on social infrastructure and accepting of poor wages, in exchange for the opportunity to be working in Germany (Castles, 2006). However, as time wore on and industries became dependent on migrant labour the ‘rotation’ principle broke down and as families grew they needed housing, schools, medical care, and social facilities. Migrant workers joined trade unions and participated in “a wave of labour militancy in the early 1970s” (Ibid). It was becoming growingly apparent that migrant labour was ceasing to be a low-cost alternative and by the early 1970’s “its social and cultural consequences were becoming evident” (Ibid). Thus, by 1974 the German government had ceased all foreign recruitment. Although many returned, family reunion sped up, and if history had taught Europe anything it was that ensuring the return of temporary workers was going to be a lot more complicated than anticipated.

Circular migration often refers to the return of permanently settled migrants who possess a right to reside in the destination country but leave to conduct activities in their countries of origin (business, professional, philanthropic, educational, artistic) and the temporary worker who left for work, study, research, cultural activity, or voluntary service and is required to return by the terms of his/her arrival. Temporary migration, for the purposes of employment, has been rising since 1997 and the number of temporary migrants going to
countries belonging to the Organization for Economic Co-operation and Development (OECD) has increased on annual basis by nine percent (Agunias & Newland, 2007). Both forms are discussed and referred to by the EC in the May 16, *On Circular Migration and Mobility Partnerships between European Union and Third Countries* communication, as not only a means by which EU member states can “help address labour needs” but also “maximize the benefits of migration for countries of origin” (European Commission, 2007b).

Circular migration’s impact on developing countries is a complex and controversial issue with studies and reports often contradicting each another. Countries such as China and India have found that returnees in the private sector often bring back high-level technology and ‘know-how’ that is unavailable locally resulting in a positive circularity. For instance, a comprehensive survey of India’s software industry reveals that about thirty to forty percent of highly skilled Indian returnees had relevant work experience in developed countries attributing to the rise of India’s software industry (Agunias & Newland, 2007). Conversely, Gopinathan Nair’s study of Kerala, India, has shown that returned migrants are in general, middle aged persons with low levels of education, skills and experience; “not surprisingly half of them were found to be unemployed upon return” (Nair, 1999). More importantly, Gopinathan argues that although several schemes for concessional loans and other incentives for small investors exist in Kerala and in India as a whole, the poor investment climate combined with the local government’s lack of a return migration policy resulted in “paper schemes” that are “hardly accessible to migrants” (Ibid). Similar evidence was found in a 2002 visit to the Philippines by the Special Rapporteur of the UN Commission on Human Rights, Gabriela Rodríguez Pizarro, who noted that seventy to eighty percent of temporary
migrants returning had no significant savings and few chances to find employment resulting in what the MPI calls negative circularity.
The process of brain drain is commonly considered as one of the most negative results of international migration. The prospect of high earnings in the foreign destination coupled by an ever increasing demand in highly skilled labour in developed countries encourages the migration of the educated workforce and as such, can have a detrimental impact on innovation/productivity, fiscal revenue and social services:

Highly educated and/or skilled individuals (e.g. scientists, engineers, doctors) often contribute to innovation, research and technological adaptation accelerating economic growth and indirectly raising an economy’s productivity/growth.

A considerable amount of time, money and effort is invested by countries to educate some of their best and brightest. Of course, highly educated people also earn relatively high incomes and their departure would not only represent a loss of human capital but also a loss in potential tax revenue that might have been collected from the income of the emigrant and his or her family.

Loosing key skilled personnel such as doctors, lawyers, and teachers can have an adverse effect on the provision of social services in the country of origin. The majority of sub-Saharan African countries fall short of the minimum World Health Organization (WHO) standard of 20 doctors per 100,000 people (World Bank, 2005). In their recent study of migration among West African physicians, Hagopian et al. (2005) make the striking point that “if the 515 American and Canadian physicians from Ghana were to return to their country of training, the total physician workforce there would increase by 32.2 per cent above its current 1,600 physicians” (Farrant, MacDonald, & Sriskandarajah, 2006, p. 11).

The on-set of the HIV/AIDS epidemic has exacerbated the situation in Africa where the loss of medical personnel, often recruited by state health systems abroad, has rendered much of Sub-Saharan Africa defenseless. However, contradictory evidence has been tabled over recent years suggesting that emigration of health-care workers from Africa is not the root cause of the difficulties the continent is experiencing. For example, the OECD found, in 2003, thirty-five thousand registered nurses in South Africa were either not employed or not working as nurses (OECD, 2003).

Conversely, it is believed, that the opportunities for highly educated individuals to emigrate can induce a greater interest in education at home thus increasing the supply of doctors, engineers and scientists. Know as brain gain, Stark and Fan (2007) argue that the prospect of high earnings in the foreign destination may encourage greater investment in human capital; “rewards to education in the developed world may drive the potential emigrants to spend more time in school and to acquire more skills” and even if a fraction of them remain the end result is still an improvement for the country of origin (Stark & Fan, 2007). Nevertheless, the authors lament that, to date, rigorous empirical analysis of the complicated interplay between migrant-sending and –receiving areas has been limited.
Lastly, “a common benefit for the process of highly skilled migration is that migrants return with newly acquired skills and hence raise domestic productivity upon repatriation” (L. Katseli et al., 2006, p. 38).

If temporary circular migration is to prove to be a successful policy prescription for the EU, it will have to face its past head on. The best known examples of circular migration, the German Gastarbeiter and the US Bracero programs, failed to ensure circularity, or did so at a high price in terms of the rights and dignity of migrants. Ongoing examples in the Gulf countries do not bode well either; the United Arab Emirates maintains a strict division between its temporary migrant workers and the local population by segregating them (they are housed and transported separately to and from work). Conversely, there are examples of successful circular migration that have occurred either through national policies attracting emigrants back home to growing economies (South Korea, Taiwan Province, China) or through private-sector initiatives responding to general economic reform and opportunities (India). To some believers, the enlargement of the EU from fifteen to twenty-seven members has also been quoted as an example of successful circular migration; that is “labour migration from some of the new [adjoining] Member States is first gradually liberalized under the terms of their accession treaties, and then perhaps reverses itself as their economies converge with Western European countries” unintentionally creating a circular migration effect (GFMD, 2007).

Thus, the biggest uncertainty when it comes to circular migration, for policy makers and politicians alike, is the question of how to ensure that circular migration in fact stays ‘circular’. The result is often enforcement oriented approaches such as fines, penalties, and legal punishment such as arrest and/or deportation. Overstaying guest workers in Singapore
face not only the confiscation of bonds but also mandatory termination of their contract and up to six months’ imprisonment for illegal entry. Treating migrants in traditional security terms has proven to be ineffective given the trouble countries have had in stopping illegal immigration. As a result, international organizations and government agencies have begun to promote a more progressive approach that focuses on initiating and developing transnational relationships between the emigrant and their country of origin in the hope that providing a connection would entice them to return back home. The, promises of future re-entry similar to that of Switzerland’s “long practice of allowing temporary access to its labour market on a renewable basis appears to encourage circular migration, though under very tightly controlled conditions” (Agunias & Newland, 2007). Similarly, the recent EU Proposal for a Directive establishing an EU wide Blue Card grants highly-qualified third country nationals who meet a long list of pre-conditions (including quite bizarrely, a minimum salary level that is at least three times the level of existing minimum wages at the national level) admission into the European labour market, for a period of two years, after which they must re-establish their main residence and their main activity in their country of origin. In exchange, they would be granted preferential re-entry (the right to return in the future).

A considerable portion of circular migration is internal, rather than across international boundaries but, contrary to popular belief, modern migration studies are increasingly revealing that today’s migrants prefer to return voluntarily if able to do so with the option of repeated re-entry. In sub-Saharan Africa a great deal of temporary migration occurs from rural smallholder farming areas where migration is a household strategy to maintain and improve the traditional livelihood. Increasingly families are retaining their ancestral land in
the region of origin whilst “seasonally migrating from the northern regions of countries such as Ghana, Togo, Mali, and Burkina Faso to the south cocoa farms” (Deshingkar & Grimm, 2005, p. 19). Although we will focus exclusively on international circular migration, it is worth noting that the success or failure of future circular migration policies will not only depend on facing legacy of failure (vis à vis implementation) but also on its effectiveness in creating an incentive based return system that rewards temporary return rather than penalizes over-stay.

4.2. Migration-Development Nexus

Migration for the most part has been intimately connected to economic and social development, but for all the wrong reasons: “it [was] often seen as the result of imbalances in development” proving to be instrumental to the development of modern Europe whilst depleting the human resources of its neighbours (Nyberg-Sorensen, Hear, & Engberg-Pedersen, 2002). Development of countries of origin was so far off the agenda that Diego C. Asencio, Chairman of the Commission for the Study of International Migration and Co-operative Economic Development (established in 1986), concluded in his foreword for Papademetriou and Martin’s seminal book on labour migration and economic development – titled *The Unsettled Relationship* – that “international migration has not led, or at least cannot be linked directly, to significant development in Africa, Southern Europe, Asian, and Latin American emigration countries” (Papademetriou & Martin, 1991, p. vii). However, with immigration came the challenges of integration and after the September 11th attacks on New York and the subsequent March 11th attacks in Madrid the prevailing view in Europe had shifted. It seemed immigration pressures had reached intolerable levels descending
immigration and migrants to the status of a worldwide security risk. Moreover, Zolberg’s book labeled *Beyond the Crisis* (2001) traces the evolution of alarmist popular social science commentary on migration, and finds in different ways Kennedy (1993), Kaplan (1994) and Brimelow (1995) provide apocalyptic visions of a western world beset by massive migration pressures from “barbarous”, “degenerating” regions of the developing world, coupled with overwrought anxieties about growing “imbalances” between the native population and other racial categories (Zolberg & Benda, 2001). Nevertheless, with the advent of the UN Global Commission on International Migration in 2003 and the Global Forum on Migration and Development in 2007 states began to consider migration (more specifically, circular migration) as a powerful incentive-based tool towards returning immigrants from destination countries whilst encouraging development in countries of origin.

The effectiveness of the migration-development nexus is often understood to revolve around the “the three R’s” of Recruitment, Remittances and Return (Papademetriou & Martin, 1991, pp. 37-40). That is, whether or not migration has an impact on development in countries of origin, depends on how and who is recruited to depart or return to their home country. Secondly, how remittances are transferred, spent, and/or invested affects the living standards of local households within the countries of origin and therefore the developmental impact of the migration-development nexus. Lastly, who and how many return affects the quantity and quality of the country of origin’s work force.

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8 For further details of how immigrants in Europe are considered a ‘threat’ in traditional terms, read (Hodiwala, 2007)
4.2.1. Recruitment

There are two means by which potential migrant workers are recruited for employment in destination countries; publicly, through organized and legal recruitment schemes (often controlled by national governments or international organizations) or unofficially, via illegal and private smuggling networks. Each has its unique impact on development in source countries.

Publicly organized legal worker recruitment programs create networks between the country of origin and destination linking cities and villages. These networks are often temporary in nature and establish themselves as a valuable asset within society that control access to foreign markets which would eventually pay three to five times the national average. As a result migrants are often willing to borrow money to pay for visas and even “sometimes pay bribes to government or private go-betweens in order to be selected to work abroad” (Papademetriou & Martin, 1991, p. 37). Consequently, if official recruitment is centralized, a spill-over can be expected whereby migration internally within the country can be expected generating a “local-day labour market offering jobs to workers who are waiting to become migrants” (Papademetriou & Martin, 1991, p. 38). For instance, the Spanish government contracts the IOM to recruit low skilled temporary workers from Ecuador on its behalf. This recruitment process involves IOM staff and officials of the Ecuadorian and Spanish governments, with employers playing only an indirect role. Spanish enterprises register their labour needs with their embassy in Quito, but IOM manages a database of Ecuadorian applicants and selections are made by a team from IOM and the Spanish Ministry of Labour. IOM then works on the drafting of contracts and helps migrants secure passports, visas and tickets for the journey (IOM 2002). The Government of Guate-
mala, IOM and FERMES, an agricultural non-profit agency in Quebec operate a similar arrangement for agricultural workers on temporary schemes in Canada.

The impact of such a recruitment mechanism is that it can be regulated and labour sending and receiving countries’ market sensitivities can be taken into consideration. Schemes that promote ethical recruitment by limiting the number of health care workers it extracts from African nations such as Ghana and Senegal, given their pre-existing low supply, minimizes the adverse effects of brain drain in developing countries. For instance, in light of the fact that in the UK registered doctors from Ghana has more than doubled between 1999 and 2004, the country’s response to this dichotomy was to develop a Code of Practice for the National Health Service that asks employers not to recruit actively from countries that would suffer as a result of losing staff (UK House of Commons, 2004, p. 30). Furthermore, such a recruitment scheme is believed to treat migrants in a dignified way and protect them from illegal exploitation by agents. However, there is some evidence to suggest that control of the recruitment by either host or home government “is no guarantee against the imposition of illegal charges or other abuses in the process” and can actually increase bureaucratic burdens (Barber, Black, & Tenaglia, 2005, p. 8).

Alternatively, if emigration is done unofficially, privately, and illegally the job network becomes a semipublic covert asset that links European farmers with Sudanese labour, and recruitment often involves informal means such as an already employed migrant arranging for the employment of his family or friends, informing them of the arrangement, offering to help them with the financing of the trip, and advising them on how to get across the border. Once in the country, they may help with ensuring them with a place to live and often trains the new employee in the work place. Such an approach has proven to be effec-
tive although the issue of human rights and migrant safety has emerged as the predominant challenge of the 21st century. Not only have organized crime units taken control of these semipublic operations but the dangers of human trafficking/smuggling, sexual abuse, child labour, and slavery render emigrants to a life of service and exploitation severely limiting their ability to send home remittances and have a hand in the development of their countries of origin.

4.2.2. Remittances

Remittances can have positive and negative effects on economic growth depending on their size, transfer mechanism, and intended usage. Recent estimates approximate that migrants had returned between US$ 167 billion – 300 billion in 2006 representing about twice the size of official foreign assistance at an annual growth rate of twelve percent (see Figure 5)⁹ (UN, 2006a). Defined as the sums of money migrant workers send back to their countries of origin, remittances have been neglected for some time by academics and policymakers, and only recently have they been “rediscovered and become the darling of many development experts” (Economist, 2008, p. 8). Sent directly to migrants’ families, money can not be stolen, nor squandered away by middlemen in aid agencies or governments, and more importantly remittances reach their intended target quickly and efficiently. They are even considered less volatile than aid or investment and, as history has shown, can be stepped up quickly if and when the need arises (see Figure 6)¹⁰.

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⁹ It is imperative to note that given the private nature of remittances and the varying methods by which countries and individuals record/transfer the money (through public and/or private means), the exact number or amount of global remittances is unknown. Furthermore, it has been suggested that informal channels of remittances could add an additional fifty percent to this official estimate.

¹⁰ Remittance receipts by Filipino households increased following the 1997 financial crisis while remittance flows continued to rise after natural disasters in Bangladesh, Dominican Republic, Haiti and Honduras (World Bank, 2005).
**Figure 5: Remittance and Capital Flows to Developing countries**

Figure 5 has been removed due to copyright restrictions. The information removed is a graph illustration comparing remittance levels, capital flows, and overseas developmental assistance. It can be found in (Ratha, 2007, p. 2)

**Figure 6: Remittances rise during crisis, natural disaster, or conflict**

Figure 6 has been removed due to copyright restrictions. The information removed is a bar graph comparing the remittances sent in Indonesia, Thailand, and Mexico, the year before, the year of, and the year after a crisis. Source: (Ratha, 2007, p. 3)
In 2006, migrants from Asia and Oceana sent home over US$ 113 billion, representing a third of the world’s US$ 300 billion, via more than 1.5 billion separate financial transactions. Not only are these funds believed to have an impact towards poverty levels, educational possibilities, the empowerment of women, and enabling family to attain the appropriate medical and health-care attention they deserve, but they are also more likely to reach areas of economies and societies that are left relatively untouched by ODA and private capital from overseas investors. For some they represent the lion’s share of a family’s income whilst to others remittances can serve as a temporary bandage pulling a household through a drought or a bad harvest and relieving them for a brief period of destitution and poverty. At present Latin America and South Asia receive the largest share of global remittances in absolute terms, with Mexico, India and the Philippines leading the way (see Figure 7). Although Africa currently sits fourth, the continent has experienced some of the largest increases in remittances over recent years in spite of lagging well behind other developing regions.
Figure 7: Global Remittances (Figures are in billions of US dollars)

Figure 7 was removed due to copyright restrictions. The information removed contained a map of the world with adjoining regional breakdowns of remittances received for Europe, Asia and Oceania, Latin America and the Caribbean, Africa, and Near East. Source:

(International Fund for Agricultural Development (IFAD), 2006)
The instruments used to transfer remittances can be grouped into two principal categories:

- **Formal channels**, that is the transfer of earnings/savings by an immigrant through official channels which are therefore subject to control and monitoring by authorities (often this is a national bank or foreign exchange office) in compliance with international and national anti-money laundering laws and are often subjected to high transfer fees. These channels include the postal, banking and money transfer agency systems e.g. Western Union.

  - Innovative instruments – such as debit cards, online transfers, and the use of Automatic Teller Machine and Point Of Sale outlets, which have been developing in recent years, and using new data transmission technologies have the physical transfer of money obsolete. The challenge is the diffusion of such technology is often slow and dependant on financial infrastructures in developing countries of origin.

- **Informal channels** – The transfer of money through relatives and friends (or middle men) that are going back to the country of origin. Given its clandestine nature, neither is it possible to quantify the volume and costs of remittances transferred nor is it the safest means available to diaspora. But still, depending on the destination, it remains the most cost-efficient and direct option available to members of the diaspora. In Cuba, for instance, the method of choice is a suitcase filled with cash, whilst in Asia a complex network of unregistered agents are used known as *hawalas*

Choosing one avenue over another (formal or informal) is based on a multitude of factors, principally: the transaction costs (including costs withheld at the time of withdrawal of the money and costs associated with the rate of exchange applied), the speed of the transfer, the certainty of the outcome of the transaction and the amount to be received, how simple the transaction is and, in some cases, anonymity. If we hope to channel remittances in ways that can have a developmental impact, the challenge for development experts will be to shift as much of the money transferred informally towards formal mechanisms.

Money transferred from members of the family living abroad provides access to much needed finances for daily living, debt repayment, purchasing of consumer goods, and investing in better housing. If invested, remittances can contribute significantly to output growth and used for consumption, thereby generating positive multiplier effects. After all, if a household receiving remittances increases their consumption this will in turn increase demand and create jobs from which non-migrant families can benefit. Furthermore, traditional items for remittance expenditure like food and clothes can increase human capital if this “allows schoolchildren to focus more on schooling and increase their ability to concentrate during class time” (Farrant et al., 2006, p. 17). Households receiving international remittances are also found to invest more in entrepreneurial activities. Woodruff and Zenteno (2001) argue that remittances from the US have financed much of the micro-enterprise development in urban Mexico; while McCormick and Wahba (2002) point to the role of remittances in small enterprise development in Cairo. Similar evidence can be found in Kerela, India, where within a four year span (2003-2007) employment had increased by
over three hundred thousand persons with a one hundred percent increase in the private sec-
tor and twenty percent increase in self-employment. Based on a study of panel-data, Adams
and Page (2003) concluded that “on average, a 10 per cent increase in the share of interna-
tional migrants in a country’s population will lead to a 1.9 percent decline in the share of
people living on less than US$ 1.00 per person per day” (Farrant et al., 2006). Similarly,
Quartey and Blankson (2004) found that remittances improve household welfare and have
become an important source of income for consumption in Ghana. Quartey and Blankson
(2004) found that remittances improve household welfare and have become an important
source of income for consumption reducing the share of people living in poverty in Ghana
by 5 percent. Adams (2005) has also found that remittances reduce the severity of poverty
in Guatemala; money from abroad accounted for three-fifths of the income of the poorest
tenth of households. Repeatedly, studies claim that “when the poorest of the poor house-
holds receive remittances, their income status changes dramatically” (Page & Plaza, 2005,
p. 24).

On a macro-level remittances, according to the World Bank, enhance a country’s credit
rating if remittances were to be included in creditworthiness assessments11. The inclusion
of large sums of money, sent from abroad, unto a country’s financial report would increase
GDP and stabilize the country’s currency. This would in turn open up a country’s access to
major international capital markets, and thus “significantly improving the credit rating for
countries such as Lebanon and Haiti” giving them access to much needed international aid
(World Bank, 2005, p. 101). Such financial aid is essential, according to economists like
Jeffrey Sachs, to Ghana and Senegal’s budget if their government hopes to carry out the

11 At present remittances are not considered by major international credit rating agencies when determining
the credit worthiness of a country (Farrant et al., 2006, p. 18).
public investments they have identified as the highest priority within their poverty reduction strategies of 2002 (see Figure 8).

**Figure 8: Remittances improve country creditworthiness**

Figure 8 has been removed due to copyright restrictions. The information removed shows how when remittances is included in a country’s balance sheets, it improves their creditworthiness. Source: (Ratha, 2007, p. 8)

As mentioned at the outset, whether or not remittances impact development is dependent on how broadly we define remittances and how the intended recipient uses these resources. Migrants’ contributions go beyond just the physical transfer of money; diaspora can be a source of ideas, behaviours, identities and social capital that flows between countries, something Levitt (1996) describes as “social remittances”. Similarly, migrants can transfer knowledge and skills (sometimes called “technological remittances”) or even political identities and practices (which Goldring (2004) calls “political remittances”) (Farrant et al., 2006). Technological advances and transfer of knowledge can be extremely important for enhancing economic growth in developing countries alongside capital and human investments but is rarely taken into consideration due to their immeasurable characteristics. Ex-
amples like the Silicon Valley Indian Professionals Association and the Philippine Brain Gain Network represent an attempt by expatriates to transfer knowledge and new ideas by establishing partnerships that link together members of a diaspora with their local communities back home and carrying out research projects, consulting, training courses and bridging the gap between foreign investors and Indian/Philippine economies. Similarly, a project in existence since 1977 by the United Nations Development Program (UNDP) called the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) program, makes use of the nationals residing abroad to provide short-term service in countries of their origin in economic and social development. The program has placed 5,000 migrant volunteers on assignments in 49 developing countries thus far.

In the African context for example, research indicates that financial “remittances are primarily used for consumption and social events, rather than for investment in more ‘productive’ activities” thus restricting their developmental impact (Tiemoko, 2004). Not only do remittances spent on cars and better housing have a limited developmental impact, but there is widespread criticism that remittances have an adverse impact on land prices, bride prices, and housing prices. Furthermore, because migrants typically come from “relatively few areas within a country, remittance induced inflation is also concentrated in these areas, making non-migrant families in these areas worse off because they must pay the higher prices wrought by remittance-induced inflation without remittance assistance” (Papademetriou & Martin, 1991, p. 39).

However, a great deal of literature is fairly contradictory (see Ammassari & Black, 2001; Ghosh, 2000) and does not allow for us to focus exclusively on the positive attributes of remittances. Remittances can have a negative effect on development depending on the
level of income and wealth of the local communities of origin. In China remittances have been shown to aggravate poverty stricken provinces while enriching the wealthier ones. Based on a 1995 survey of rural households, remittances were found to have an equalizing effect in richer provinces such as Guangdong. However, in the poorest provinces such as Sichuan, where it is the middle income households that can afford to send migrants (the poorest do not have the income for the initial cost of migration) the opposite was found to be true while the richest often earned income at home (Li, 1999). A second study conducted four years later (Li, 2001) in Beijing found that even though the poorest migrants from the poorest regions and the poorest households remit a higher proportion of their incomes than their privileged counterparts, that “income inequalities in poorer rural areas are not reduced” (Murphy, 2006, p. 8). Moreover, Cleveland’s classic study in 1991, of the Upper East region in Ghana, found that migration increased the dependency ratio (the number of young and elderly dependent on each working age adult) in sending areas, and that remittances and improvements in land and labour productivity were insufficient to compensate for this increased dependency (Black, Ammassari, Mouillesseaux, & Rajkotia, 2004, p. 24). Moreover, if we examine Figure 6 again, in a separate light, one notices that in two of the three countries the amount of money sent home post-disaster had reduced and only in the case of Mexico had it stayed the same. Such a dependency cannot bode well for reconstruction efforts that often continue for years thereafter.

Not only do remittances have a way of exaggerating existing social cleavages but they have been found to also come at a considerable social cost by impoverishing emigrants.

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12 Chami et al. (2003) used panel data from 113 different countries to test the assumption that the disincentive to work created by remittances will indeed have a negative impact on economic growth. They found a negative correlation between the size of remittances and economic growth, and this should be a cause for concern (Farrant et al., 2006, p. 16)
in destination countries whilst dividing families in sending countries. With the men, and increasingly women, leaving home for work the family is often left in the elderly hands of grandparents forcing them out of productive agricultural work and into caring for the younger generation, thus increasing the number of dependents living off remittances and decreasing those in efficient work. Unfortunately, the World Bank *Voice of the Poor* report on Ghana argues that “young people in urban and rural areas feel they have no choice but to leave home in search of work, since their remittances are likely to make a difference between food security or its absence for their families” (Black et al., 2004, p. 23). Having reached their destination young emigrants often find themselves ironically living under a great deal of pressure that is often exerted upon themselves and their family to remit money (sometimes as much as 40 percent of their average monthly earnings) irrelevant of “whether they are low- or high-income earners, people with legal status, or irregular migrants” (Bruyn & Wets, 2006, p. 17). Additionally, as is the case in the UK, migrants are expected to pay into the social welfare system even though they enjoy limited rights and are restricted access to any social benefits or public assistance. The end result remains an impoverished existence away from their families and support system.
4.2.3. Return

It is often contended that one of the biggest challenges with development in the developing world is the loss of their labour force. Given the shortage of highly skilled labour in Europe, for example between 1975 to 1981, 14,000 Ghanaian teachers left with each one representing a loss of US$ 184,000 for the African country (Black et al., 2004, p. 25). Moreover, “as a whole Africa spends an estimated US$4 billion each year to employ 100,000 non-African expatriates” thus returning some of brain drain could free up resources that could go towards achieving development objectives (Johnson & Sedaca, p. 60).

Failure to make effective use of their ‘talents’ and an increase in remittance numbers over the last twenty years has led countries like Ghana to encourage their citizens to return, bringing with them the skills and experience they acquired during their migration career. Upon their return it is hoped that they would serve as agents of socioeconomic change introducing new production and organization techniques or establishing new enterprises and initiating economic change. Although theoretically possible, migration scholars and policymakers have yet to agree upon whether return migration has a predominantly negative, positive, or any impact at all for the development of countries of emigration; in fact, “empirical evidence is fairly contradictory and does not yet allow us to draw any clear conclusions that help in devising appropriate policy measures” (Ammassari, 2004; Ammassari & Black, 2001; Ghosh, 2000). When migrants have earned and experienced a higher standard of living in host countries, their return and reinsertion into the conditions of lower wages and poor working conditions in their home country can be a frustrating experience. Some are simply unable to adjust, whilst others flourish spurred on by an overwhelming sense of nationalism or family obligation (see Ammassari 2004).
Moreover, and lest we forget, the impetus behind return is not strictly a utilitarian one. Return, permanent or temporary, represents a means by which EU Member States can control and maintain immigration levels within their borders. By developing positive links between diaspora and countries of origin (such as the expectation of development) the belief is that some will return home voluntarily, therefore recreating an updated and modern Gastarbeiter class that once again proves beneficial for Europe.

Ammassari’s (2001) impact study of elite return migrants in Côte d’Ivoire and Ghana not only distinguishes between the skilled (elite) and unskilled migrant, but does so noting that past theoretical and empirical studies have “mainly dealt with the overall structural implications of return…[with] the impact of remittances and savings on economic growth at the centre of such investigations” and ignored the transfer of social and cultural capital (Ammassari, 2004, p. 134). Evidence gathered by means of in-depth interviews suggest that whether or not a returnee has a developmental impact on their countries of origin, and the kind of contribution they make, has a lot to do with the individual’s personal reason for return, level of education (i.e. skilled or unskilled) or acquired level of expertise, and the country’s present economical and social status. Personal reasons for return include; one’s sense of patriotic or nationalistic duty, failure to achieve his/her professional goals, a general sense of social exclusion/isolation, and the lack of recognition within the host society has shown to affect the overall, and type of, impact returnees have. For some remaining abroad was never an option, as this nationalistic sixty-year old Ivorian explained:

“for us it was clear, we had to acquire some knowledge abroad and return to work and make this knowledge available to our home country. We had done primary and secondary school under colonization and the country
had just acquired its independence and we had this nationalistic attitude which meant that we wanted to come back as soon as possible. There was no question of remaining abroad” (Ammassari, 2004, p. 139).

Many of the older returnees received a free education from tax payers’ money (or government sponsored scholarships) and as such held a particularly strong sense of obligation and indebtedness. They considered it their duty, upon graduating, to contribute to the development of their country of origin by choosing to teach or go into politics. Although this feeling was shared by some of the younger generation, the training and scope of return no longer exists forcing many to leave their countries of origin. Faced with little hope and few chances of success within their local civil service, having lived in a globalized environment, migrants nowadays can more easily trust that their country will develop, with them or without them. Since a growing number of young people go abroad both to study and to gain foreign work and life experience, their role and contribution are no longer considered to be that exclusive.

Today, youth and emigrants alike complain of a ‘glass-ceiling’ which hinders them from fulfilling their career objectives. A forty-one year old Ivorian immigrant in Paris described how this obstacle prevented her and other Africans, black more generally, from accessing top positions abroad and thus returning home:

“For a company you get hired through an interview like anybody else, and then, while your colleagues move from one department to another with growing responsibilities and an increase in salary – well you don’t move. In the best cases you circulate in different bodies in the middle of the hierarchy, but always at the same level...so if after having studied
here you have started working, or at least if you’ve been here for a long
time you can make a good career, but at a certain level you get
stuck…it’s not a matter of nationality, it’s not a matter of foreigner or
non-foreigner, it really is a matter of colour” (Ammassari, 2004, p. 140).

Such employment discrimination and racism represents a third push factor for returnees.

Far from family and next of kin, separated from their social networks and ties, migrants feel
isolated and forgotten in the masses. Receiving respect, recognition, and the praise of those
around you was an important return motive for both older and younger migrants. For in-
stance, when asked about his expectations before returning, a fifty-seven year old Ghanaian
lawyer and university lecturer answered:

“That I would be successful in Ghana, that I would have satisfaction, that
I would contribute to my own nation’s development, that I would matter
the way I would not have mattered in Britain. I would gain recognition.
No matter how well I did in Britain, I was still a black man, I was still an
African, I was still not a British but I was still an alien” (Ibid).

Not only does an individual’s motivation for returning influence their developmen-
tal impact, but Ammassari’s study showed that a country’s political and economic envi-
ronment was also instrumental in determining the types of opportunities available to return-
ees and hence their degree of developmental impact. By comparing the developmental
trends that elite Ghanaian and Ivorian migrants had on their return, Ammassari surmised
that differences in one’s level of education and experience as well as the domestic so-
cial/economic situation can determine how social and cultural capital is used for the development of their local communities.

It was through this trans-national interview-based approach to migration that Ammassari explained why Ivorians took up employment in existing companies more frequently than Ghanaians, who instead set up their own private enterprises. This distinction, when examined against the political and economic backgrounds of each country, reflects “the different socio-economic development paths” that each country has experienced over recent decades: the Ivory Coast has for the most part experienced a stable political and economic environment, creating concrete opportunities for returnees who sought employment in already existing firms and industries (Ammassari, 2004, p. 141). On the contrary, Ghana has experienced a series of military coups (1966) and ongoing political crisis since its independence in 1957, hampering the creation of small-medium enterprises (SME) and forcing returnees to find alternative solutions. Thus, “Ghanaians more often than Ivorians had to set up their own firms if they wanted to return and work” consequently, sending more money home and with greater urgency whilst staying abroad for longer periods of time (Ammassari, 2004, p. 141).

Most elite migrants went overseas mainly to pursue their higher level studies and hence left relatively early in their lives – for both Ivorians and Ghanaians the average age was twenty four. Nevertheless, Ghanaians were observed to return with greater occupational experience bringing back new knowledge, ideas and work skills whilst the Ivorians returned with a higher educational level. Given that the median length of time that Ghanaians worked abroad was nine years, compared to two years for the Ivorians, the level of human capital acquired by Ghanaians whilst working abroad was greater and consequently
found to have positively impacted their workplace and their accomplishments at work (when compared with their non-migrant colleagues). Each time Ammassari found that “skilled return migration clearly produces socio-cultural, political, as well as economic change potential [emphasis added] at home” (Ammassari, 2004, p. 145). Conversely, unskilled return migration according to a long time member of the IOM, from Central America and Mexico, can have little to no impact. He observed in an internal IOM Vienna meeting late last year (October 4, 2007) that although in theory hiring Guatemalans to pick fruit in Canada would have a positive developmental impact, the truth is that there is very little transfer of skills takes place in temporary work programs that involve manual labour (such as picking strawberries) and consequently no developmental impact on the economy of Guatemala. Not only do Guatemalans use farming methods that are incomparable to the agricultural process back home, but the jobs low skilled migrants are often hired to do in Canada (be it in the fields or at a meat processing plant like Maple Leaf Foods) is rather basic and involves very little in the form of learnt skills. If such programs are deemed a success it is because of the successful return of non-residents and remittances accumulated, rather than their developmental potential upon return.

Despite isolated examples of success (i.e. Switzerland, Canada-Guatemala), analysis done in 2001 in the UK indicated that the rates of return in question are relatively low; between 1995-1998, only one percent of highly skilled migrants from Commonwealth countries departed for every four professionals and managerial migrants that arrived (Farrant et al., 2006, p. 13). Similar conclusions were reached by Fisher et al. (1997), Ghosh (2000) and King (2000) who point out that “the impact of autonomous return migration on development is generally thought to be insignificant” noting that those who fail to secure an in-
come abroad (return of failure) and those who always planned to return (return of conservatism) generally make up the majority of returnees today (Tiemoko, 2004, p. 158). A 2005 *Migration, Globalization, and Poverty* policy briefing by the Development Research Centre summarizes it best by pointing out that often more than not returning to one’s country of origin is about reconnecting with family and friends rather than economic conditions. In contrast, it is only those who represent a ‘return of innovation’ – those who stay to earn money and advancement abroad, but hit a glass ceiling and so seek to move beyond this obstacle by returning to invest in their home country – that are likely to contribute to development. However, the challenge is returnees of innovation are few and far between and as a result “instead of a boon to development and an injection of dynamism, the returnee means a return of failure, conservatism and retirement” (Hermele, 1997). This is where initiatives like the IOM MIDA project in Ghana-Senegal and the UNDP TOKTEN projects can have an impact towards increasing the number of temporary, or permanent, returnees from Europe and to ensure that it is return of innovation.

To conclude this section thus far, the potential impacts of return migration onto development are complex and multidimensional; in brief, they vary according to the country in question, its economic and social trends, the scale and characteristic of migration and behavior of the individual migrants themselves, the amount they remit, and the type of returnee they are. While it may be tempting to analyze the impacts of migration simply by comparing the outcomes in households with a migrant to those in households without a migrant, such a comparison is unfair and unlikely to provide us with reliable information on the effects of migration. This is because households that have experienced the migration of a family member are likely to differ fundamentally from households that have not experi-
enced the migration of a family member. If we simply compare the two types of house-
holds, it will be unclear whether the differences observed are due to migration or to the un-
derlying, unobserved, unmeasured characteristics that distinguish the two sets of house-
holds in the first place (Pozo, 2007, p. 5).
**Box 2: The Debate**

<table>
<thead>
<tr>
<th>Possible Positive Effects of Migration on Development</th>
<th>Possible Negative Effects of Migration on Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Balanced economic growth – by transferring under used labour resources in developing regions of the world, to areas with a shortage in supply economic theory dictates that the departure of the unemployed and their remittances would improve development, reduce the supply of labour in countries of origin, and thereby increase wages</td>
<td>▪ Loss of highly skilled labour and reduced quality of social services – it is usually the high skilled employed that are successful in acquiring jobs in foreign markets making their departure a costly loss to the local economy, and government. Moreover, those that are employed within the social service sector leave their services understaffed.</td>
</tr>
<tr>
<td>▪ Good for the individual – in most cases, the emigrant themselves is offered the opportunity to earn a better wage, live a better life, and enjoy the fruits of a developed region</td>
<td>▪ Reduced growth &amp; productivity – the loss of a member of country’s labour force has an adverse impact on economic productivity and other negative externalities</td>
</tr>
<tr>
<td>▪ In flow of remittances and foreign currency – the money sent back to members of the family living in the country of origin can have a positive developmental impact on meeting daily household demands</td>
<td>▪ Creation of a ‘remittance based economy’ – families receiving money from members of their family residing externally is found to increase their dependency on the money transferred. Rather than the money assisting their daily expenses, remittances become the primary source of income. This may prove to an issue when the money dries out.</td>
</tr>
<tr>
<td>▪ Brain Gain – the success of former migrants pushes members of a country to educate themselves thereby increasing investment in education and human capital</td>
<td>▪ Inflation – given a sudden increase in money supply, household products and services increase in price forcing those without remittances further down the developmental ladder</td>
</tr>
<tr>
<td>▪ Transfer of social capital, human capital, and skills to countries of origin by diaspora</td>
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4.3. Migration and the Role of Diaspora

In an era that has been characterized by globalization and the movement of people, emigrants and diaspora communities are emerging as an important source of foreign direct investment (FDI), trade linkages, knowledge and technological transfer irrespective of one’s opinion on their effect on development. With an estimated three percent of the world’s population living outside of their country of birth, and global remittances systemically increasing (most recent estimates range from US$ 167 billion to perhaps $300 billion), their sheer volume and financial flows to developing countries from the developed world has forced the world to stand up and take notice; Roger Ballard of the Centre for Applied South Asian Studies at the University of Manchester suggested – optimistically equating remittances with aid – that migrant workers are “now by far the largest suppliers of development aid to their communities of origin”, and the Africa Foundation for Development argued that Africans, Asians and Latin Americans are, through their diasporas, their own biggest aid donors (UK House of Commons, 2004, p. 53). It is no wonder the sends of these remittances have gained so much attention!

Although known more often for their financial contributions (i.e. remittances), diaspora also represent an immense source of human potential that if acknowledged and embraced can serve as an indispensable link between countries of origin and their countries of settlement. Not only do associations of diaspora members encourage the bringing home of

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14 As Joseph Chamie of the UN Population Division explained, “you export culture, you export ideas, you export democracy, you export many things which (cannot be easily valued in terms of) dollars and
skills and knowledge that they have gained abroad, but within host societies they provide support and a place where experiences can be shared. Mexican ‘home town associations’ in the Americas involve themselves in charitable work, providing goods for religious festivals and construction materials for the home town church, raise money to improve the provision of health and education services, and in time of need organize relief efforts. Moreover, diaspora organizations can provide a network that “allow their fellow nationals to benefit from their experience and exposure” that upon their return could make migration more development friendly (IOM, 2007a, p. 5). It is for these reasons that some authors have begun to refer to diaspora as ‘transnational communities’, thus emphasizing the existence of informal networks that transcend national boundaries and single cultural or national identities (Agunias & Newland, 2007; Ionescu, 2006; Nyberg-Sorensen et al., 2002).

The term diaspora refers to any people or ethnic population forced or induced to leave their traditional and ethnic homelands. With its roots in Ancient Greek, the word originally referred to the forcible dispersal of Jews from their homeland and means the scattering or ‘sowing of seeds’. This literal translation could not be any truer in the context of Africa and African migration – with seventy million migrant workers and their families both inside and outside the continent – sowing seeds for better future whilst scattered across Europe and the developed world (IOM, 2007a). It came to be later associated with forced expulsion and dispersal and acquired the sense of loss and an implication of a strong desire to return. Ronald Skeldon elaborates on this theme: “Implicit in the concept of communities-in-exile is the assumption that peoples are not assimilated into the societies of destina-

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For instance, when migrants return, or when they tell family members back home about women’s roles and rights in host societies, this can lead to changes in the ways in which women are treated (UK House of Commons, 2004, p. 65).
Diaspora is often used as a collective noun (the scattered) referring to a dispersed people, but it is also used in the plural, as there are many different peoples who are dispersed among different countries, and as an adjective.

However, it is imperative that we acknowledge the lack of homogeneity that exists in the term diaspora, and as such, understand the various motives and types of ways (and therefore, diaspora) that countries have defined their expatriate community. Each signifies a conscious decision by national governments to involve and embrace their citizens by narrowing or widening their understanding of who diaspora are. The UK, for instance, in its House of Commons Report 2003-04 defined diaspora as “international migrants who, although dispersed from their homelands, remain in some way part of their community of origin” (UK House of Commons, 2004). This definition focuses on the location of expatriates and their shared interest in their home. Similarly, India categorizes its diaspora in an even wider context by distinguishing its diaspora as either Non-Resident Indians (NRI) or Persons of Indian Origin (PIO) with each holding a specific set of rights and/or obligations; NRI’s are primarily Indian citizens holding an Indian passport that are currently residing abroad for an indefinite period of time, irrespective of reason, whilst the PIO status is granted to foreign citizens that have Indian decent, including second and subsequent generations. By defining Indian diaspora in broader terms, the sub-continent is facilitating “the relations and contributions of diaspora with very different backgrounds” (Ionescu, 2006, p. 15). The African Union in April 2005 took it a step further by defining African diaspora as “peoples of African origin living outside the continent, irrespective of their citizenship and nationality, and who are willing to contribute to the development of the continent and the
building of the African Union” (Ionescu, 2006, p. 15). As such the focus is placed on the continent rather than a sense of national belonging. Moreover, it centers on the individual’s “willingness to contribute” therefore relating belonging with one’s voluntary contributions. Such definitions represent more than words; they symbolize a country or region’s willingness to embrace its citizens as active contributors to its future.

Until recently the ties between diaspora and country of origin were in an overwhelming majority of the cases, the result of individuals and groups acting on their own initiative, rather than a product of government intervention e.g. Silicon Valley Indian Professionals Association. However, more recently policy activists and national and international authorities in countries like Benin, Burkina Faso, Mauritania, Cape Verde, Madagascar and Mali have developed approaches “that match the development concerns of these countries with available resources from the diasporas” (Ionescu, 2006, p. 24). In its Sustainable Development Poverty Reduction Strategy Annual Progress Report (2002-2003), Ethiopia included its commitment to expand private sector activities by engaging the members of the Ethiopian diaspora, whilst Ghana initiated a Poverty Reduction Scheme promoting SME’s in the agro-industry by explicitly acknowledging its diaspora as a source of funds to finance the anti-poverty strategy (Ibid). Perhaps the most indisputable evidence of diaspora recognition remains the African Union (AU) amending Article 3 of its Constitutive Act to “invite and encourage the full participation of the African diaspora as an important part of the continent” and thus committing itself to formally recognizing the African

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15 In 2000, the World Bank initiated the Heavily Indebted Poor Countries (HIPC) programme, asking eligible countries to produce an economic policy paper for growth and poverty reduction entitled Poverty Reduction Strategy Paper (PRSP). The state has to draft a PRSP according to a set periodicity (3 years, 5 years).
diaspora as “the sixth regional bloc, alongside the economic communities of southern, central, west, east and Saharan regions of the continent” (Davies, 2007, p. 65).

**Box 3: Indian IT tech’s and Chinese Astronauts**

Chinese and Indian diaspora are perhaps the most often cited examples of well placed entrepreneurs from transnational communities playing a crucial role in attracting Foreign Direct Investment (FDI) through joint ventures, promotion of domestic companies’ exports and directing outsourcing opportunities to their counties of origin; “many attribute the remarkable development of the IT industry in Bangalore, India, to business linkages with Indians working in Silicon Valley, and throughout the high tech economy in the US, who have provided expertise, capital and outsourcing contracts” (Johnson & Sedaca, 2004, p. 32).

Similarly, known amongst the local Chinese population as ‘astronauts’, these so-called transnational entrepreneurs travel regularly between their native and host countries fostering business and establishing local operations. Astronauts have been a major factor in the emergence of China as a manufacturing and trading powerhouse in the 1990s. It is estimated that about half of the $48 billion in FDI that flowed into China in 2002 originated from Chinese diaspora (Hugo, 2003, p. 25).

As the demand for labour grows throughout the developed world, host countries that face integration challenges are progressively realizing that a means by which temporary working schemes can remain temporary is to establish strong voluntary linkages between the country of origin and destination. A co-development approach that mobilizes the residing diaspora is favoured by a number of governments and was initiated by the French government in 2000 through conventions with Senegal, Mali, Morocco and the Comoros with the objective of ensuring the return of mobility of temporary migrants through the regulation of movements and promoting the involvement of diasporas for the benefit of their home country development. For example, by insisting on co-financing, French government co-development projects ensure migrant associations feel a part of the process and thus can
have ownership over its successes. Similarly, Italy and Senegal launched the Commodity Aid Programme, a bilateral programme offering credit facilities for SME’s with the intention of promoting the continual engagement of the Senegalese diaspora in the local private sector development back home. It is along these lines that the Migration and Development in Africa framework was initiated in 2001 by the IOM and is the subject of detail in the subsequent chapter.

As seen, the developmental role of diasporas within a particular country or region, as well as in relation to poverty reduction, is not yet clear; “migration and remittances do not automatically generate development and economic growth in migrant sending areas – this seems to be related to the unfavorable investment climate, oppression and the lack of political stability and legal security in many sending countries…and the restrictive immigration policies of migrant receiving countries” which consequently, have the reverse effect of encouraging illegal migration and over-stay in countries of destination while interrupting natural patterns of circular migration (de Haas, 2005, p. 1278).

Migration can have both positive and negative effects on development and as such the relationship between the two remains a matter of uncertainty. However, as long as the economical and social environment in countries of origin remain uncertain, the effect return policies that encourage the investment of remittances or the return of educated diaspora can have, remains overestimated and underachieved. Moreover, although there is agreement and evidence confirming a positive impact on development, the concomitant costs that are incurred by the migrants, their families, and countries of origin either outweigh or simply negate the benefits, leaving more questions than answers.

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16 At least fifteen per cent of the project cost is covered by migrant associations.
Chapter 5 - A Circular Migration Case Study between the EU and Africa

Countries like China and India have successfully developed by embracing their departed citizens whilst African nations “have been far slower to realize the development potential of migration beyond the flow of remittances” (Davies, 2007, p. 61). There is evidence that temporary migrants not only remit “more money to their home country than permanent migrants”, but the transfer of skills can be “facilitated if there is repeat migration between host and home countries” (IOM, 2006c, p. 14). Furthermore, experience has illustrated that temporary migrants are “more prepared to invest in their country’s development” if there is the likelihood of return (Ibid). Temporary, or circular, migration is commonly regarded as offering new development opportunities without the ill effects of permanent emigration.

In light of a rapidly globalizing world known for its mobility and technological advances the European Community, international organizations, and development experts are calling for a greater role for temporary migration (or the circular movement of transnational networks such as diaspora communities) as a mitigating strategy that mobilizes resources thereby creating a potential policy strategy for source and destination countries (Ammassari & Black, 2001; Mohan & Zack-Williams, 2002). Proponents observe that the *de facto* transnational nature of migrants’ living in the 21st century ought to be encouraged by ensuring the possibility for legal entry and return. This chapter begins with a brief account of the emergence of migration and development within the African context and follows with a general overview of the MIDA framework at large. Subsequently, Chapter 6 will provide
an analysis using internal evaluations and datum accumulated during the author’s internship.

5.1. The Nexus in Africa

Faced with a lack of opportunity or confidence in the social and political system and a life of poverty, African nationals continue to use emigration as a poverty alleviating strategy. In spite of the region’s numerical significance, “a number of knowledge gaps remain in relation to migration within and from West Africa” (Black et al., 2004). Zimmerman (1997) found that in the “1980s and 1990s the incidence of immigrants who came from the European Union declined, while the proportion of immigrants from outside the European Union increased” (Zimmermann, 1997, p. 316). So much so, that in 2004, 23.2 percent of immigrants living in Italy originated from Africa with 5.7 percent of the 647,000 emigrants coming from Sub-Saharan Africa (80 percent of the Sub-Saharans in Italy come from Western Africa). Perhaps more significantly, Italy had become the most important destination for West Africans who moved legally, with just under 10,000 entrants. Of these, roughly a third came from Senegal, and a further 20 percent each from Nigeria and Ghana (Black et al., 2004, p. 9). It should therefore come as no surprise that regional policy initiatives are starting to appear across Europe and Africa garnering the attention of the national governments.

In Ghana for instance, an estimated sixty percent of medical doctors trained in the country have emigrated and 2,500 nurses have gone abroad since 1992 (IOM, 2006a, p. 10). The

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17 The Sahel and West Africa Club of the OECD has recently published a study on West Africa in the context of globalization, which includes attention to migration. It also organized a conference in 2003 on the Mano River Union region and Côte d’Ivoire which explored the relationship between migration, displacement and conflict.
exodus is not restricted to the highly qualified either; approximately 20 percent of the low educated adult migrants within the EU-15 in 2000, came from Africa\textsuperscript{18}(L. Katseli et al., 2006). The six million skilled and unskilled African expatriates living and working in Europe represent Africa’s most precious and under-utilized resource; “not only are they earning money abroad and sending some of it back to their families – they also represent an incredible resource of expertise, knowledge, education, experience, entrepreneurship and enthusiasm” (IOM, 2006a, p. 61). Engaging some of these diaspora may bring about the all important necessary political and economic change.

The Cotonou Agreement, signed in June 2000, between the EU and African, Caribbean, and Pacific (ACP) states identified poverty reduction as one of its five pillars of partnership and proposed for the first time a “global strategy for development that involved the European Community, Member States, and ACP partners to work together to establish a consolidated and effective strategic framework” that integrated the private, non-state, and civil society actors into the development process. A subsequent April 2001 meeting organized by the IOM and the Government of Gabon concluded that it was necessary to develop a strategy and methods in order to improve institutional capacities of home countries, through the contribution of the African diaspora. These recommendations were adopted in July 2001 by the African Heads of States during the African Union Summit in Lusaka, and called upon the IOM to “continue supporting African countries to favour and facilitate their qualified and expatriate citizen homecoming, and take part in the launched migration programme for development in Africa (MIDA)” (Migration, Development and Poverty Reduction, 2006, p. 58).

\textsuperscript{18} Based on OECD Database statistics on Expatriates and Immigrants, 2004.
MIDA is defined as “a demand driven capacity building programme…its objective is the mobilization of transfer of knowledge, know-how or expertise, financial and other resources of Africans in the diaspora to meet the identified skills needs for development in African countries. MIDA has flexible arrangements that provide various options of skills transfer. These include short-term, sequenced (repeated), tele-working or distance and even permanent transfers” (IOM, 2007b, pp. 8-9). Since then MIDA has evolved into a comprehensive guiding framework for migration and development that focuses its attention on “the circulation of competencies, expertise and experience of migrants and diaspora, without jeopardizing their legal status in their host countries” (IOM, 2007d, p. 1) for the IOM and whose success has been highly recognized within the international and regional circles by the World Bank and the UNDP.

5.2. The MIDA Framework

The MIDA framework is a concept whose ‘raison d’être’ was and remains the promotion of development goals through the participation of African diaspora. Based on years of expertise gained through IOM’s Return of Qualified Nationals programmes, the MIDA project aspires to mobilize the skills and financial resources of African diaspora for the purposes of investment and development of their countries of origin. It is based on the premise that without incentives it is difficult to convince a migrant who is well established in the host country with their family to voluntarily return and contribute to the development of the country of origin.

Since the inception of the MIDA programme, in 2001, projects have been implemented in various countries across the African continent: Benin, Ethiopia, Ghana, the Great Lakes
region (Burundi, Democratic Republic of Congo and Rwanda), Guinea, Kenya, Senegal, Tanzania, and Uganda. The MIDA framework (see Appendix – Figure 11) offers a variety of approaches covering broad strategic areas for the diaspora to make a contribution to the development of their countries of origin. Each step shall be examined (IOM, 2007d):

- Assessing country-specific needs and the resources of the diaspora in the host countries

As the primary step in any MIDA project, the IOM uses its vast experience and expertise to ascertain a country’s developmental needs as well as take stock of the resources that their emigrants have access to. This may involve mapping exercises such as the one conducted in the UK by IOM London\(^{19}\), thereby ascertaining the exact size of the diaspora population, their precise geographical location and the most efficient ways of reaching them. Furthermore, based on the IOM’s unique position and experience, a needs assessment is conducted in the countries of origin and a feasibility study is prepared so as to design an approach that has the highest likelihood of success and efficiency. For instance, is the country in question suffering from brain drain? Does it have the economic potential to absorb the return of highly skilled people? A survey of the skills and financial resources in the targeted host countries may also be conducted with the eventual goal of developing, maintaining, and updating databases of any and all available resources. For instance, in the Ghana/Senegal project the IOM and CeSPI conducted a survey on the Ghanaian and Senegalese diaspora living in Italy so as to gather valuable information such as where they reside, what they do, how much money they remit, and through which means. Additionally a database will be developed, maintained, and updated.

\(^{19}\) For all mapping exercise reports see: http://www.iomlondon.org/publications.htm
- Engaging all stakeholders through targeted information campaigns

All MIDA projects insist on a strong and vital role for members of diaspora as agents of social and economic change and do so by drawing on IOM’s networks and diaspora associations; setting up country-specific MIDA websites to enhance the efficient exchange of information in the field of development; establishing local MIDA information services that assist and inform diaspora members interested in contributing to MIDA; and finally, organizing discussions and workshops with all stakeholders. For instance, the MIDA Great Lakes project (2001) established an internet website that would serve as the project’s portal of first access to potential diaspora participants\(^{20}\). Additional, radio interviews and programmes were arranged with Burundian, Congolese, and Rwandan diaspora organizations in the hopes of attracting African diaspora.

- Building capacity through the transfer of intellectual and socio-professional resources

Perhaps the most publicized and talked about aspect of the MIDA projects is the transfer of persons. By means of virtual, sequenced/repeated, or permanent transfer of intellectual and socio-professional resources, MIDA projects hope to contribute to the development of local communities and governmental levels. *Sequenced/Repeated visits* allow transnational actors to lend their expertise/skills to specific project/assignment, often to complement the efforts of their local colleagues on the job, thus bringing an international perspective to a particular challenge and ensuring the circular transfer of skills. *Virtual/tele-work* uses information and communication technology advancements of the 21st century (digital data transfer, VOIP, teleconferencing, e-learning) to reduce the need for physically transfer-

\(^{20}\) It is reported that since going online in June of 2005, the [http://www.belgium.iom.int/Mida2/](http://www.belgium.iom.int/Mida2/) website has had 43,655 visitors from 135 countries worldwide (an average of 160 visitors per day) (IOM, 2006b, p. 23).
ring residents of host societies back to their communities of origin strictly to have a developmental impact. This type of resource transfer can now take place cheaply and instantaneously with little inconvenience to the ‘agents of change’. Lastly, permanent relocation, to the country of origin is made possible based only on the voluntary decision of the migrant to physically return permanently and to contribute to the development of his or her country.

- Enhancing dialogue with the diaspora

Action-oriented dialogues organized between African diaspora and government officials in home countries can provide key stakeholders an invaluable platform to connect and involve themselves in the development strategies. These events enable participants to explore new opportunities, develop new partnerships, and enter into dialogue that to date have rebuilt the health sector in the Democratic Republic of the Congo; mobilized African diaspora health care professionals and resources for capacity building in Africa; and involve Sudanese medical professionals residing the UK. The MIDA Ghana/Senegal project organized a set of workshops that drew more than 200 Ghanaian and Senegalese expatriates from migrant associations, local, provincial and regional entities, as well as professional training centers and NGO’s.

- Forging partnerships for community and entrepreneurial development

Perhaps the most pertinent aspect of the MIDA framework to this paper, is the implementation of effective strategies and partnerships that establish cooperation between different stakeholders (i.e. migrants, diaspora members, and migrant associations) to take advantage of their transnational networks to design, initiate, and promote co-development projects which will enhance social and economic development and the impact of remittances in
countries of origin. An example is the MIDA Ghana/Senegal program that offers Ghanaian and Senegalese diaspora living in Italy the opportunity of creating small or medium size enterprises in their countries of origin in order to enhance the development in these countries. Only those projects based on a strong partnership between local institutions, NGO’s, and the private sector in both Italy and their countries of origin were accepted for funding.

- Optimizing the development impact of migrant remittances to Africa

Recognizing that remittances are private and family funds, the MIDA framework offers diaspora different options to channel and optimize the effects of their monetary transfer by analyzing and informing emigrants of the possible impact of remittances; assisting in the design and formation of voluntary schemes; creation of viable financial packages to attract and channel remittances towards poverty reduction taking into consideration migrants’ access to financial services, transaction costs, tax breaks, and other financial schemes. For instance the MIDA Ghana/Senegal project envisions the establishment of ‘twin debit’ cards; one is issued to the expatriate whilst the other is sent to family members in countries of origin to use. No money is transferred and as such there is no cost to the user. Such viable financial packages aspire to optimize the impact remittances can have in Africa. Alternatively, the MIDA Great Lakes project commissioned a study to facilitate the impact of remittances in the Great Lakes region thereby giving Congolese, Rwandan, and Burundian expatriates living in Belgium alternative transfer mechanisms and investment opportunities for their remittances21.

21 For further details on the findings of this study refer to Remittances in the Great Lakes Region, IOM Migration Research Series No. 25, http://www.belgium.iom.int/Mida2/mediapress/ReportRemittancesEnglish.pdf
Promoting policy coherence for migration and development

Working with international organizations and local governmental agencies, MIDA’s goal is to enhance the positive linkages between migration and development by bringing potentially cross-cutting policy agendas in the fields of migration, development, labour, health, security, and social welfare together into one integrated migration policy thus improving the development potential of migration. Under the MIDA projects, initiatives continue with banks and financial agencies in countries of origin and host countries on possible collaboration towards improving transfers and reducing costs.

MIDA projects are primarily demand-driven; that is the program and the organization itself is committed to helping meet the human resource needs identified by the countries of origin and diaspora living outside of their home country. By identifying sectors that are essential to a country’s development and working in a partnership with migrants themselves, the host country (who provides the initial funding), and the country of origin (who identifies its needs), MIDA projects aspire to connect expatriate professionals with their home community and offer them the training, short-term assistance, and expertise to facilitate the development of permanent partnerships with their homeland. Although funded by host governments and ran out of an IOM Mission office in the country of destination (in collaboration of the IOM offices in the countries of origin), the projects are nevertheless focused on benefiting the countries of origin and the various stakeholders involved.

Such a framework has proved so successful that the World Bank and United Nations Development Programme have begun similar initiatives; the Market Place for Diaspora Initiative (D-MADE) being a recent example. Nevertheless, this author takes issue with the vague language used when describing the above steps. After all what does it mean when the
MIDA framework calls for “engaging all stakeholders” or “enhancing dialogue”? The goals for each step are ambivalent and make assessing the impact of MIDA projects on the level of development in countries of origin very difficult and rather perspective based. The 2007 MIDA evaluation by the office of the IOM Inspector General presents an interesting dichotomy: “a returnee works in the governmental structure as identified through needs assessment and the impact on the work of the government is considered positive. However, after one year the returnee decides to leave and creates his/her own enterprise. What is the longer-term impact on development caused by the returnee's choice to invest in his/her country? Is it considered that the return had a negative impact on the governmental structure due to lack of sustainability”? (IOM, 2007b, p. 22) Approaches proposed by the MIDA programmes on temporary versus permanent return can facilitate a dialogue with the diaspora but an analysis of the immediate impact or outcome of the project on development can be ambivalent.

Given its geographical location and its historical ties to the continent of Africa, Italy finds itself on the front lines in coping with the challenges posed by underdevelopment and migratory flows. However, until recently, the Italian approach to migration has been mainly focused on curbing “illegal migration, repatriate[ing] clandestine migrants and manage[ing] illegal flows” (Gallina, 2007, p. 4). Given the potential success of such policies, the Italian government in 2004 proposed an Action Plan on remittance for development at the G8 summit at Sea Island and worked with the IOM to establish a pilot project in Africa whose focus is to enhance the role of immigrants and multiply their effect on local development through the use of existing transnational networks between Italy and countries of origin, in the hopes of stemming brain drain and “triggering a virtuous cycle of entrepreneurial know-
how” ("Opening address by Undersecretary of State Mantica to the Conference 'Migration for Development in Africa',' 2004). Today, according to Gallina (2007), over one hundred such initiatives involving migrant communities and local NGOs are being implemented by local authorities but very little exists at the national or multilateral level. In essence, this author believes that the main value behind projects or policies that encourage circular migration lies not in the physical return but in fostering the socio-economic development necessary if a developing country is to then enjoy the fruits of emigration; “once sending localities have established trans-local networks connecting them with the outside world, the way is open for both temporary and permanent migration to rise rapidly if local conditions promote this trend” (Cross, Gelderblom, Roux, & Mafukidze, 2006, p. 13).

Therefore the impetus behind the rest of this paper shall be to assess how such projects have established such connections, and whether or not they reflect the beacon of transnationalism and development that they claim to be.

5.3. MIDA Italy

Famous for its fine architecture, medieval frescoes, Shakespearean plays and once the home of the great mathematics professor, Galileo, Padua recently added a rather dubious attraction to its list of tourist destinations – a large eighty four meter barrier made of thick steel panels, complete with Closed Circuit Television (CCTV) cameras and a police checkpoint, known as Via Anelli that surrounded the Serenissima housing estate. According to long time residents this once tranquil and upscale location used to house doctors, lawyers, architects, journalists and students. Today, those days are apparently a distant memory; as locals have moved out and “groups of immigrants, mostly from Africa, moved in” (McMahon, 2006). Six to eight immigrants shared an apartment rented to them by local
Italians “who took advantage of the new arrivals, snapping up multiple apartments and renting bedsits at speculative rates of up to one thousand euros a month” (Ibid). Faced with growing concerns of drugs, violence, and prostitution in the area, the mayor of the city Flavio Zanonato responded by enclosing the infamous housing complex. But the issue for many seemed to highlight a more pressing concern – the approximately twenty thousand legally resident non-EU citizens from Africa and the Maghreb region that called the city home. Not so surprisingly, the matter quickly became one of immigration and integration, perhaps illustrated best by an article in an Italian regional newspaper, Corriere Della Sera, on August 19th 2006 entitled “Padua Erects Wall to Combat Immigrant Violence”22.

Incidents such as Via Anelli are certainly not unique to Italy nor do they have much in common with the migration-development nexus, but they do highlight the changing complexion of immigration into the EU and the need for migration management. A 2004 Sussex Centre for Migration Research study found that Western Africa has had a “long history of population mobility, both regionally and internationally” (Black et al., 2004, p. 5) with European immigrants today more than ever before originating from Africa. Not only is the region a point of origin but it consistently remains one of the central ports of destination and transfer; according to De Haan around one-third of West Africans live outside their district or village of birth, whilst 42 per cent of the total number of international migrants residing in Africa are located in West Africa (de Haan, 2000, p. 17).

The specific Ghana/Senegal-MIDA project, launched in January 2006 by the Italian Ministry of Foreign Affairs and supported by the Italian Development Cooperation, is being implemented by the IOM Mission office in Rome, Accra, and Dakar. The project’s fo-

22 “Padua Erects Wall to Combat Immigrant Violence” Corriere Della Sera - (English translation).
http://www.corriere.it/english/articoli/2006/08_Agosto/10/padua.shtml
Focus is on two national diaspora communities, the Ghanaians and Senegalese, who currently reside in Italy; the Senegalese representing the “largest sub-African community numerically, while the Ghanaians have historically been the third most numerous after the Nigerians” (Ceschi & Stocchiero, 2006, p. 4). Furthermore, both groups are well-established members of the Italian socio-economic community and possess a wide variety of skills that can be directed towards their country of origin and rarely found themselves disconnected from their communities and families back home. Given that 30-80 percent of Senegalese household budgets comprise of remittances and the “recent establishment of an apparently robust multi-party democratic system, and a more dynamic economy”, facilitating the of diaspora may be a feasible alternative (Black et al., 2004, p. 22). Moreover, the CeSPI found that Ghanaians and Senegalese diaspora “compared to other groups of foreigners, are characterized by a high degree of ‘transnationalism’, including in the sense that even after emigration they continue to foster ties with their homelands (Ibid).

An overall budget of €1.2 million, the Italian Development Cooperation through the IOM, will provide €20,000-25,000 to successful Ghanaian and Senegalese project initiatives, as well as pay for operational and implementation costs over a period of two years. Additionally, Italian Development Cooperation’s co-funding must be spent in the place of origin of the migrants and it will be necessary to have access to equivalent co-funding from local authorities, as well as on co-funding (including in-kind) from immigrants and their associations (equal to at least 15% of the total cost of the initiative) and from the local partner (equal to at least 15% of the total cost of the initiative).

The goal of the MIDA Ghana/Italy project is to involve Ghanaian and Senegalese immigrants in the formulation and implementation of project activities by a) locating them
and identifying specific needs in the countries of origin b) facilitating the improvement of local conditions in Ghana and Senegal by encouraging the emergence of project proposals from Ghanaian and Senegalese enterprises and associations that are well-structured and built upon technical, financial and political collaborations with institutional actors at both and c) to simultaneously draw up a wider strategy of “capacity-building” of immigrant groups is pursued, principally through their inclusion in contact and dialogue networks which, hopefully, will continue beyond this project, creating longer-term alliances and fully-fledged coordination structures or decentralized cooperation programmes. These goals will be accomplished in phases and each the roles of the actors shall be as follows (Ceschi & Stocchiero, 2006):

- Italian Development Cooperation and the IOM (in association with the Centre for International Political Studies): promotion and support in agreement with the Country of Origin regions;
- local authorities (Provinces and/or Municipalities depending on the territory in question): involvement in coordination (possibly assisted by a support agency of their choice);
- Those proposing and collaborating in initiatives (starting with immigrants and their associations): participation in “project” coordination committees.

To ensure that the programme was realistic and effective during the first six months of the project, eleven seminar type events were held in ten Italian cities across five regions (Piedmont, Lombardy, Veneto, Friuli-Venezia Giulia and Emilia Romagna) of Central and Northern Italy known for their substantial Ghanaian and Senegalese communities (See Ap-
The reports provided a historical and sociological overview of personal demographics, “skills, opportunities and potential of the two communities…including the building of partnerships, collaborative relationships and project networks in the origin and destination communities” (Ceschi & Stocchiero, 2006, p. 6). The information collected was then presented in the form of two research papers by CeSPI entitled Partnership Initiatives for Co-development: Ghanaian and Senegalese immigrants and CeSPI-IOM Research Action and Financial Instruments for the Optimization of the Role of Remittances in Development.

The Partnership Initiatives for Co-development: Ghanaian and Senegalese Immigrants was based on five regional reports conducted by researchers assigned to the area who analyzed in detail the characteristics and dynamics of migration and integration in each of the Italian regions and concluded that the “Senegalese community has succeeded in building wider and more varied contacts and collaborative relationships with public actors in their areas” whilst the smaller Ghanaian immigrant community, seemed “weaker on the associative level” demonstrating an “introversion and difficulty in entering into networks and collaborations with institutional actors in destination areas” (Ceschi & Stocchiero, 2006, p. 15). However, as the researchers noted, within the Ghanaian organizations there was no shortage of will power or resources, instead the challenge remained the lack of experience and practice “of looking to Italian institutions as interlocutors” (Ibid). It was hoped that through the MIDA project such gaps would be bridged with the construction of “robust, structured, and partnership-oriented project platforms” (Ibid).

Perhaps the most pertinent similarity noted during Phase 1 of the MIDA Ghana/Senegal project is that both Ghanaian and Senegalese migrants tend to be employees in metal work-
ing, chemical, and textile industries, mechanical engineering, and to a lesser extent street vending, restaurant work, caretaker work, bricklayers, cleaners, mechanics and so on. Having said that, the Senegalese demonstrated a “much clearer propensity for entrepreneurial activity than Ghanaians, for whom self employment still represents an exception rather than the rule” (Ceschi & Stocchiero, 2006, p. 8). Whilst the CeSPI found that Senegalese entrepreneurial activity on average appeared to be a more basic fragile form of self-employment than that of Ghanaians whilst the business activities of Ghanaians, on the other hand were less widespread but comparatively more concrete and stable. However, part of Senegalese entrepreneurial activity has a transnational dimension which that of Ghanaians does not currently have, except in rare instances. Much of what was found not only contradicts the commonly held myth that African emigrants are un/low skilled, but more importantly identified a supply and target market of highly skilled members of Ghanaian and Senegalese diaspora that could be encouraged to participate in the development of their countries of origin.

23 Immigrants from Senegal are classified as the leading group alongside the Chinese in terms of the rate of entrepreneurship (167 out of 1,000 according to EURISPES - the Italian Institute for Political, Economic and Social Studies - 2005) and fifth in absolute terms of businesses operating in Italy, after Morocco, China, Switzerland and Albania (11,385 businesses were registered as at mid-2005, 5.5% of the total number of foreign-owned businesses in Italy) (Ceschi & Stocchiero, 2006, p. 8).
**Box 4: Ghanaian & Senegalese Diaspora**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Ghana</th>
<th>Senegal</th>
</tr>
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<tbody>
<tr>
<td><strong>Tendency to be employed</strong></td>
<td>Prefer employment by small &amp; medium enterprises in the service industry (especially the cleaning, transport business). Typical profile was unskilled jack of all trades, sometimes specialized, employed in the chemical and textile industry</td>
<td>Prefer employment by small &amp; medium enterprises as industrial workers and in the service industry. Typical profile was unskilled jack of all trades, sometimes specialized, employed in the metalworking and mechanical engineering</td>
</tr>
<tr>
<td><strong>Propensity for entrepreneurial work</strong></td>
<td>Less widespread For Ghanaians self employment is rare – would rather see themselves as entrepreneurs in their homeland (total of 223 businesses).</td>
<td>The Senegalese demonstrate a much clearer propensity for entrepreneurial activity (167 out of every 1,000 Italian businesses with a total of 2,072 businesses)</td>
</tr>
<tr>
<td><strong>Tendency for success</strong></td>
<td>More concrete and stable</td>
<td>Senegalese entrepreneurial activity seems on average to be more tenuous and in many cases is ‘subordinate work’ disguised as self-employment</td>
</tr>
<tr>
<td><strong>Transnational dimension</strong></td>
<td>Rare</td>
<td>Has a transnational dimension</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>20.6% of Ghanaian women are entrepreneurs</td>
<td>Only 5.4% of Senegalese women are business owners</td>
</tr>
<tr>
<td><strong>Level of Activism</strong></td>
<td>Both diaspora communities possess developed a significant organizational network of immigrant associations. Both represent an extremely fertile and promising ground for co-development to implement economic and social interventions.</td>
<td>The Senegalese possess a greater level of capacity in activating territorial partnerships and are more open and inclusive, significant number of affiliates at provincial and municipal levels – act more as mediators on local issues</td>
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Source: Author’s own summation based on evidence found in Ceschi & Stocchiero, 2006.

A second set of research compiled by CeSPI was devoted to identifying and tailoring financial instruments capable of facilitating the transfer of remittances: “the study of the issue of remittances is finally developing in Italy also, even if a little late compared to other European countries. The search for new instruments capable of marrying immigrant re-
sources to development in countries of origin, through a proper channeling and optimization of remittances, constitutes a challenge today which the MIDA project has chosen to confront” (Frigeri & Ferro, 2006, p. 3). After identifying the main financial traits of Ghanaian and Senegalese diaspora, the report on Financial Instruments for the Optimization of the Role of Remittances in Development outlined the main channels in Italy for the transfer or remittances, and identifies means by which their impact can be optimized. Such information of the remitting habits and tendencies of diaspora residing in Italy is essential if organizations such as the IOM hope to ensure the success of co-development strategies as the findings can have vital implications on the design of projects and supportive measures that ought to be taken.

CeSPI found that 60 percent of legally residing immigrants in Italy possess a bank account and as such the principal formal channel for sending remittances is via money transfer. However, although the share of remittances which are transferred by the banking sector have significantly increased, “the majority of remittances are still transferred through informal channels” in light of the exorbitant transfer fees, mistrust on the part of immigrants, lack of information, and governmental red tape (Frigeri & Ferro, 2006).

Furthermore, the Institute points out that using conventional means to transfer remittances, via formal or informal means, leaves the sender without control of how the money is spent. The mere transfer of money does not have the same productive impact as say supporting “small-to medium-sized enterprises” which according to the researchers “constitutes the real driving force of development in a country” (Frigeri & Ferro, 2006, p. 8). There is an absence of a link in Ghana and Senegal between the resources and the development of human capital (principally education), social welfare (child and old-age assis-
tance, health assistance and pension support) and investment projects in general (the acquisition of durable goods and real estate). As such, there is no added value to remittances during the transfer process; in fact, the high costs reduce their value significantly (see Figure 9). A different approach is necessary: one that transforms remittances into a capital generator by not only forging a “public-private-tertiary sector partnership” but also generating vehicles that give immigrants the “possibility of setting aside savings for targeted and strategic goals” (Ibid). In order to achieve this, the report identified four areas that lacked change and needed a new approach:

1. **Reduction of remittance transfer costs** – this means an increase usage of banks by Ghanaian and Senegalese diaspora for remittance transfers if a reduction of transfer costs by the Italian banking and corporate sector took place. Alternatively, issuing rechargeable debit cards that allow migrants to top them up and simultaneously use them thereby avoiding the need to transfer all together. Bilateral agreements between banks in Italy and Ghana/Senegal should be encouraged and would “represent the most effective mechanism for moving in the above mentioned direction” facilitating banking (Frigeri & Ferro, 2006, p. 13).

2. **Channeling remittances through savings accumulation products** – creation of savings accounts that enables immigrants to accumulate wealth and channel it for future expenses. Such measures would “break the remittance-consumption cycle, trigger welfare and pension type instruments which better respond to the mobility and
family-of-origin relationship needs of immigrants” (Frigeri & Ferro, 2006, p. 15). Examples include funds for education such as the English Child Trust Fund.\(^{24}\)

3. **Instruments to promote entrepreneurial activities in Italy and in Ghana and Senegal** – a recent study conducted by the Chamber of Commerce of Milan on the Italian Business Register showed that, at the end of the first quarter of 2005, there were two hundred and thirteen thousand sole trading firms run by foreign citizens, equal to 6 percent of the total of Italian sole traders - most of which (85 percent) were established by non-EU citizens. The objective of the MIDA project should be to identify and implement mechanisms that will facilitate the transfer of entrepreneurial skills and know-how acquired in Italy through existing networks. Simultaneously, MIDA envisages financial mechanisms such as guaranteeing immigrant funds by pooling resources or the creation of a foundation that finances social projects and provides guarantees for financial entrepreneurial activities in Italy and Senegal.

4. Establishing investment instruments that support productive activity such as the constitution of a closed investment fund for business start up – launching any entrepreneurial activity requires financial resources and access to startup capital is not easily set aside by immigrants. CeSPI envisions the establishment of a closed investment Fund which involves pooling financial resources through the purchase of

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\(^{24}\) The Child Trust Fund (CTF) is a long-term savings and investment account for children. The UK Government has introduced the CTF to:
- ensure children have savings at the age of 18
- help children get into the habit of saving
- teach children about the benefits of saving and
- help youth understand personal finance.
units by individual migrants and various operators. The self-replenishing fund would then finance the costs to start up a business developed by immigrants in Italy and in Ghana and Senegal.

**Figure 9: Average cost of remittances to Senegal by mean values for amount ranges**

Figure 9 was removed due to copyright restrictions. It shows the average cost of transferring remittances to Senegal by mean amounts. Source: (Frigeri & Ferro, 2006, p. 7). CeSPI estimates based on publicly-available information from Western Union and MoneyGram, 2006

The technical workshop also launched two calls for proposals towards Ghanaian and Senegalese immigrants that reside in Italy who were willing to 1) start, support, co-finance, and co-develop entrepreneurial activities and 2) provide non-financial support, training and leadership for enterprise creation in Ghana and Senegal (called Business Development Services – BDS). Eighty two applications (see Box 5) for funding were received and, based on an evaluation process that involved three committees (composed of representatives form Ghanaian and Senegalese diaspora organizations) twelve projects (five in Ghana and seven in Senegal) were chosen.25

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25 See example of the evaluation criteria when selecting projects – Annex: Table 5.
Each of the beneficiaries represented different local diaspora communities currently living in eleven different Northern and Central Italy cities. The twelve projects will be implemented in twelve different areas throughout Ghana and Senegal. In addition, as mentioned, two ten-day Business Development Services courses were offered to local partners “responsible to follow the project implementation on site” (IOM, 2007c) and were held in Ghana and Senegal in June-July 2007. The courses focused on start-up procedures, business plan development, resource mobilization and access to credit, technical and financial management, and were attended by eighteen project managers in Senegal and seventeen in Ghana. As the project is currently in its second phase none of the co-development projects have begun implementation (by the IOM).

In summary, the Ghana/Senegal-MIDA project will build “a virtuous relationship between migration and development through supporting, flanking, and participating in the transnational projects of immigrants” by encouraging the circular transfer of human and financial resources by building upon established networks and associations within the identified Ghanaian and Senegalese diaspora community in Italy (Ceschi & Stocchiero, 2006, p. 4). Additionally, as seen in the aforementioned CeSPI report on financial instruments, the MIDA Ghana/Senegal project will promote the development of new innovative initiatives for the “collection, transfer, and investment of remittances in the countries of origin” and encouraging the transfer of non-financial remittances simultaneously (IOM, 2007c).

<table>
<thead>
<tr>
<th>Box 5: Applications received by country and type of proposal</th>
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<tr>
<td></td>
</tr>
<tr>
<td>Ghana</td>
</tr>
<tr>
<td>Senegal</td>
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<tr>
<td>Total</td>
</tr>
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Chapter 6 - The Start of Something New?

In 1979 the economist J.K. Galbraith described migration as “the oldest action against poverty” and for decades to come academics, policy analysts, governmental agencies, and non-governmental organizations alike have attempted to evaluate the relationship migration has in aiding with the development of countries or origin (Galbraith, 1979, p. 7). As was discussed in Chapter 4, some have found that the positives outweigh the negative, whilst others have studied the phenomenon and found it to be the reverse. Nevertheless, the common focus with most studies remains on the impact remittances can have on alleviating individual household poverty; “despite the magnitude of remittance flows and its potential to reduce poverty and contribute to private sector development in some communities, most of its uses and benefits, even when channeled toward productive activities, are concentrated at the individual, grassroots or community level” (Johnson & Sedaca, 2004). As seen in the previous chapter, the MIDA framework offers an alternative to traditional circular migration by focusing on the transfer of social, network, and technical remittances, thereby empowering emigrants and making them agents of change in their country of origin. However, Chapter 6 argues that although the MIDA Ghana/Senegal project succeeds in enabling, including, and partnering with Ghanaian and Senegalese diaspora, it fails to successfully enable and include two key groups of the expatriate communities involved; women and, what Francesco Cerase calls, returnees of innovation or ‘first movers’.

Despite the uncertainty and contradictory evidence that surrounds the migration-development nexus in recent years, policies that manage and promote the temporary/permanent return of immigrants have gained considerable support within the EU and
UN for two reasons. First, migration experts point to the changing nature of our globalized world and stipulate that circular migration programs merely to match an already existing impulse. Studies have repeatedly pointed out that, contrary to popular conceptions, many migrants, including members of the diaspora want and intend to “return to their countries of origin, either on a temporary or a permanent basis” (Agunias & Newland, 2007, p. 2). Secondly, others have argued that circular migration programs have been pursued because they offer a steady stream of much need workers (in both the skilled and unskilled occupations) without the hassle of long term integration and simultaneously, if managed properly, having a developmental impact on countries of origin as well.

At the Third UN Coordination Meeting on International Migration, Lucus (2004) presented his findings on the effects of emigration on the labour market in low- and middle income countries of origin: although in some countries the departure of locals opened up opportunities for others (as was the case in Bangladesh, India, Indonesia or Sri Lanka), this was not the case for the African continent (Ionescu, 2006). The challenge seems to be that “circular migration that fosters the win-win-win scenario as envisaged by an increasing number of policymakers and academics alike is hard to achieve on the ground” (Agunias & Newland, 2007, p. 2). The IOM MIDA Ghana/Senegal project – by focusing on the non-financial contributions diaspora – making possible the return of innovative and entrepreneurial returnees by looking for innovative solutions to tap into the development potential thus creating an environment in source countries that is conducive to development and tipping the ‘migration-development benefit scale’ back in favour of countries of origin.
6.1. An Evaluation

Diana Ionescu’s paper entitled *Engaging Diasporas as Development Partners for Home and Destination Countries*, the 26th installment of the IOM Migration Research Series, addresses a number of existing challenges (such as defining diaspora and incorporating their contributions into developmental strategies) and concludes with a summary of recommendations based on existing policy studies and experiences. She notes that given the contradictory and lack of systematic evidence on the developmental impact of diaspora on countries of origin, policies should try to build on existing success and support initiatives, that already work, rather than creating new ones. The challenge, however, is to move economic, human, and social capital through ‘bottom up’ initiatives whilst maintaining a sense of trust, respect, and involvement of diaspora. In order to ensure success Ionescu recommends, having examined existing successful projects, that polices must have an enabling, inclusionary, partnership and catalytic role for diaspora. Each are explained but remain vague and the purpose of this section is to measure the MIDA framework against Ionescu’s recommendations and ascertain how successful the MIDA Ghana/Senegal project has been in achieving the desired enabling, inclusionary, partnership and catalytic role for diaspora. Finally, this segment will conclude by suggesting, based on the theoretical discussion earlier, that an additional fifth element ought to be added (IOM, 2007e; Ionescu, 2006, p. 53).

Ionescu argues that for diaspora members to actively engage themselves in the development of their countries of origin, measures have to be in place to enable them to play an instrumental role in identifying projects and offering appropriate solutions i.e. major obstacles that impede their engagement must be identified and removed. National governments, or in our case, international organizations can assist by facilitating the crea-
tion/identification of new investment projects, offering security for business transactions, or raising public awareness and alleviating bureaucratic burdens (simplifying procedures, allowing dual citizenship). Nevertheless, at the end of the day members of the diaspora community/network must be allowed to lead. We see proof of the MIDA framework trying to foster an enabling role with the survey style research that was conducted early in the project’s beginning (by CeSPI on financial instruments) and in the building and establishment of a database with contact information on migrants residing in Italy, which will be regularly maintained with the objective to enhance the knowledge of the diaspora and to increase the effectiveness of MIDA’s outreach activities. The database contains three sets of data: information on migrant associations, with evidence of associations led by migrant women; individual migrants who have contacted IOM and have demonstrated interest in the MIDA approach; and, approximately 200 SME project proposals that have been submitted to IOM since 2003. Although a start, such a database represents a very small percentage of resident diaspora and is an inadequate resource unless more in-depth and pertinent data (such as their professional qualifications, lifestyle, and connection to the country of origin) is accumulated.

Secondly, “studies on diaspora often deal with issues of image, perception, identity and trust” and Ionescu recommends that policies must ensure the recognition and inclusion of all diaspora and their inputs, thereby building trust and favour towards developmental change in countries of origin. That is, governments and organizations must not only include diaspora in the process but formalize their involvement as well. An inclusionary role is perhaps best exemplified in MIDA by the inclusion of all levels and requiring applicants to commit their own personal funds (as co-funding) to support their project activities. In
Senegal personal funds allocated for the projects ranged from a minimum of €1,142 to a maximum of €274,417. Conversely in Ghana 36 percent of the individuals indicated that they would commit between €5,001 and 10,000, 66 percent of the Ghanaian applicants were able to commit up to €25,000, and 34 percent would be able to commit over €25,000 (see Figure 10). This led for instance to an interesting initiative in the MIDA Italy project where co-development was put into practice with the support of regional authorities and a private fruit cooperative in Italy; “the regional authorities and the private cooperative also agreed to invest in that initiative in recognition of the Ghanaian migrants' work in local agriculture” (IOM, 2007b, p. 16). However, where the MIDA project has failed thus far is in its inability to include more women into the development process: only five out of the twenty six project applications (19 percent) were from Ghanaian women in spite of the fact that women compose approximately 43 percent of the Ghanaian diaspora. Similarly, only 5 percent of the Senegalese applicants were women even though it has been recognized that, at the end of 2005, Senegalese women consisted of approximately 17 percent of the total Senegalese population. Gender-blind diaspora policies can lead to inappropriate responses that do not take specific expectations into account.
If a policy is to be successful it must build partnerships that support and recognize existing diaspora initiatives, between the home and host countries, through alliances with associations, cooperation with regions and municipalities, collaboration with private institutions, academia, public enterprise and other development stakeholders. Not only is building a *partnership role* one of the goals of the MIDA project but was found to be preferred by diaspora communities themselves: the projects submitted by the Senegalese and Ghanaian diaspora included partnerships with both Italian and home partners, although Ghanaians illustrated a strong tendency towards building partnerships in Ghana rather than Italy. For instance, 32 out of the 56 Senegalese applicants showed a preference to work with associations, civil society groups, and local authorities for the preparation and implementation of their projects (IOM, 2007e). Conversely, only 7 out of the 26 Ghanaian submissions showed a similar preference. Moreover, by stressing the inclusion of the Italian banking system to promote the development of financial instruments that encourage migrants to util-
ize formal channels of remittance transfers, the MIDA Ghana/Senegal project has successfully started discussions with 22 institutions in the Italian banking system, as well as 5 financial institutions and 5 administrative and entrepreneurial organizations. The projects submitted by the Senegalese applicants showed that partnership development is occurring both in Italy and in Senegal, with slightly more positive results in Senegal: 19 percent of the projects submitted by Senegalese diaspora chose Italian civil society and cooperatives as their partners, compared to 30 percent of the submissions who chose Senegalese civil society and cooperatives as their project partners. Conversely, the Ghanaian migrants showed a preference to work on projects individually in 19 out of 26 project concepts that were submitted. Also, by promoting bilateral agreements between banks and providing comprehensive financial packages, MIDA Ghana/Senegal certainly exhibits partnership developing traits.

In order to achieve a catalytic effect and the full use of available resources, Ionescu argues that governments, regional, and local authorities must promote policies that possess a positive consideration of diaspora as developmental actors and good policy management is needed to avoid conflicts of interests at the international and national level. However, the challenge of achieving policy coherence is often due to a lack of collaboration among different governmental bodies that can often be a cause for delay; “in many countries the Ministry of Interior is in charge of migration, the Ministry of Foreign Affairs of diasporas and other national and local agencies are responsible for aid and development matters” (Ionescu). It is not clear if the MIDA Ghana/Senegal project will have a catalytic effect on how development is dealt with between the local and federal levels of government in the countries of Ghana and Senegal.
This paper suggests that a fifth condition should be added to Ionescu’s criteria listed above – a project’s success depends on its ability to attract the right type of return emigrants. Based on Francesco Cerase findings in 1974 that return migration from the United States to Southern Italy failed primarily due to what he termed ‘return of failure’ and ‘return of conservatism’; both groups were according to his findings unlikely to be agents of change. Recent research by Johnson and Sedaca (2004) reinforce Cerase’s thirty three year old conclusion when it proposes focusing on the “first movers” (i.e. business diaspora) who are “critical to getting the economy going” in an otherwise unattractive situation (Johnson & Sedaca, 2004, p. 6). Cerase called them ‘return of innovation’ in his case study. For example, a survey of more than 1,500 first generation Indian and Chinese migrants living in Silicon Valley found that 74 percent of Indians and 53 percent of Chinese wanted to start a business back home (Ionescu, 2006, p. 43). The same can not be said of Ghanaian and Senegalese diaspora living in Italy because we simply do not know what their intentions are. Therefore focusing on the right members of diaspora is essential to the success of any circular migration project. As seen, 31 percent of Senegalese applicants comprised of industrial work such as metal working and mechanical engineering whilst only 26 percent were from the business sector. When we consider the work qualifications of the applicants, 43 percent were workers and employees whilst 39 percent were professionals. Conversely, 57 percent of Ghanaian applicants were employed in the manufacturing sector followed by 19 percent who were from the service sector. Only three were in Business and Trade 80 percent were workers or employees. Although this may reflect the present general demographic status of Ghanaian and Senegalese migrants living in Italy, it should come as no surprise that 63 percent of the projects received from both groups of migrants addressed
issues of agro-processing, agriculture, and breeding, whilst only seven out of eighty-two projects dealt with Business Development.

It seems that a great deal of effort and focus was paid to choosing the right diaspora community for the job – the Ghanaian diaspora was ready to invest in the country of origin for development initiatives and projects – but its success was limited as most members were workers/employees whose primary focus was to transfer monthly payments to sustain their families and not create investment or entrepreneurial opportunities back home\textsuperscript{26}. Furthermore, diaspora or migration related development is often criticized for its deepening of inequality between areas that have and those that do not. Co-development projects like the MIDA framework painstakingly ensures that such a dependency and inequality is avoided by implementing projects in 12 different areas of origin in Ghana and Senegal thus stretching the potential impact of co-development.

\textsuperscript{26} A 2007 evaluation of the MIDA initiative notes the challenges the MIDA Ghana/Senegal project went through to identify the right diaspora to target for the implementation of the project: “First Nigerians were among the most numerous in Italy, but were mainly women and often victims of trafficking or manipulated by trafficking networks. Therefore an IOM assistance project to victims of trafficking would be more effective than collaboration within a migration and development project. Then members of the Ethiopian diaspora were reluctant to work with the government in the country of origin for two main reasons: for political reasons and/or because they had been living in Italy for so many years that interest in working with the country of origin was lower” (IOM, 2007b)
It is too premature to know whether or not a project like MIDA Ghana/Senegal will prove to have concrete development ramifications at the individual, household, and community levels, however, what is pertinent to this analysis is the chosen means by which the MIDA framework goes about establishing and strengthening Ghana and Senegal’s capacity to benefit from their diaspora living and working in Italy. MIDA attempts to encourage, empower, include, and establish partnerships between diaspora communities and the national or local levels of government in host and home countries. However, this analysis asserts that its success may be curtailed by a lack of entrepreneurial returnees. As argued, migration and remittances do not automatically generate development and economic growth in migrant sending countries; a partnership that fosters the temporary or repeated return of ‘first movers’, or business professionals, could prove to be more beneficial.
6.2. Some Contradictions

In evaluating proposals that incorporate a circular migration two major in-coherences appear. First off, there is a potential discrepancy between the stated aim of development agencies and national governments, which is to help the poorest people in the poorest countries via immigration and their stated desire to link migration with development. Although the poorest possess the gravest need to improve their income, at the same time, they are less able to migrate: as migration needs investment, transport, food during the journey, money/bribes for employment officers or officials implementing immigration and settlement policies, and it needs contacts - assets that the poor are less likely to possess. It is for these reasons that the poorest members of communities are not immigrants and “the majority of ‘economic migrants’ present in the territory of EU Member States do not originate from low-income countries, but rather from middle income countries and economies in transition” (European Commission, 2002, p. 10).

A second, more fundamental, discrepancy exists between the restrictive immigration policies of migrant-receiving countries and their wish to stimulate development through migration. If as economic theory suggests increasing the mobility of labour in the world would have positive ramifications towards global welfare, why not use existing national immigration systems instead of creating new EU Blue card initiatives? Some, like the British Bangladeshi International Development Group have argued that “for inevitable political reasons, a can of beans has more rights of free movement across the globe than someone in the developing world, even though in principle both people living in absolute poverty and the makers of the can of beans would prosper more if freedom of labour was dealt with equally” (UK House of Commons, 2004, p. 23). Despite studies repeatedly showing that
the easiest way to allow the movement of persons and ensure return of immigrants is by granting resident/citizenship rights within the existing immigration systems, yet the EU and its member states are more focused on being able to ‘manage’, control or stop migration however unrealistic and counterproductive the results may be. Migration systems as they are set up today “have a tendency to trap people in a way that does not necessarily benefit them and their countries of origin in the long term” (UK House of Commons, 2004, p. 41). Member States manage a migration program that is so difficult to get into in the first place, that when immigrants do get in legally or illegally, their first thought is not to think about how to return, but how to stay. Moreover, Bhagwati argues that nation-states must realize that their “ability to control migration has shrunk as the desire to do so has increased” (2003, p. 99 quoted in de Haas, 2005). If ensuring the circulation of immigrants is truly their primary concern then the EU ought to insist that Member States invest a sincere effort into removing disincentives such as the restriction of dual-citizenship. In Marc Howard’s study of 15 EU countries, ten countries prohibit naturalized immigrants from holding dual citizenship thereby inhibiting the ability of organizations like the IOM in recruiting expatriates back to Africa. Countries such as Germany, for instance, interpret dual citizenship as “weakening citizenship and/or loyalty to Germany” (Agunias & Newland, 2007, p. 13). The implementation of dual citizenship practices in India, approving selective dual citizenship to nonresident Indians living in wealthy, industrialized countries around the world is one of the key reasons behind its development in the IT sector.

Thirdly, if the EU is serious about establishing a global partnership for development (as Goal 8 of the MDG’s requires), Member States and the European Commission ought to acknowledge the impact their domestic and supra-national polices can have on international
migration. For example, the Global Commission on International Migration (GCIM) reports that the “world’s richer countries spend over $300 billion a year in agricultural subsidies, more than six times the amount they spend on overseas aid”, thereby depressing world prices and making it more difficult for the developing world’s farmers to stay competitive. As a result farmers are forced off their land and into urban cities, contributing to migration of people within and from developing countries to the developed regions of the world. A similar fate has inflicted the small island state of Mauritius. In an interview with Mauritius’ Financial Secretary, Minister Ali Mansoor, notes that his country’s economic growth rate of has dropped from 5-6 percent to about 2 percent between 2002-2006 blaming the dismantling of the Multi-fiber Agreement (a quota system designed to protect clothing and textile manufactures in developed countries while facilitating access for developing countries), soaring oil prices and the sharp EU cuts in guaranteed sugar prices that have negatively impacted two of the nation’s key economic sectors – sugar and textile – whilst curtailing the purchasing power of most of the population (Lom, Pandya, & Pineiro, 2007). Moreover, he believes the European Union’s reduction of sugar prices by 36 percent by September 2009 will have a further major blow to the Mauritius economy – given that about 90 per cent of its sugar production is exported to the European market. Consequently, the World Bank estimates that a further 12,000 low skilled jobs in both industries will be lost over the next three years and whose subsequent emigration to the EU should come as no surprise (Lom et al., 2007, p. 9).

Immigration systems, such as the 2008 UK tier model, have focused their efforts on attracting highly skilled immigration; primarily, because of a desperate need for their skills but also because they are thought to be an easier group to integrate than their low or un-
skilled counterparts (UK Home Department, 2006). Simultaneously, EU Member States insist that the circular migration of highly skilled immigrants will have a subsequent developmental impact despite the fact that new evidence has found that low and semi-skilled migration typically has had a greater impact on poverty reduction (Dayton-Johnson et al., 2007, p. 68). There are three possible reasons put forth: first, when a low skilled worker leaves his/her country of origin and is hired within the developed world, it consequently creates a vacancy within the job market back home that is more likely to be filled; second, presuming highly skilled migrants emerge from the relatively well of households within the developing world, the remittances sent home by low-skilled workers is more likely to have a stronger impact on household well being; and finally, evidence (L. T. Katseli, R. Lucas, & T. Xenogiani, 2006) accumulated has shown that low-skilled workers tend to remit more than highly skilled workers do. In light of these recent findings, a MIDA project that focuses on building networks between low- or semi-skilled emigrants might be an idea worth exploring.
Chapter 7 - Conclusion

In his much publicized book entitled The End of Poverty, the internationally acclaimed economic adviser, Jeffrey Sachs, explains that development in the world’s poorest regions is failing because of, amongst other things, a poverty trap: that is, the main reason why the poorest are poor is because they are unable to save for the future and thereby accumulate the necessary wealth/capital that could pull them out of their current misery. The solution, he proposes, lies within the developed world and their ethical responsibility to help the poor by investing enough in them (through ODA) “so that these countries can get their foot on the ladder. After that, the tremendous dynamism of self-sustaining economic growth can take hold” (Sachs, 2005, p. 73). Sadly, Official Development Assistance has failed to reach its intended recipients; of the US$ 107 billion donated in 2005, by OECD members, only 12.5 billion takes the form of funds that African countries can use to invest in social and infrastructure development programs. Put differently, “one cent for every $27 in rich country income” finds its way to Africa and in proportion to its needs, population, and number of poor people, “net development aid to Africa has been falling with no signs of concrete plans to raise this in an effective fashion” (Kharas, 2007, p. 5).

Left with little hope and faced with extreme social, political, economic, or environmental challenges, members of the developing world have for generations taken to migration as a solution towards fighting poverty. Chapter 1 showed how Europeans from Pradelles in the 17th and 18th century used circular migration as a means towards increasing a household’s annual income, sometimes sending members of the family to nearby urban cities to alleviate the pressure in times of adversity. Today, little has changed and in an age
of rapid movement, technological advancement, ageing/declining populations, and labour shortages, members of the developing world continue to find themselves resorting to South-North emigration as a means of improving their economic stock. Faced with the inevitable changing complexion of immigration and an ageing dwindling labour force, the EU since 1999 has tried to design a Europe wide immigration policy that reflects its need for foreign labour whilst supposedly minimizing the adverse impact emigration can have on countries of origin. The 2002 EC Communication not only recognizes the believed developmental impact migration can have, but takes it a step further by acknowledging the role return (physical and virtual) would have towards economic and social development of countries of origin. By 2005, circular migration was heralded as the ‘triple win’ strategy the EU was looking for, and in 2007 an EU Blue card strategy was revealed in the hopes of attracting highly skilled migrants that on the one hand assist EU reach its Lisbon Agenda goal, of being an innovative knowledge based economy, whilst purportedly ensuring development through their forced return. Many remain skeptical about its success as no clear means have been devised to answer the age old dilemma ensuring that circular migration stays circular. 

Aside for the technical challenges, is there any developmental impact to be had through the permanent or temporary return of emigrants?

The evidence supporting the migration-development nexus appears to be uncertain and contradictory at best. Not only are there a multitude of factors that have to be taken into consideration when accounting for the developmental impact emigrants can have on their source countries, but so much of its positive effects remain dependent on the political, economic, and social environment within the country of origin and its willingness to develop. Moreover, studies that do point to a positive balance often place an emphasis on the finan-
cial transfer of remittances between an emigrant and their home country ignoring the other social and cultural concomitant costs. At present, migration is not mutually beneficial and although “circular migration policies might positively contribute to tackling challenges around economic development, labour shortages, public opinion, and illegal migration…the ‘wins’ of the win-win-win scenario may not be as mutual as imagined” (Vertovec, 2007, p. 7). Chapter four showed that the outcome can only be positive if the remittances and financial transfers that come in are substantial enough to compensate for the brain drain and human losses already incurred by countries of origin, not to mention the immeasurable adversity placed on the family. This paper attempted to investigate the vast discourse of evidence on the subject of migration and development on countries of origin and found contradiction and vast uncertainty. Social, cultural, and technical remittances can often push the migration-development benefit scale towards countries of origin, but inevitably are ignored due to their inherent immeasurable and unquantifiable characteristics.

Organizations like the IOM have established the MIDA framework to not only recognize the non-financial contributions diaspora can make but to involve them in the development of their countries of origin and thereby making emigration beneficial to countries of origin. Through existing transnational communities new development strategies that take the social, technical, and human remittances into account are emerging but as this paper has shown much improvement is needed. The MIDA Ghana/Senegal, funded by the Italian government, aspires to support the creation and advent of entrepreneurial projects in source countries with the help and inclusion of Ghanaian and Senegalese diaspora living in Italy. By creating small-medium sized enterprises in their countries of origin it is hoped that socio-economic development is possible. However, as illustrated in Chapter six a large ma-
A majority of project proposals by Ghanaian and Senegalese diaspora were found to have an agricultural orientation to them with minimal developmental impact and believed to be mainly due to a failure to involve the entrepreneurial minded diaspora within Italy. A greater emphasis needs to be placed on involving returnees of innovation who possess the maximum developmental impact for countries of origin. Unfortunately, even such a recommendation has its contradictions with recent evidence suggesting that low or semi-skilled emigrants have as much, if not more, to contribute than their highly skilled counterparts. Nevertheless, projects like MIDA Ghana/Senegal (2006) are broadening the definition of ‘return’ by focusing on the entrepreneurial return of emigrants in Italy, rather than the conventional physical movement back and forth.

Perhaps the true value of circular migration is not that it makes winners out of all those participating in the migration process, but rather that it offers a compromise between the ‘yay’ and ‘nay’ sayers within the 27 EU Member States. Perhaps circular and other forms of temporary migration are considered by policy makers purely on their public appeal and ‘middle of the road’ appearance. Many policy experts seem to believe that with the technology and border security measures advancing as far as they have today (e.g. biometric passports, ‘e-borders’, Advance Passenger Information Systems) keeping track of large numbers of migrants as they come and go between homelands and foreign places of work is not only believed to be possible, but literally feasible. The question remains how draconian will enforcement mechanisms become, and if their inclusion will continue to have the anticipated positive ramifications for EU member states, countries of origin, and the migrants themselves. Nonetheless, circular migration represents a ‘small carrot’ by the EU towards its neighbours with the hope, in exchange, of securing valuable re-admission agreements.
that will ensure a destination for illegal migrants who may have originated, or passed, through their territory to reach Europe.
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Appendix

Figure 11: How does MIDA work?

Figure 11 has been removed due to copyright restrictions. The information removed was a circle illustration showing how MIDA works and describing the various aspects to the project framework. Source: (Sethi, 2006)
Table 2: Distribution of Ghanaian and Senegalese groups in the five regions surveyed

Table 2 has been removed due to copyright restrictions. The information removed illustrated the distribution of Ghanaian and Senegalese groups in five regions throughout Italy. Source: (Ceschi & Stocchiero, 2006, p. 19)
Table 3: MIDA Ghana/Senegal project submissions – Partnership breakdown

Table 3 has been removed due to copyright restrictions. The information removed illustrates the partnership breakdown that was envisioned by Ghanaian and Senegalese diaspora when submitting the projects for approval. Source: (IOM, 2007e, p. 16)
Table 4: Evaluation criteria for project selection

Table 4 has been removed due to copyright restrictions. The table illustrated the evaluation criteria form for project selection. Source: (See Annex 3, Ceschi & Stocchiero, 2006)