

Migration and Development

A transatlantic comparison of South-North migration:
The experiences of Mexico and Morocco

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This policy brief summarises the conclusion of a systematic comparison between the Mexico-US and Morocco-EU migration systems, conducted by IMI researchers. This comparison aimed at identifying the main factors explaining the persistence of migration as well as its varying impact on development. This policy brief was prepared in support of the project 'Transatlantic dialogues on migration and development issues: Lessons from the Mexico-US and Morocco-EU experiences' funded by the German Marshall Fund of the United States (GMF).

Summary

Over the second half of the 20th century, Mexico and Morocco have evolved into main sources of (predominantly) low skilled migrant labour in the US and the EU. Despite their significant cultural and economic differences, Morocco and Mexico both share the important geopolitical feature of being located right on the main global "migration frontiers" between North and South. Increasing migration restrictions and border controls have affected South-North border areas, yet Mexico-US and Morocco-EU migrations have shown remarkable persistence. Along both migration corridors, increasing economic integration, mainly in the form of trade agreements and a persistent demand for low skilled migrant labour in the US and the EU, has continued to fuel migration.

Under these circumstances, increasingly restrictive migration policies have paradoxically led to migration becoming increasingly irregular and permanent. In view of the strategic importance of remittances for poverty reduction and maintaining internal stability, the Moroccan and Mexican governments seem to have little genuine interest in stopping migration. With regards to the impact of migration on development, empirical studies have questioned overly pessimistic views of the past by pointing to the potentially positive impact of migration and remittances on improving living standards, education, housing, health and in many cases regional economic growth. At the same time it is evident that it would be unrealistic to expect that

migration alone can create take-off development as long as investment conditions remain unattractive. In addition, restrictive immigration policies of the EU states and the US seem to have marginalised migrants and, hence, decreased the development potential of migration.

Migration trends in Mexico and Morocco

The Mexico-US and Morocco-EU migration systems have historical roots, but it is over the second half of the 20th century that Mexico and Morocco evolved, in progressive phases, into main sources of low skilled migrant labour in the US and the EU.

- Since the late 1800s - early 1900s, migrant workers circulated along these migration corridors, but migration was boosted through labour recruitment schemes such as the U.S. Bracero Program (1942-1964) and the recruitment of Moroccan 'guestworkers' by several northwest European states (France, Netherlands, Belgium, Germany) and industries in the late 1960s and early 1970s.
- The post 1964 (US) and 1973 (EU) recruitment freezes and return migration policies did not lead to massive return. Rather than curbing migration, increasing restrictions and border controls over the 1980s and 1990s paradoxically boosted permanent settlement and family migration, which were facilitated by the

extensive Mexican and Moroccan transnational migrant networks.

- Migration continues to be primarily fuelled by the persistent demand for cheap and low skilled labour in agriculture, construction and the service sector in the US and EU. There are an estimated 10.2 million Mexican-born residents and no less than 6.5 million undocumented Mexican workers in the US. Morocco has about 3 million citizens abroad, 2.1 million of which are in the EU. There are numerous undocumented Moroccan migrants in the EU, particularly in southern Europe, where estimates reach 200,000 individuals.
- Regular migration flows have led to the formation of Mexican and Moroccan communities in the US and EU representing 10-12 percent of the entire population living in the origin country.
- There has been a recent diversification of migration origins and destinations. While Moroccans continue to migrate to northwest Europe mainly through networks, Spain and Italy have emerged as new destinations for labour migrants, while the higher skilled have increasingly migrated to the US and Canada. Mexican migrants are also increasingly migrating outside of the classic destination areas of California, Texas and the Southwestern US into the South and in the Central US (i.e. Georgia, Florida, Colorado and North Carolina).
- Although migration has continued, increasing migration restrictions and border controls have meant that migration has become a more selective process, increasingly blocking the poor from migrating.
- Over the past decade, Mexico and Morocco have experienced increasing transit and even settlement migration from Central American and sub-Saharan countries, respectively. It is unclear whether this might herald their future transition into immigration countries.

The main drivers of migration

- The location of Mexico and Morocco on the South-North divide and 'migration frontier' is their most marked similarity, which has deeply affected their history, and has created close, but unequal ties with their wealthy neighbours.
- Throughout history Mexico and Morocco have witnessed movement of goods and people, but recent history is characterised by unequal power relations, linked to a history of colonialism and subordination to their Northern neighbours. As a result, Mexico and Morocco have functioned as labour reserves for the US and EU states, where there is a persistent demand for low-skilled, low-cost workers.
- Mexico-US and Morocco-EU migrations have been shaped by political-economic forces majeure such as colonisation, labour recruitment (e.g., Bracero and 'guest worker' programmes), bilateral trade policies and global geopolitical turning points such as the 1973 Oil Crisis and the current global financial crisis. This highlights the importance of non-migration policies.
- A longitudinal analysis of Morocco-EU and Mexico-US development indicators indicates that while North-South income gaps have remained more or less constant, there has been North-South convergence on non-GDP development indicators such as literacy, fertility, life expectancy and political indicators. However, such improvements in human and economic development have not led to decreased migration, presumably because increased human development has also increased capabilities and aspirations to move.
- The spectacular declines in fertility in Mexico and Morocco will open a future economic-demographic 'window of opportunity', in which low dependency ratios create favourable conditions for economic growth. Under favourable circumstances, this could lead to declining emigration and increasing immigration. However, whether such migration transitions occur will fundamentally depend on the extent to which governments will shape conditions for sustained economic growth and redistribution of wealth.

Development impacts of migration

- Remittances have grown rapidly over the past decade, reflecting the remarkable persistence of Moroccan and Mexican migration, the strong transnational ties between emigrants and origin communities, the expansion of the Moroccan and Mexican bank sectors and the proliferation of money transfer agencies which has facilitated remitting money through official channels. In 2007, approximately 10 million Mexicans and 3 million Moroccans abroad sent home 25 and 6.7 billion US\$ respectively in remittances.
- Migrant associations, also known as Hometown Associations (HTAs), have assumed an active role as development actors in Mexican and Moroccan sending regions. HTAs support project for income generation, capacity building activities and professional training. Participatory approaches have resulted in successful development projects, and have resulted in collaboration with state actors in sending countries. However, not all projects are successful. HTAs have limited capacity to impact structural shortfalls in communities of origin, when their activities are not matched with governments' efforts to improve the overall development conditions.
- Empirical evidence suggests that remittances and other migration impacts often make a vital contribution to improving overall living standard, education, health and housing in communities and regions of origin.
- While remittances seem to reduce poverty, they also tend to coincide with growing income inequality, although such effects might be reversed if more relatively poor migrants are able to migrate through networks over time.
- There are also concerns that in some areas and under certain unfavourable circumstances migration may lead to depopulation and an undermining of economies of origin communities and regions. However, migration is not so much the cause of such decline, rather a symptom of it.
- Contributions of migrants and Hometown Associations to community and regional development can also be seen as a response to states' failure to develop a proper institutional framework to redistribute wealth and power, provide basic services such as sewage, decent

health care and quality schooling, and to combat corruption.

- It seems unrealistic to expect that migration alone can create take-off development or to expect that migrants would massively return and invest as long as investment conditions remain unfavourable through erratic economic growth, corruption, bureaucracy and a generalised lack of trust in the government.
- Restrictive migration policies have decreased the potential contribution of migration to development and poverty reduction through an increasing selectivity of migration and an interruption of circular migration patterns.

Policy issues in countries of origin and destination

- Emigrant policies - Both the Mexican and Moroccan governments have recently developed policies to foster ties with their emigrant population, maximise remittance flows and optimise the development impacts of migration. These governments have vested interests in the continuation of migration, which is seen as a source of stability and has the potential to alleviate poverty and improve living standards.
- Migrants as a development resource – Also in receiving countries, policy makers have put increasing hopes on (temporary) migration as a development resource, which is eventually expected to alleviate emigration pressures in source countries of migration – the question is whether this expectation is realistic.
- Search for policy coherence – Policy makers are currently exploring new approaches to increase coherence in migration policies, reduce irregular migration and simultaneously serve origin country development. In recent years, circular and temporary migration programmes have been intensively discussed as potential policy approaches which reconcile the need for migrant labour, and the wish to reduce irregular migration while simultaneously harnessing the development potential of migration.
- Free trade agreements - The US and the EU have also concluded free trade agreements with Mexico (NAFTA) and Morocco (EU Association Agreements), which are often seen as a way to boost economic development and, hence, reduce (irregular) migration.

- The migration paradox –Despite the various policy initiatives that aim to ‘manage’ migration, increasing South-North trade, and economic, social and political ties seem to have increased rather than decreased migration.
- Migration policies designed to ‘manage’ migration have often led to perverse effects. Under influence of the significant South-North opportunity gaps, increasing migration restrictions and border controls have led to the diversification of migration routes, and migration methods, increasing irregular migration, a greater role of smugglers and an increasing tendency towards permanent settlement rather than a decline in migration as such.
- Policy mismatch – There is a growing discrepancy between official government discourses on ‘combating irregular migration’ on the one hand and the persistent demand for low-skilled migrant labour on the other. In fact, despite official support for ‘combating illegal migration’, neither EU states nor the US have much genuine interest in stopping migration, because it sustains vital economic sectors, which motivates politicians effectively to turn a blind eye on irregular stay and employment.
- Transit migration – growing transit migration through Morocco and Mexico has increased the pressure put by the US and, particularly, EU states on their southern neighbours to scale up border controls and adopt more restrictive immigration policies. However, the dilemma is that Mexico and Morocco also have a vested interest in maintaining good relations with source countries of transit migration. Furthermore, neither Mexico nor Morocco seem to have much genuine interest in stopping migrants from transiting through their territories.
- Settlement in Mexico and Morocco – not all migrants coming to Mexico and Morocco are transiting to the US and EU. A substantial and probably increasing number of migrants come to Mexico and Morocco to work or study, and there seems to be increasing settlement. This confronts Mexican and Morocco societies with social and legal issues typical for immigration countries, issues that do not (yet) resonate with their self-image as emigration countries.

Future project activities

Through a study tour and workshop in Zacatecas, Mexico in March 2009, academics, policy makers and practitioners from Mexico, Morocco, EU countries and the US will further explore evidence on the link between migration and development in the Morocco-EU and Mexico-US migration systems. Observations and recommendations from the study-tour, supported by the German Marshall Fund of the United States, will be used as empirical evidence for future comparative investigations. Subject to funding, a study tour and workshop will be held in Morocco 2010, in order to further explore the Moroccan case and to deepen the comparison between Morocco and Mexico.