

The border fence separating Mexico and the United States extends out into the Pacific Ocean at the beach in Tijuana. Many migrants have drowned in the strong currents while trying to enter the US illegally.

Circular migration

Creating a virtuous circle

Is circular migration the ‘silver bullet’ for achieving a ‘triple win’ – for the host countries, the migrants’ countries of origin, and the migrants themselves? Reaching a real win–win–win situation will require more than just positive thinking.

By **Roeland Muskens and Frans Bieckmann**

International migration offers an ideal means of ‘promoting co-development’ of the migrants’ countries of origin, and of the societies that receive them, said former UN Secretary-General Kofi Annan when presenting the 2006 report *International Migration and Development*. Connecting problems that need to be solved in both poor and rich countries, by regarding migration as a positive phenomenon, is the bottom line of many recent political initiatives. To reach this respectable goal, many governments are pinning their hopes on circular migration.

Circular migration is ‘the rage in international policy circles’, says migration expert Steven Vertovec of the University of Oxford. As well as the UN, the European Commission, the World Bank, the International Organization for Migration (IOM), the Global Commission on International Migration (GCIM), and the UK House of Commons have all investigated the possibilities of circular migration. In the Netherlands, the Social Economic Council (SER) has advised the government about (circular) labour migration. In 2006 the Netherlands Ministry of Foreign Affairs commissioned Annelies Zoomers, professor of regional development policy and international migration at the Radboud University Nijmegen, to conduct a broad range of research focusing on the question of whether the Dutch immigration agenda is compatible with the priorities of the migrants’ sending countries.

What is the general argument of this triple win discourse? For developing countries, increasing flows of remittances are perhaps the most important ‘win’ of (any kind of) migration. Each year, migrants send back more than US\$150 billion to their countries of origin through official channels. If informal transfers are included, total remittances are estimated at US\$300 billion. This money obviously benefits mainly the families of migrants working abroad.

For the receiving countries, the ‘win’ is in the form of accelerated economic growth due to the inflows of workers willing to accept low wages. A recent report by Josep-Oliver Alonso of the Autonomous University of Barcelona, for example, shows that over the last decade the Spanish economy has grown at an average 2.6% per year. Without the contribution of immigrants, Spain’s gross domestic product (GDP) would have fallen by 0.64% over the same period. Alonso also calculates that over the period 1995–2015 immigrants were responsible for 0.23% of annual economic growth in the European Union.

To maximize these benefits, so the new discourse states, circular migration must be encouraged. Regulated systems of circular labour migration would result in higher remittances and repatriated assets. Temporary migrants are less likely to bring their dependants, and so will maintain close ties with their home country. Circular migration would also reduce the brain drain, and increase brain gain and ‘brain circulation’. For the migrants themselves the negative social impacts of migration would be reduced, as they would be only temporarily separated from their families.

Full circle

Circular migration may seem to offer an attractive way forward, but there are still many obstacles. In the Netherlands, strict national (and European) immigration policies make circular migration almost impossible. If a migrant returns to his home country and remains there for more than a year, for example, he loses all rights to reside in the Netherlands. For circular migration policies to work, an important precondition is that there should be a full ‘circle’, not just half of one. Migrants must be able to come and go, and to come back again. Strict entry policies disturb the first half of the circle – the migration to the host country.

While tough politicians like to think that strict immigration policies will discourage immigrants from staying permanently, it seems that they have the opposite effect. In fact, various researchers have concluded that restrictive immigration policies

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can have the unintended effect of increasing settlement in the host country. Graeme Hugo, of the University of Adelaide in Australia, for example, states that ‘highly restrictive policies and barriers to entry push them into settlement’. This is because, according to Hein de Haas of the International Migration Institute at the University of Oxford, migrants working in countries with strict immigration policies fear losing their right to return. 📖 They will therefore be reluctant to invest in, or to return temporarily or permanently to their country of origin. Indeed, a recent study of Mexican immigration to the United States has shown that aggressive border enforcement by the United States did not stop the influx of Mexican labourers, but stopped its cyclical character, and led to more Mexicans settling in the US.

Malaysia offers another example of how strict immigration policies can lead to permanent settlement, Hugo writes. In the north of the country there is relatively free migration of Thais

across the border to work in Malaysia, facilitated by a local regime that does not inhibit such movement, and ‘there is little permanent settlement of Thais in northern Malaysia’. This compares favourably with the situation in the south of the country, where there are more restrictions on Indonesians seeking work in Malaysia, so that ‘once they get in there is a greater tendency to seek to settle permanently’. Hugo also concludes that the circular migration pattern of Thais in the north has resulted in more stable flows of remittances, which in turn have enhanced development in Thailand. 📖

If countries do favour circular migration, they tend to focus on the second half of the circle: the return home of migrants. The Netherlands ministries of Justice and of Foreign Affairs (Development Cooperation), for example, are experimenting with circular migration through the Migration for Development in Africa (MIDA) programme. Under this programme, Ghanaian health workers in the Netherlands can return ➤

International migration – some facts and figures

- The number of ‘international migrants’ increased from ‘only’ 82 million in 1970, to 170 million in 2000, to about 200 million in 2005. Thus 1 in 35, or 3% of the world’s population are migrants. About half of them (about 95 million) are women.
 - About one-third of migrants from developing countries are youth aged 12–24. Up to 90% of young people in some countries report that they would emigrate if they had the opportunity.
 - In 2000 there were about 60 million migrants in Europe, 50 million in Asia, 40 million in North America, and over 15 million in Africa. Some 60% of all migrants live in developed countries.
 - Diasporas may be based on ethnicity or religion. The largest are the Chinese (35 million), Indians (20 million), and Filipinos (7 million). Many Muslim immigrants in the Netherlands have organized themselves along religious lines.
 - In some countries immigrants are having a substantial impact on demographics. In the 1990s, they accounted for 56% of population growth in all developed countries, and 89% of that in Europe.
 - The number of illegal (or irregular) immigrants is estimated at 4 million. In Europe, about 10% of immigrants are illegal. People smugglers and human traffickers earn an estimated \$10 billion each year.
 - The number of asylum seekers is falling. Today, there are 9.2 million refugees worldwide, most of them in developing countries. Pakistan hosts the largest number: over 1 million refugees. Some 5% of migrants to Europe are refugees.
 - In the Netherlands, in the three years 2004–2006 the balance between immigration and emigration was negative – 75,000 more people left the country than arrived.
- Source: Global Commission on International Migration (2005) *Migration in an Interconnected World: New Directions for Action*.

► temporarily to Ghana, and Ghanaian nurses are offered training and internships in the Netherlands. But, according to Hein de Haas, the Dutch ministries are prioritizing the return to Ghana. While this might look like a win-win for the ministries – Justice wants fewer immigrants and Foreign Affairs sees possible development benefits for Ghana – the approach is unlikely to yield long-term results, because the circular character of the process has been broken. Such programmes can work only if efforts are also made to bring workers (in this case from Ghana) to the Netherlands, thus minimizing the brain drain and maximizing remittances and potential development impacts.

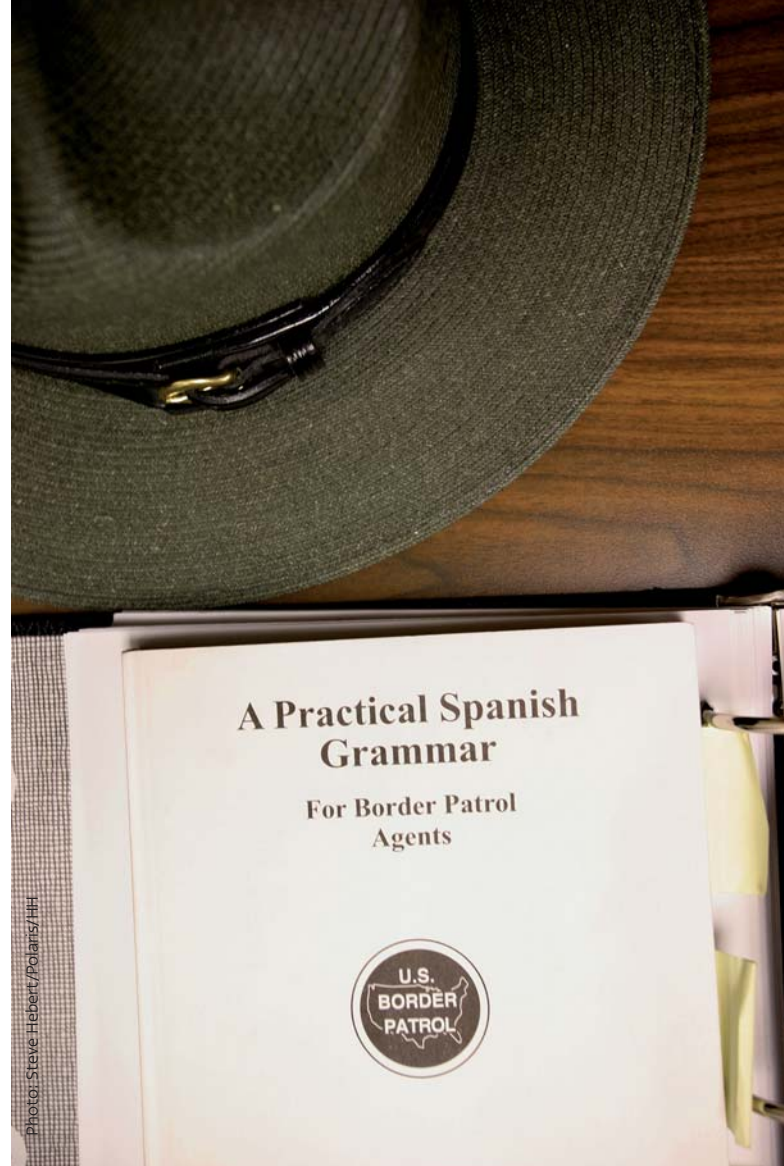
Tough immigration policies can also hamper the development impacts of migration in other ways, as described by Valentina Mazzucato of the University of Amsterdam. They seriously limit the engagement of migrants with their home country, and can even lead to ‘reverse remittances’. Based on a study of Ghanaian workers in the Netherlands, Mazzucato reports that immigrants who find themselves in difficult situations may need to ask their families or network members back home for financial assistance. These ‘reverse remittances’ restrict investments in Ghana.

On the other hand, there is evidence that temporary migration works. Kevin O’Neill of the US Migration Policy Institute offers the example of Mexico’s temporary agricultural labour programme with Canada. The Mexican government recruits workers for jobs in Canada arranged through a Canadian employers’ association. The agencies involved certify and monitor both workers and employers. In 2002, 12,500 workers participated in the programme, and none of them overstayed their visa. They chose not to stay in Canada illegally because to do so would affect their eligibility to work there again in the future. 📌

A silver bullet?

The ‘win-win-win’ proposition of circular migration – if current policy obstacles are removed – looks very much like a ‘silver bullet’ that could hit several ‘problems’ with one shot. But is it? Perhaps the proposition needs to be examined more closely. There is much confusion about the definition of the term circular migration, Annelies Zoomers believes, since it is often used as an equivalent of ‘temporary’, ‘cyclical’ or ‘contract’ migration. Circular migration means that migrants are free to come and go, whereas the others are more or less forced and managed forms of temporary residence. Also, many assessments of the potential development impacts of circular migration have failed to take into account earlier experiences with such schemes. The old guest worker programmes in Europe, for example, as well as the current flows of labour to the Gulf States such as Kuwait, or Saudi Arabia, show that temporary contract labour can often lead to social tensions and fears of invasion in the host countries, and a dependency on remittances in the sending countries.

Hein de Haas has also voiced doubts about temporary migration programmes. He finds it hard to see why ‘temporary’ migrants, unlike the guest workers in the 1960s and 1970s, would decide not to stay in their host countries. ‘The belief that migrants will this time really return ... reveals a certain level of amnesia of past experiences’, de Haas says. While greater mobility and better communications encourage natural circular migration, it could also be argued that they enable migrants to maintain ties with their country of origin even after they have settled in the host country.



Transnationalism

The main condition to ensure that circular migration really creates a win-win would be to allow migrants to come and go. This would be in line with a transnationalist view of migration processes that is becoming increasingly popular in academic circles, but has only recently been considered by policy makers. The old concept of migration started from a simple assumption: migrants either stay permanently in the host country, or they stay temporarily and then return. But many of today’s migrants are part of broader transnational social networks. They may speak several languages, have multiple identities, and live in several societies at the same time, the new transnationalist paradigm states.

The concept of transnationalism emerged in the early 1990s, led by academics such as Steven Vertovec. In the Netherlands, Valentina Mazzucato is a leading expert in the field. According to Mazzucato et al., ‘transnationalism conceptualizes migration as a continuous flow of people, goods, money and ideas that transcend national boundaries and in so doing connect different physical, social, economic and political spaces’. New forms of human mobility have emerged because airplanes, telephones, satellite technology and email mean that more people can now travel and communicate over large distances far more easily and more often than in the past. 📌

This new transnationalist reality shows that circular migration is more than just a policy intention. It is also a ‘natural’ new development in migration patterns. While many migrants

The benefits of free migration

Free movement of labour is a central doctrine among (neo)classical economists. By submitting it to the forces of supply and demand, labour will move where it is most needed and most profitable. Jagdish Bhagwati, an exponent of traditional economics, advocates a 'seismic shift in the way migration is addressed: governments must reorient their policies from attempting to curtail migration to coping and working with it to seek benefits for all'. More critical economists also favour free migration. Harvard economist Dani Rodrik estimates that the liberalization of international labour flows 'would easily yield \$200 billion annually for the developing nations, vastly more than the World Bank's (much inflated) estimate of the gains from the traditional trade agenda'.

But it seems that these positive views of the benefits of economic globalization – with the notion of labour as a global and 'migrating' production factor – are not being heeded by Western countries, which are increasingly closing off their economies and demanding that migrant workers adapt (and even assimilate).

still move permanently with their families, an increasing proportion of migratory movements is circular. In Australia, for example, Graeme Hugo notes that in 2001 there were about half a million temporary migrants, of whom almost 300,000 had the right to work. It is assumed that migrants who have 'tasted' Western civilization will 'naturally' want to stay. Not so, says Hugo. Migrants can now have 'the best of both worlds in that they can earn in high-income, high-cost destinations and spend in low-income, low-cost origins'.

This new reality has far-reaching consequences. It opens up new possibilities for developing countries to make use of their diasporas and promote 'brain circulation'. But it also poses new questions and problems to be solved. One of these has to do with integration and commitment to the host country. In the Netherlands, the question of whether immigrants should have the right to dual citizenship, for example, is politically highly sensitive. The popular view is that migrants have to choose either their country of birth or the country they migrated to. Nigel Harris of University College London has stressed the importance of dual (or multiple) citizenship to enable migrants to maintain contacts with their home country. He has even called for the establishment of multinational citizenship, which would increase migrants' willingness to return to their countries of origin after a period working abroad.

The concept of transnationalism also answers some important concerns about circular migration. One is the idea that if migrants are allowed to come and go, rather than having to stay permanently in the host country, this might hamper their willingness and opportunities to integrate into society. This is not so, argue Erik Snel and his colleagues at the University of Amsterdam. On the basis of interviews with 300 immigrants in the Netherlands, they conclude that transnational activities do not interfere with their ability to integrate. The transnational backgrounds of many migrants enable them to adopt multiple identities, says Mazzucato. They are doubly engaged. Their linkage with their homeland does not preclude their participation in Dutch society.

Regulation

The argument for freer (circular) migration is partly derived from modern market theories. They assume that, like the free movement of goods and services, the free movement of labour will eventually lead to greater welfare for all, and thus there must be fewer rules and other obstacles to migration. But to get anywhere near a triple win, (international) regulation is essential. In order for circular migration programmes to work, temporary labour must be subject to a number of limitations, says Martin Ruhs of the Centre on Migration, Policy and Society at the University of Oxford. Such programmes require significant government involvement and interventions in the labour market. There must be incentives for migrants to return home after their temporary work permits have expired, as well as clear rules and regulations in order to control the costs of providing services, issuing work permits, etc.

Such managed circular migration schemes would require close coordination both between European states, and between Europe and the home (developing) countries. European countries would have to carefully map their specific labour needs. But sending countries like Ghana, Mozambique and Rwanda are also facing urgent labour shortages in some sectors, says Zoomers: 'It is also urgent to map the labour and development needs in the sending countries to see how circular migration can offer a solution'.

Since a coordinated European immigration policy is still a distant prospect, many member states have entered into bilateral agreements with countries such as Morocco, Senegal and Tunisia. Among these EU countries, there is keen competition to see, on the one hand, who is the toughest on immigrants, and on the other, who can attract the most talented migrants in the battle for brains. 'In our field of research, this is one of the hottest issues in the current debate', says Zoomers.

Even when a common European system of managed migration is in place, special efforts will be needed to ensure the 'win' for developing countries. Because in practice it is likely that rather than win-win, the result will be zero-sum, in which the needs of the much more powerful European countries will prevail – in particular because of the growing pressure from business lobbies to allow more highly skilled workers to enter Europe. The recent pleas for a 'selective' European labour migration policy may in fact lead to increasing the brain drain from developing countries, and will only benefit European ambitions to strengthen its own 'knowledge economy'. Here, the win-win argument is being used to give a politically correct image to the battle for brains.

Social security

Perhaps the main condition for circular migration to function well is a radical reform of the national welfare state. There is evidence from many European countries that immigration puts downward pressure on wages of the lowest segments of society, and on social benefits. Indeed, Harvard economist George Borjas has calculated that in the United States immigration has resulted in a redistribution of wealth of some 2% of GDP – from the poor to the rich. Thus, claims Borjas, immigration makes the poor poorer and the rich richer. Other research by the World Bank has shown that immigration has only marginal effects on low incomes.

Institutional reforms are essential, says Zoomers. 'New questions are emerging with regard to the rights and obligations of these migrant groups. For example, will such circular migrants

Circular migration – pros and cons

Pros

- Encourages a steady flow of remittances, spread over a larger group of recipients
- Reduces the effects of a brain drain
- Increases the likelihood of a 'brain gain' and 'brain circulation'
- Minimizes negative social impacts on the families left behind
- Follows 'natural' migration patterns
- Reduces opportunities for employers to exploit illegal immigrants
- Allows receiving countries to adapt migration according to labour needs
- Increases employment opportunities for migrant workers
- Opens the receiving countries to globalization
- Encourages the development of multicultural societies

Cons

- Will not discourage continued illegal immigration
- Requires strong measures to prevent migrants settling and bringing their families
- Works only if the free movement of temporary migrant workers is limited
- Results in the bureaucratization of labour migration
- Increases the risk that migrants will settle and thus put pressure on social systems in receiving countries
- Increases opportunities for employers to exploit temporary migrants
- Could result in the creation of second-class citizens
- Could put downward pressure on wages in the lowest sectors
- Could result in friction between people of different cultural backgrounds

be able to own land, since property ownership is usually based on permanent residence? And who will be responsible for them in terms of social security: the sending or the receiving countries?' Han Entzinger and Jelle van der Meer have suggested de-linking social security institutions from national territory, and creating a 'globalized' social benefit system. Workers would then be able to transfer social security benefits to other countries, and to combine entitlements from more than one country. 🗨️

The great risk is that within national welfare states two classes of resident would be created: those with full rights, and those with limited (or at least temporary) rights. To address the very real challenges to the welfare state, but at the same time avoid high levels of inequality, uncertainty and a segmented economy, financial geographer Ewald Engelen of the University of Amsterdam has proposed a 'stairway to citizenship'. According to this, newcomers could acquire rights incrementally, with each step being linked to detailed specifications about requirements, support facilities and goals, ultimately leading to a full set of 'citizenship rights'. Incoming migrants would immediately acquire full civil rights, a minimum of political rights, and only those social rights that are either human rights (to education, healthcare and housing) or those based on direct payments (pensions, disability and unemployment benefits).

An absolute 'triple win' will be hard to achieve. If the direct interests of the receiving countries prevail, migrants might be subject to strict enforcement measures or become second-class citizens. Temporary work permits for migrants would be granted according to the needs of the receiving countries, rather than those of their developing countries of origin, and hence those migrants would not contribute to a brain gain if they return. As the economies of sending and receiving countries are very different, and so need very different skills, only in a limited number of cases could a real win-win be achieved. On the other hand, if development priorities prevail, circular migration will exacerbate some of the problems that are currently dominating Western political agendas, in that temporary migrants will be even less inclined to integrate into European societies.

It seems that achieving a triple win will require not just positive thinking, but fundamental institutional reforms on a global scale. ■

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