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IN EUROPE:  
OBJECTIVES, EXPERIENCES,  
AND LIMITS”**

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# **CO-DEVELOPMENT POLICIES IN EUROPE: OBJECTIVES, EXPERIENCES AND LIMITS**

## **Second meeting of the Anglo-French Policy Dialogue on Regularisation and Co-Development,**

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With the New Millennium, migration flows have reached a world scale. The global migrant population is about 200 million in the world, counting for 3% of the world population. The phenomenon has gone through a rapid growth in these last twenty years: 75 million in 1965, 150 million in 1990, 191 million in 2005, 200 million today. 61% of migrants live in developed countries, with 28 countries welcoming 75% of migrants in the world – half of them in Europe and the United States. Among the migrants living in developed countries, 54% come from developing countries. Finally, 80% of migrants who live in developing countries are originating from other developing countries. In 2030, the world will have 8 billion inhabitants. With two billions inhabitants, the population of Africa will be more important than the population of India and China, which themselves will represent one third of the humanity.

Several factors explain the rise of migrations: the demographic gap between poor and young countries on the one hand, and rich and old countries on the other; the unequal share of resources; circulation of information in countries of departure about Western way of life and wealth; the existence of transnational diasporas and cultural links; the creation of an economy of “passage”; the rapid urbanisation of new regions in developing countries, which have shifted from 70% of rural- to 70% of urban population in the past 50 years, as in Africa; the absence of hope.

Another new dimension of international migration concerns the changing approach to migrations in international relations: still marginal some years ago, migration has become a central issue today. Both immigration and emigration countries make attempts to transform migrants and their activities (remittances, knowledge diasporas, organisations of co-development) as a tool for development in countries of origin while a supply that can meet both labour shortages and demographic decline in receiving countries. The win-win strategy is up-to-date as well as changes in the mechanisms of governance of migration policies. However, the topic remains hot politically, mostly because countries have difficulties for abandoning their national sovereignty in framing new policy approaches to global migration.

## Development by exile: a new idea

Can we imagine that migration could become the major factor of development in the countries of departure? The relations between migration and development are among the most controversial. Several policies have been implemented in European countries, and the United States since the 1970's. Some have put the emphasis on "return policies" such as in Germany since 1972, the Netherlands since 1975, or France since 1977 – with the following motto: "Leaving to settle at home" (*"partir pour rester"*). The French policy of "voluntary return" provided some money to migrants showing their will to return back home (the well-known "one million" of Lionel Stoleru, State Secretary to Immigration and Manual Work in France in 1977). This financial sponsorship of voluntary return was also accompanied by reinsertion programs aimed at helping migrants' resettlement in their origin country, based on a productive economic project.

Such reinsertion programs were led in France successively in 1983 and in 1998 (with the inter-ministerial mission entitled "Migration and Co-Development", and chaired by Sami Nair). Only few of them showed successful, because associated training programs were too short, and very few migrants applied to the programs, while most of migrants living in France intended to go back to their countries as pensioned workers, or sometimes as taxi drivers, while their money was aimed at building a big house in their villages. Few of the projects were productive as very few migrants had the temper of firm managers, and they often lacked previous training background. The situation has not changed a lot since then, because the profiles of returnees, their intentions, and their education do not allow them to become managers of development projects.

However, the analysis of migrants' remittances has deeply shifted. These remittances were initially considered as low productive investments, dedicated towards ostensible projects of housing and consumption, or coffee shops, groceries, and taxis in rural and isolated regions of emigration, without any leading to real future economic development of their country. Since then, remittances have progressively appeared to be the most important investment in many emigration countries – even ahead of public and private aid to development. As new evidence has shown that migrants abroad were going on in sending remittances to their country of origin, even if they did not intend to go back definitely, public policies have found a new interest in these migrants' remittances.

Focussed on "co-development", a new strategy began to emerge in the mid 1990's. Faced with the relative failure of return policies and with the experts' analysis on the mutual and concomitant dependence between migration and development in the short term (Tapinos, OECD, 1994), this strategy consisted in supporting the initiatives of migrants in immigration countries towards their countries of origin, through the creation of voluntary-sector organisations dedicated to development, remittances, and transnational economic diasporas in agreement with countries or regions of departure. The destination of funding is a crucial point because many subsidies in the past never reached the population and were used by governments for private scopes. The European Commission began to help directly associations of development in North-African and sub-Saharan countries, through the MEDA programs, which focussed on collective projects based on public interest and sustainable development (water, electrification, education, health, roads, rural tourism, urban housing programmes). Some projects of decentralised co-operation have been set up between regions and big cities of Northern and Southern countries without the mediation of national States. But the limited extent of such initiatives has remained dependent on the mobility of the actors (those of the South are submitted to visa obligation, if they do not hold a residence card), on the lack of expertise leaders of migrants' organisations have with regard to

economic entrepreneurship for development, and, finally, on the tendency of such development organisations in non democratic countries to use these organisations as tools for individual political careers (Lacroix, 2005).

In the meanwhile, the “brain drain” issue as developed as the focus of another crucial debate in North-South relations. It has progressively been considered as one possible source of economic dynamism in the south (notion of a “brain gain”) as well as one possible basis for a win-win-win approach of migration policy. That is, migration can become positive at the same time for migrants, immigration countries, and emigration countries.

In this debate about “brain drain”, some observers often recall that more medical doctors originating from Malawi do work in Manchester than in Malawi itself – one of the poorest countries in the world. At the end of the day, one fourth of medical doctors trained in Africa do practice medicine outside Africa.

In Europe, countries as Germany, France, and the United Kingdom, have reopened their borders to labour migration after they had closed them since the 1970’s. These new selective immigration policies are aimed at attracting highly qualified migrant workers, in a context of strong international competition. These highly qualified workers are faced in their own countries to low opportunities of finding a job corresponding to their competencies because of lowly segmented labour markets as well as the lack of democracy, which is conducive to nepotism and corruption in the access to high-level responsibilities or in the facilitation of entrepreneurs’ initiatives from abroad.

However, qualified and highly qualified migrants keep sending remittances to their countries of origin; they keep tied diasporic transnational networks, and create a profitable link with development under certain conditions: this contributes to change “brain drain” into “brain gain”. Thanks to co-development programs, immigration can become a factor of shared resources instead of a factor of aggravate gap between sending and receiving countries.

However, for a long time, development has been perceived as an alternative to migration. This statement was often made with regard to the history of integration and enlargement of the EU. Southern European countries stopped being emigration countries when they experienced substantial economic growth and the rule of law. It is also true for Eastern European countries, where pendular migrations are due to the expectation of future eastward enlargement waves of the EU.

In Southern Mediterranean countries, however, the motto “more aid to development, less migration” is a mistaken solution, because the diagnosis of a causal relation between the aid to economic growth, less poverty, and, finally, less emigration is a false one. In a long term perspective, it can be assumed that development (economic but also political) and demographic transition will weaken the strongest pressures of lowly qualified migration (Fargues, 2006). But from a short term approach, migration and development are mutually dependent. Development is a factor of exile, and exile a factor of development. The prevention of civil wars, the fight against corruption, and a securitisation of human mobility are often missing and are more promising to use migration as a factor of co-development.

## Migration and development: a self-generated phenomenon

Migration is a factor of development. The remittances sent back to countries of origin offer a better life to those who remain in these countries. Remittances amounted to 280 billion dollars in 2006, 300 in 2007, and 337 in 2008. They represented as much as twice the amount of public aid to development, which reached 104 billions dollars in 2006. As for Europe, 14 billion euros were transferred in 2005 by third-country nationals to their countries of origin. These remittances represent 20% of the GNP in Cabo Verde, 19% in Senegal, 11% in Mali, 9% in Philippines (where 1 out of 10 nationals is a migrant), and 9% in Morocco. In other countries, remittances do not transit through the bank system but through informal channels such as “*trabendo*” in Algeria, for example.

Transnational networks (i.e. families, economic links, and cultural exchanges) contribute to co-development policies, bringing economic well-being in regions of departure. Migration also exports unemployment and social claims, and offer to highly qualified individuals the opportunity of a job that meet their aspirations in terms of wages and skills levels. Immigrants can become actors of development in their regions of origin thanks to initiatives of decentralised co-operation. Historical analyses have even shown that, in the past, migration of an important part of the national population in Northern European countries offered better economic opportunities to those who remained in a situation of scarcity of the land and to the limited surfaces for the agriculture (Bade, 1994).

However, migration can also create a dependency of departure regions vis-à-vis countries of immigration and migrants’ remittances. Field-based research shows that immigrant families are less competitive in agriculture or enterprises when they receive funds from abroad (Gubert, 2007), and that immigration also encourages “*brain drain*”.

Why do migrants keep sending remittances, and why higher amounts are sent by the less qualified workers? Remittances are aimed at improving conditions of schooling of their children in the origin country; for the settlement of their families on the place, without the obligation of moving to big cities or emigrating abroad; and for the reduction of poverty. Migration thus becomes a strategy of development for countries with low resources, which have entered a transitional economic process. This is the case in the Philippines, for example, where a “*care drain*” is taken place that is, a migration of nurses or “*badanti*” dedicated to elder people in Italy (Weber, 2004). This process becomes a source of future “*brain drain*”, as children educated in private schools in the Philippines thanks to migrants’ remittances are themselves aimed at leaving their country after they graduate from secondary schools, and go abroad for seeking a job. In this case, is there a real will to reduce migration in countries like this? European policies which try to create new partnerships with African States in the definition of policies of control of “*illegal*” migrations (e.g. recent bilateral agreements signed by France with Senegal or Benin) may illustrate a “*double discourse*”, if migration and remittances are the real basis of their policy devices, and offer a well being to emigrant families. We also need to remember that 60% of migrants in the world do not leave Southern countries, and that two thirds of refugees are welcomed by other developing – and sometimes poorer – countries.

On the other hand, development often generates migration flows. The rapid modernisation of agrarian structures, sometimes resulting from international programs of development (World Bank, IMF), lead to rural exodus, a mobility which is firstly directed to urban peripheries of the big cities of the South, and then heads towards overseas destinations. Many Third World countries are confronted to a situation which is similar to 19<sup>th</sup>-century Europe, where industrialisation and a new economic growth resulted in rural exodus,

and, in parallel to a massive process of urbanisation, which transform into massive emigration; from countries such as Italy, Germany, or the United Kingdom.

Development can also imply a distance, even a dissent, for the migrants themselves vis-à-vis their country of origin, when the latter are non democratic, corrupted, poor, and do offer no opportunity for the future. The most educated, informed, and urban individuals chance it elsewhere, and use emigration as a tool to escape the condition of being born in such countries. They consider that, at home, there is no hope even they do not belong to the poorest categories of the society.

Finally, migration and development has often been the issue of a biased dialogue between departure and arrival countries. The countries of departure generally consider their own national emigrants as a positive factor for both themselves and their society, whereas receiving countries often consider immigrants as a negative factor. In Europe in the mid-1970s, both European and national policies have promoted return as a policy solution. These experiences have rarely been successful because they superimposed return policies to reinsertion programs in the countries of origin, without verifying the capacity of home structures to allow “productive” returns of migrants. All these programs followed the idea that “reinsertion” could put an end to migration: reinsertion was a kind of “alibi” that made return policies acceptable for European public opinions, for emigration countries, and for the migrants themselves. As we already emphasised, only few migrants accepted these voluntary return schemes except when they already planned to go back to their country after retirement, because of difficulties for maintaining or gaining a legal status, or when their countries were admitted into the Europe communities (e.g. Spain, Portugal, Romania).

Consequently, a formula such as “migrants – actors of development” may only remain a demagogic one, because not every migrants can be company managers, and also because the administrative difficulties and requirements in countries of origin are often underestimated, sometimes mixed with corruption and racket.

Inspired from the North American Free Trade Agreement between the United States, Canada and Mexico (NAFTA), other initiatives have tried to substitute mobility of trade for mobility of people. They have shown no real impact on migration flows, such as between Mexico and the United States. In the US, the total population of irregular migrants amounts roughly to 12 million. Initiated by the Barcelona Program (1995-2005), Euro-Mediterranean programs (MEDA) are following a very similar perspective, with an emphasis on partnerships between emigration and immigration countries, aimed at development. This concerns measures for better a organised circulation of remittances (improved role of the banking system, and promotion of micro-projects), and a facilitation of direct transactions between migrants as senders and their families as receivers, without the mediation of States or institutions. These initiatives encourage programs of collective interest belonging to a decentralised approach to co-development: water, electricity, roads, rural tourism. In France, Moroccan, Malian, or Senegalese communities are among the ones which invest the most in immigrants organisations aimed at development, be it subsidised by the EU, or by the immigrants themselves. The trend consists today in pushing migrants to finance the development of their countries of origin, when the international funding are decreasing, national economy is failing, and public or private help is diminishing. In this context, migrants’ projects remain local, modest, and sometimes strictly community-based on a narrow scale, such as in the case of Murids, a Senegalese Muslim group from the region of Tuba (Schmitt di Friedberg, 2000). These projects finally represents a very small contribution to huge development problems of the origin countries, and they have not been able to reverse the trend of migration flows. Most migrants are pulled to Europe not because of a demographic pressure or deep poverty, but by their aspiration to change their life chances, even if the

adventure of border crossing may lead to their death. This is why we must not expect from development or co-development the miraculous solution able to solve the problems of migration policies, and to stop migration flows; neither can we conceive migration as the unique solution to development. The dynamics of migration fit a short term perspective which must be dissociated from development, a more middle or longer term objective.

## A series of highly differentiated situations across the world

A review of case studies conducted in various regions in the world about remittances sent by qualified and unqualified migrants to their countries of origin helps clarify our conclusion that there is no definitive answer to the question of the relations between migrations and development.

### Latin and Central America and the USA

The impact of migration on development and of development on migration differs not only between short term and long term schemes, but also according to the profiles of the departure countries. In the United States, research on the role of Latin American immigrants associations on development in the country of origin has been analysed by Alejandro Portes and Cristina Escobar from Princeton University. They show that recent projects carried out by migrants transformed the way they were considered in their own countries of origin. Formerly viewed as “flyers” and “traitors”, their image has been rehabilitated thanks to their remittances. Mexicans, Colombians, and Dominicans have created transnational organisations, connected to their regions of departure. Comparison between these three national groups show various success of these projects, which can be explained by different factors: various level of trust in State of the origin country; tradition of partnerships with civil society; various profiles of the migrants involved in these projects; eventually, the types of projects, and the tools used to implement them in the country of origin. Conclusions show that Mexican organisations are the most performing ones, because they have worked with the Mexican State for more than ten years (“*Tres por Uno*” program). The two others show a different picture: Colombian organisations are more independent vis-à-vis the State; the Dominican organisations are less transnational.

### Sub-Saharan Africa

In sub-Saharan countries, remittances are rather efficient to fight against poverty, but mostly against the uncertainty about the future, as Flore Gubert has shown: illness, civil wars, unemployment, family disruption, and environmental crisis. Remittances are mainly used for insurance. The countries which have a strong dependence towards remittances are intrinsically fragile (such as Burkina Faso). In Mali, Mauritania, and Senegal, many local activities have been created, and they can endure thanks to immigrant organisations sending remittances for collective purposes (e.g. OSIM): health and schooling programs, water and electricity. Remittances are rarely invested in productive activities, because of an unfavourable environment for investments (lack of trust in administration and mediators, political instability, weakness of the structures accompanying micro-credits).

More often, migration incites to migration but it is not an alternative to development. Only the promotion of circulation of people between emigration and immigration countries thanks to visas with multiple entrances will be able to weaken the gap and to follow the projects engaged.

## Morocco

Morocco has become a receiving country while remaining a country of departure. Lacroix and Bouiyou have researched on the initiatives of co-development that have been led in this context: return-reinsertion policies, banking of remittances, delocalisation of activities implying extensive labour force, aid to delocalised co-operation, direct foreign investments, free circulation of trade as an alternative to migration. None of these initiatives has given significant results, because the individual decision to migrate is often disconnected from the policies of development in the departure country as well as from the views of receiving countries. Unemployment creates mobility of qualified and unqualified migrants, and generates a diaspora in Europe which, in turn, has led to the creation of numerous organisations aimed at the development of Morocco.

## China

In the relationships China has developed with Western countries thanks to migration, China perfectly illustrates the “liberal paradox” analysed by James Hollified (Frank Pieke, Xiang Biao). Economic liberalism coincides with the closing of borders of the countries of destination. The deregulation of labour market in China creates a new underclass attracted by the new informal sector of Western countries, and it has also generated a large diaspora. The professionalisation of the economy of emigration in China has led Chinese migrants to take non ethnic jobs in Europe. The distinction between “desired” or “undesired” migration is very ambiguous in China, as well as in European countries.

In many southern countries, knowledge diasporas (Meyer) are engaged into development. In 1974, Baghwati and Hamada considered “brain drain” as contrary to the development of departure countries. Other research results (Rapport, 1997) advocate a “diaspora option”: circulation of a human capital through migration can have a potential effect on economic development, and on the following of educational or vocational training in countries of origin (Kapur), for exporting qualified labour force, and for a better image of the country abroad. South Korea, Colombia, India, and China are engaged in this dynamics of elite networks. But the diaspora option as a tool of development is often only complementary with the existing dynamics in knowledge transfers. The success of the Indian ITC sector shows that social networks allow a better management of information, and make a high intensive scientific activity in the country of origin, and thus increases returns. The paradigm of global circulation is thus substituted to “brain drain”.

## The European Pact for Immigration and asylum and the Union for the Mediterranean

The French presidency of the EU has recently given another turning point to the link suggested between migration and development policies.

In France, for the first time, this policy objective appeared in the title of the new ministry in charge of immigration set up by President Sarkozy in 2007: “Ministry for Immigration, Integration, National identity and Co-development”, then rephrased “solidarity development” in 2008. It suggests a link between migration and co-development at the French level, mainly negotiated by bilateral agreements between France and countries of origin of irregular migrants coming from Sub-Saharan countries. These agreements are bargaining repatriations against co-development policies (e.g. training and green cards called “*compétences et talents*” for skilled workers).

Finally, the French presidency of the EU now makes co-development part of the five points of the “European Pact for Immigration and Asylum”. This co-development policy now concerns all the 27 EU Member States, while only few of them have ever been engaged in co-development policies with Southern Mediterranean countries.

Eventually, co-development policies have taken another turn with the launching of the Union for the Mediterranean, in early October 2008. The UFM fits the 1995-2005 Barcelona process, and is based on the idea that circulation of goods and free trade can replace human mobility – as argued in the case of the NAFTA. The UFM aims at “peace” and “security”, economic development, and an inter-cultural dialogue in the region. However, some issues make the semi-failure or semi-success of the project: the lack of empowerment of Southern Mediterranean countries, and the various levels of involvement of the EU Member States, along with the failure of UMA (Union for Arab Maghreb) as well as the Israeli-Palestinian conflict. The UFM was launched by the French presidency in order to promote an alternative to the accession of Turkey to the EU, in parallel to the objectives of a European Neighbourhood policy.

The content of the project has taken a long time to be finalised. The UFM is the result of a low consensus about the involvement of the 27 European countries towards the South, with objectives of development. Energy and sun energy, water and de-pollution of the Mediterranean sea, protection against climate change, development of enterprises and exchange of students (a Euromed Erasmus) are among the main measures. But migration has been progressively disappeared from the project, because it would have implied a more demanding European policy on visas (with multiple entrances and for more categories beyond the very skilled workers). Agriculture and food are also absent. The UFM could have been an observatory for a regional governance of migrations, involving countries of departure and arrival, organisations of migrants for development (such as in the former MEDA programs of the Barcelona process), entrepreneurs, trade unions, and other multilateral actors. It could have linked development policies to human mobility, precisely when many Southern Mediterranean countries have become transit and immigration countries for sub-Saharan or Middle-East populations.