

# UNDERSTANDING THE RELATIONSHIP BETWEEN MIGRATION AND DEVELOPMENT

## Toward a New Theoretical Approach

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**Abstract:** The relationship between migration and development is a topic of growing interest among international organizations. To varying degrees, those organizations see remittances as an essential tool in the development of migrant-sending, underdeveloped countries. We argue that this view, on which most pertinent public policies are based, misrepresents the notion of development and obscures the root causes of current labor migration. This limited and distorted perspective should be discarded, and the phenomenon should be analyzed in a comprehensive manner that includes strategic/structural, multi-dimensional, and multi-spatial approaches based on the political economy of development. This type of analysis should take into account the following interrelated dimensions: social agents, global context, regional integration, national environment, and local levels.

**Keywords:** development, migration, neo-liberalism, political economy, remittances, strategic practices, structural dynamics

Led by the World Bank and the Inter-American Development Bank, some international organizations have been pursuing an international political agenda in the areas of migration and development. They posit that remittances sent home by migrants can promote local, regional, and national development in the countries of origin. By extension, remittances are seen as an indispensable source of foreign exchange that provides macro-economic stability and alleviates the ravages caused by insidious problems such as poverty. This view is supported by the growing importance of remittances as a source of foreign exchange and subsistence income for many households in underdeveloped countries. The United Nations Development Programme (UNDP 2007) has estimated that 500 million people (8 percent of the world's population) receive



remittances. According to World Bank (2006) figures, remittances sent home by emigrants from underdeveloped countries rose from US \$85 billion in 2000 to US \$199 billion in 2006. If unrecorded flows through informal channels are considered, this figure may increase recorded flows by 50 percent or more (*ibid.*). Taking these unrecorded flows into account, the overall amount of remittances surpassed foreign direct investment flows and more than doubled official aid received by Third World countries. In many cases, remittances have become the largest and least volatile source of foreign exchange earnings.

Although the World Bank's position vis-à-vis the relationship between remittances and migration has recently become more cautious (Lapper 2006), it should be pointed out that the impact of the implementation of structural adjustment programs as a key element of the neo-liberal policy promoted by the World Bank and the International Monetary Fund (IMF) is the root cause of the upsurge in South-North migration and remittance flows. Moreover, far from contributing to the development of migrant-sending countries, structural adjustment programs have reinforced the dynamics of underdevelopment.

The great paradox of the migration-development agenda is that it leaves the principles that underpin neo-liberal globalization intact and does not affect the specific way in which neo-liberal policies are applied in migrant-sending countries (Castles and Delgado Wise 2008; Delgado Wise and Márquez Covarrubias 2007). At most, it offers superficial strategies involving migration, but it does not address issues of development, such as the need to lower the cost of transferring remittances or to promote financial support infrastructures that enable the use of remittances in micro-projects (which, ultimately, have very limited impact in terms of development). It is clear that the policies currently under design are neither coherent nor properly contextualized, and could not serve as part of an alternative development model or a new form of regional economic integration, which would be capable of reducing the socio-economic asymmetries that exist between sending and receiving countries. For that matter, they would also fail to contain—or at least reduce—the current and burgeoning migratory flows.

This article underscores the need for a theoretical approach based on the political economy of development. From this perspective, special attention is placed on the role of migrant labor and remittances (which are chiefly assessed as a wage component) as part of a complex set of transnational social relations, used for the subsistence of a surplus population that is forced to enter cross-border job markets under conditions of labor precarization and social exclusion. In our attempt to cast light on the relationship between migration and development, we address a variety of theoretical approaches while searching for a comprehensive, multi-dimensional view.<sup>1</sup>

This article is divided into three sections, the first of which offers a brief overview of current theoretical models for analyzing the migration-development relationship. The second section introduces our proposed analytical model based on the political economy of development. In the third and concluding section, we highlight some of the basic ideas underlying our alternative conceptualization of the relationship between development and migration.

## **The Relationship between Development and Migration: A Brief Theoretical Overview**

Despite the boom in migration and development research, there is a clear dissociation between theories of development and theories of migration. This results in extremely restricted studies that do not capture the context within which migrations—and the fundamental connections involving processes of global, national, regional, or local development—are inscribed. It is important to point out that conceptual and theoretical research has been lagging behind the discourse and the migration and development policies promoted by international organizations. Consequently, academic debate has been largely limited to a conceptual reproduction of said discourse or, at best, to establishing a critical distance from it.

The theory and practice of development underwent a historical change after World War II, when the interests of hegemonic nations (mainly the United States) took precedence. During the 1950s and in the context of the Cold War, the concept of modernization was employed on behalf of an imperialist project. In Latin America, however, the asymmetrical relationship between development and underdevelopment was amply explored during this period (e.g., the structuralism of the Economic Commission for Latin America and the Caribbean, or the ECLAC, and theories of dependency). With the imposition of neo-liberalism toward the end of the 1970s and in the early 1980s, concerns about development became secondary, and alternative approaches were politically blocked as socio-economic dynamics became subject to market regulation. The emergence of this distinct discourse hampered theoretical reflection on development and its political practice, giving way to a genuine counter-revolution. Faced with the deepening asymmetries between developed and underdeveloped countries, the increase of social inequalities among national populaces, and a diversity of social conflicts, the promoters of neo-liberal globalization have resumed the discourse of development. Far from proposing structural and institutional changes, however, this just seeks to provide neo-liberalism with a ‘human face’.

On the one hand, we have seen a series of attempts to reconceptualize development from an interdisciplinary perspective and, in cases such as community-based approaches, to reappraise the problems of underdeveloped nations. These assorted and incipient efforts are highly eclectic ([Parpart and Veltmeyer 2004](#)) and often end up being subsumed by the neo-liberal mold. On the other hand, even though there is a nominal consensus regarding the values and goals of development theories (e.g., social welfare, higher quality of life, participation, etc.), little attention has been given to the causes of underdevelopment and how to deal with them, with what resources, under whose leadership, and in what direction to produce social change. In other words, we still need to work on the structural and strategic production of an integral vision that addresses the root causes of the considerable asymmetries among countries and the social inequalities that dominate contemporary capitalism.

The most influential migration studies have been undertaken by research centers in developed countries (which, for obvious reasons, are the major

immigrant receivers on the planet). These have failed to pay enough attention to the underdeveloped context of the migrant-sending countries, which is one of the reasons for such copious migratory flows. There is as yet no theoretical-conceptual framework that takes into account the point of view and particular interests of underdeveloped countries, which, at this point, are seasoned exporters of cheap workforces that are both qualified and unqualified. Generally speaking, the migratory issue has been analyzed from a decontextualized perspective, which tends toward an ethnocentric and individualistic stance that focuses on partial aspects responding to the rationale of methodological nationalism (e.g., salary disparities, the displacement of native workers, illegality, and border security). This vision not only distorts reality but also obscures the underlying causes of the problem and potential ways of engaging it; neo-classical economy and nativistic and xenophobic sociological approaches are among some of its representatives. Nativism, in fact, has been a highly popular stance in the political debate of receiving countries.

At the same time, receiving countries have also been the source of the transnationalism theory, which posits that immigrants establish a series of social relations that are constant, permanent, and characterized by cooperation with and reciprocity toward those who remain in the places of origin. By providing a more comprehensive vision of the migratory phenomenon and describing the multiplicity of social practices established by migrants, this theory brings valuable contributions to migration studies. Yet its attempt to explain migration as part of a configuration of social networks spanning immigrants' integration into the receiving society and their relationships with their places of origin bypasses a careful analysis of the development issues and processes in a given context (see Glick Schiller, this issue, for a related critique). Additional types of research focus on the new destinies of Mexican migration and the recent forms of precarization and labor segmentation in a mainly descriptive manner.

In terms of theoretical diversity, the current studies on international migration have certainly been prolific, and they have also provided us with abundant empirical evidence. This is apparent when we compare contrasting paradigms such as historic-structural (primitive accumulation, overpopulation, world system) with neo-classical theoretical standpoints and other approaches such as 'push-pull' (which comprises various analytical perspectives), the new economy, the segmented labor market theory, the 'migration hump' (a neo-Malthusian approach associated with a re-emergence of modernization theories), and the diverse socio-cultural perspectives (social networks, accumulative causation, and transnationalism).<sup>2</sup> However, we can also see how, in most cases, the interpretive strength is hampered by the lack of strong theoretical constructs or by the use of partial or isolationist theories that address only limited aspects of the phenomenon. These also tend to focus on a given phase of the migratory process (origin, development, or consolidation), with few attempting to cover the ample range of migratory dynamics from a multi-dimensional and multi-spatial perspective and to inscribe it in the global and regional integration contexts in which it is embedded. Although there are growing attempts to integrate the micro, meso, and macro levels of this phenomenon, the Northern

perspective (i.e., that belonging to the receiving nations) is still preponderant, and the emphasis on development is still marginal.

Most of the studies that address the relationship between migration and development tend to focus on the first factor, as if migration were an independent variable and development possibilities were subject to, and depended on, the resources and initiatives of migrants. Additionally, they tend to center on local, communitarian, or regional aspects and on the role played by remittances, providing little insight into issues of development and neglecting the crucial element of macro-structure (Delgado Wise and Márquez Covarrubias 2006). Generally speaking, these analytical approaches are split into two major and apparently clashing trends:

1. *The vicious circle.* Migration and development are approached as anti-theoretical concepts, particularly in connection with South-North labor migration. Migration is considered incapable of inducing dynamics of development in places of origin; instead, it is associated with adverse effects, such as inflation, productive disarticulation, reduced economic activity, and depopulation, all of which in turn lead to more emigration. These views, however, do not constitute a theoretical model of migration and development. Rather, they are diagnoses that describe, from different angles, a dominant historical trend in countries and regions with high levels of migration. This approach has been taken by researchers such as Delgado Wise (2000), Papadimitriou (1998), and many others.
2. *The virtuous circle.* Mature migratory processes with consolidated social networks and established migrant organizations are believed capable of assisting (albeit in a limited way) local and regional development. This viewpoint engages the limited amount of social development that is allowed by neo-liberal policies in migrant-sending countries and includes a broad range of authors and analytical perspectives (some of them clashing) that emphasize remittances and/or migrant organizations. At the forefront of this trend stand politically influential international agencies, such as the World Bank (2005) and the Inter-American Development Bank (IADB 2000), which are interested in promoting a post-Washington Consensus neo-liberal policy. Secondly, there are those authors who have developed an outlook that is closer to the interests of migrant society and, in an approach that could be called 'transnationalism from below', emphasizes the role of migrant organizations as potential subjects of regional and local development (García Zamora 2005; Guarnizo and Smith 1998; Moctezuma 2005). The theory of the migration hump can be included here, from a neo-Malthusian, modernist viewpoint.

These two analytical variants share one characteristic: they take a unidirectional approach to migration and development, even though one denies the existence of development possibilities, and the other considers this a plausible process. Since the second trend has gained far more notoriety, it is important to recount some of the major academic postulates that comprise it in order to assess its achievements and limitations.

**Remittances and productive investment.** During the last two decades of the twentieth century, the flow of Mexican workers to the United States increased notoriously with the implementation of neo-liberal policies and the productive restructuring of the US economy. Studies on migration and development (focusing on remittances, investment, and development) have undergone two successive periods that have fundamentally influenced an ongoing debate that has yet to provide theoretical or practical solutions to the problem. In the 1980s, Mines (1981), Reichert (1981), Stuart and Kearney (1981), and Wiest (1984) undertook several empirical studies in the central-west region of Mexico that addressed the role played by migrants' remittances and argued that these had a negative effect in communities of origin, leading to social differentiation, land price inflation, and the accumulation of local resources into the hands of a given few. Subsequently, researchers would posit that these results took a negative view of remittance-based regional development.

During the 1990s, the cycle between remittances and productive investment was analyzed (Durand 1994; Durand, Parrado, and Massey 1996; Jones 1995; Massey and Parrado 1998). The results indicated that remittances were invested on agricultural and human capital and that the circulating money had a beneficial multiplying effect in communitarian, municipal, and regional economies. Knowing that remittances provide families with subsistence funds and, to a lesser extent, constitute productive investments, some authors (Durand 1994; Jones 1995) have argued that these investments have a substantial impact on specific sectors and localities. Massey and Parrado (1998: 19) maintain that international migration is a "source of production capital and a dynamic force that promotes entrepreneurial activity, the founding of businesses and economic expansion." As far as the financing of productive investments and social infrastructure is concerned, collective remittances would have to be added to migrants' savings (Goldring 1996; Moctezuma 2000; Smith 1998), particularly in high-migration areas where public and private investment are negligible.

Overall, the most interesting aspect of this research is the identification of a new social subject, the 'collective migrant' (Moctezuma 1999). This viewpoint, however, has been classified as optimistic, just like the prevalent discourse of the 1980s has been characterized as pessimistic. Institutions such as the ECLAC (Torres 2001) and the World Bank (Ratha 2003) have also been criticized for painting an overly optimistic picture of the phenomenon. There is consensus regarding the fact that a substantial portion of remittances is destined to cover families' basic needs (food, dress, housing, even education and health), but none regarding the potential role of remittances as investment sources or capital. In addition, some have criticized migration and development studies that center on remittances (Binford 2002; Canales and Montiel 2004).

**Transnationalism and development.** Contrary to the assumption that migrants almost invariably cease contact with their place of origin once they have settled in their country of destination, transnationalism underscores quite the opposite: regardless of their incorporation into the receiving society, migrants tend to maintain strong ties with their society of origin (Basch, Glick Schiller, and Blanc 1994; Glick Schiller and Fouron 2001). Authors who support this view

argue that (1) migrants maintain bonds to their place of origin in order to deal with racial inequality and other hurdles in the country of destination; (2) migration is caused by global processes that supersede the nation-state and generates a global civil society that threatens the political monopoly exercised by the state, and (3) transnationalism gives way to a 'third space' that locates migrants between the sending and receiving states and their origin and destination societies. A distinction is made between 'transnationalism from above', the environment where corporate, financial, and governmental agents move, and 'transnationalism from below', the common space occupied by migrants. This approach opens up the possibility of observing, to a degree, the relation between development and migratory processes. In the first case, the subjects of study would be transnational companies such as remittance transfer services, banks, and generally all businesses that provide merchandise and/or services to migrants and their families. In the second case, the focus would be on the role played by migrants and their families as consumers in their place of origin.

The associations between transnationalism and development have been explored from at least two viewpoints. The first looks at the economy of migration, where the transnational practices of migrants—such as telephone calls, the use of communications technologies, participation in tourism and the nostalgia industry, and remittances—have positive effects on local economies (Orozco 2003) but also create niches that are later appropriated by transnational corporations (Guarnizo 2003). The second analyzes the contribution of migrant organizations to local and regional development processes, particularly their participation in social works that collectively benefit local populations (Delgado Wise, Márquez Covarrubias, and Rodríguez Ramírez 2004; Faist 2005; Portes, Escobar, and Walton 2006).

**Co-development.** Some nations of the European Union (France and, more recently, Italy and Spain) have designed country-specific policies of co-development, which are based on migrants' potential development contributions to their places of origin with the support of the developed nations. Co-development seeks to (1) promote productive activities through remittances; (2) educate migrants and encourage their return to their places of origin; (3) involve migrants in cooperation projects; (4) educate and guide potential emigrants in places of origin; (5) promote the creation of bridges between communities of origin in the South and those who have emigrated to the North; (6) foster interaction between national governments, local civic and business organizations, universities, educational and cultural centers, and migrants; and (7) improve the living and working conditions of migrants. In practice, co-development has been used as a supra-governmental policy to control immigration flow, while less attention has been paid to the promotion of development in countries of migratory origin. The actors involved in the process of co-development (governments, migrant organizations, and NGOs) do not necessarily see eye to eye on a number of issues, since their interpretations of this concept are usually shaped by their particular interests. Additionally, co-development is, in actuality, a paradox: less-developed European Union countries such as Spain received support to increase their national development to the extent that they went



from being emigrant senders to immigrant receivers (Agrela and Dietz 2005). But when it comes to the outside, and despite the ongoing demand for cheap, imported workers, the European Union has created a sort of fortress ([Bendel 2005](#)) that seems to close its doors on immigration, using co-development to cover up immigration regulation policies involving countries that lie beyond its borders rather than actively pursuing development in these nations.

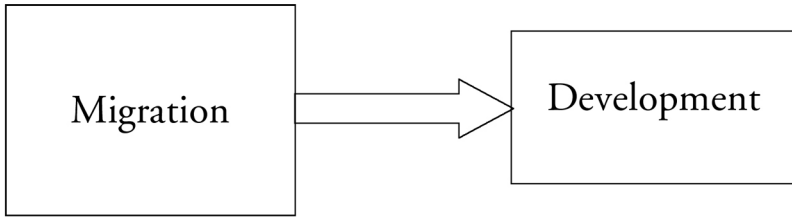
***Migrant social subjects and local development.*** In the particular case of Mexico, Moctezuma (2005) has observed different types of migrants (collective, enterprising, savings-focused, and retired) and the roles that they play in terms of social and productive investments. García Zamora (2005) has proposed the establishment of a fund for local development and the adoption of a micro-financing system, while Delgado Wise and Rodríguez Ramírez (2001) have suggested that migrant organizations could promote regional development projects coupled with public policies. From our perspective, the implementation of development alternatives in local and regional spaces can be seen as a political problem that demands the construction of a new, collective social subject—one that involves migrant and non-migrant sectors and that channels the state's participation in a scheme of participative planning. This, however, requires the creation of public policies that generate spaces where remittance investments can have a significant, multiplying impact on the macro-economic level. The failure to accomplish this will result in limited migrant contributions.

In short, the field of migration and development studies has yet to establish firm bases and clearly defined boundaries. How, then, should we approach it? First of all, we can conclude that, regardless of existing theoretical weaknesses, there is a pragmatic and crucial link between international migration and development. Secondly, proponents of neo-liberal globalization are attempting to utilize migrants as a cosmetic concealment of—and the solution to—some of the more severe problems brought about by the very policies that this model promotes and seeks to entrench, both regionally and nationally. Thirdly, a vast amount of work currently falls into this field of studies, which is not well delimited. The relationship between migration and development lacks a proper theoretical background, and the theories of migration and development are deficient in themselves. There is also a proliferation of incomplete and disjointed studies that tend to be of a descriptive nature and lack a proper contextualization of the neo-liberal, globalized framework in which the migratory phenomenon takes place.

## **The Political Economy of Migration and Development: Toward a New Theoretical Approach**

Despite the current popularity of migration-development studies, the analytical complexity of this subject requires an alternative approach that does not center on the migratory phenomenon but rather focuses on the other side of the equation—that is, on the macro-processes of development (see fig. 1). This new analytical perspective views migration as an aspect of the problems surrounding development and approaches development as a field of structural dynamics



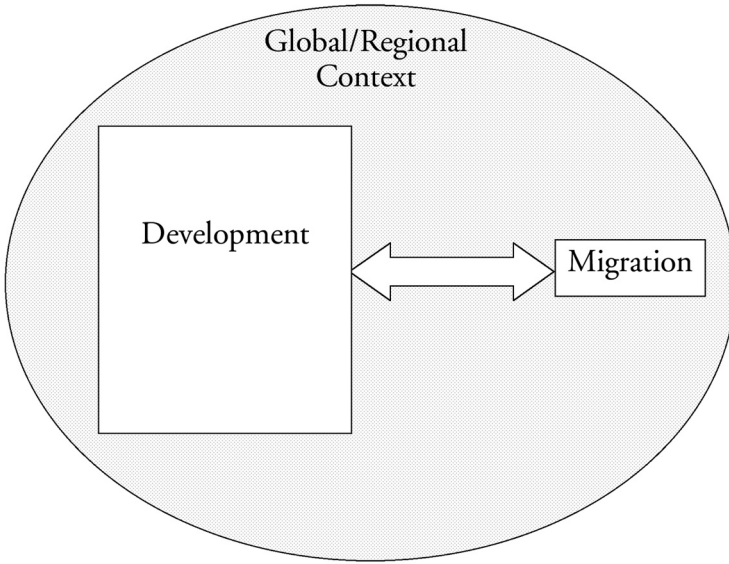


**FIGURE 1** The Unidirectional Approach to the Migration-Development Relation

and strategic practices that take place on global, regional, national, and local levels. The predominantly theoretical and political approach taken by developed, migrant-receiving countries has created a hegemonic vision that must be transcended and complemented in order to incorporate the viewpoints of the underdeveloped, sending countries. Given the predominance of nationalist or local-based approaches, it is also important to promote international comparative analyses that examine the interactions between processes of migration and development and the particular experiences taking place within them in the context of global capitalism.

We are of the opinion that the problem of international migration should be systematically incorporated in the field of development studies and that processes of underdevelopment/development should be seen as a source of international migration (see fig. 2). In order to achieve this, we must shape theoretical objectives through interdisciplinary exercise, that is, we need to formulate outlines and propositions based on the context, agents, and processes of a multi-spatial environment. Additionally, it is necessary to problematize and contextualize the notion of development in order to break through normative frameworks that, failing to consider the need for structural and institutional change, limit the formulation of any socio-economic improvement to abstract terms. Moreover, in a context of large migration flows, the problem of development involves additional challenges such as the asymmetric relations between countries, the reconfiguration of productive chains, and the concomitant restructuring and precarization of the labor markets, trans-territorial social inequalities, and, more specifically, the decline of the material and subjective foundations that propitiates a given population's emigration, along with issues involving migrants' integration into receiving societies and their preservation of transnational ties.

From a theoretical and conceptual point of view, the initial challenge for researchers examining these issues is the lack of appropriate theoretical background. Also, the topic of migration has not been properly incorporated into the field of development studies. Having acknowledged the vast amount of academic work done in relation to these topics, we think that, in order to create a more integral approach to migration-development interrelations and to establish a concise theoretical and practical link between these two subjects,



**FIGURE 2** An Alternative Approach to the Migration-Development Interrelation

we must come up with a comprehensive analytical framework that includes aspects of socio-economic regional integration and looks at the development challenges faced by the sending countries.

This critical reconstruction also means that we should transcend the partial views of the phenomenon that have emerged from an agenda mainly centered on developed, migrant-receiving countries and that involve issues such as immigration regulation, national security, co-development, and the criminalization of migrants. It is crucial that we incorporate the experiences of underdeveloped, migrant-sending countries and view them in the context of contemporary capitalist development and the asymmetrical relationships between sending and receiving nations. The task of theorizing from an underdeveloped perspective, which implies a comprehensive view of capitalist asymmetries, is not new. From the 1950s to the 1970s, the ECLAC’s theories of structuralism and Marxist-derived theories of dependency provided a solid basis in this regard (Bambirra 1978; Cardoso and Faletto 1969; Dos Santos 1974; Frank 1969; Furtado 1969; Marini 1973). Decades before the rise of transnationalist theories, these studies had already gone beyond the framework of methodological nationalism. Generally speaking, analysts from developed countries have displayed striking ignorance of (or disregard toward) theoretical contributions made by analysts from underdeveloped nations.

An analytical approach based on the political economy of development should allow us to transcend previously mentioned limitations and examine

the following: (1) the wide range of interactions in the North-South (or development-underdevelopment) dynamic without losing sight of the differences intrinsic to each region; (2) the interaction between different spatial levels (local, national, regional, global) and social dimensions (economic, political, cultural, environmental); (3) ways of creating an interdisciplinary, critical model that aids in the reconstruction of reality as well as theoretical reflection, challenging the preponderant 'economistic' and 'structuralist' views; and (4) a notion of development that surpasses the limitations of normative and decontextualized concepts and takes into account the necessary role of social transformation (i.e., structural, strategic, and institutional changes) in the improvement of living conditions among the general population. This process of transformation must involve a range of actors, movements, agents, and social institutions operating on a variety of levels and planes.

Within the framework of the political economy of development and in the current context of neo-liberal globalization, the relationship between international migration and development involves a dialectical interaction that surpasses the preponderant unidirectional view of migration-development. In the specific case of South-North (or underdeveloped-developed) migration, we can point out the following links between them.

***Underdevelopment constitutes a catalyst for forced migration to developed countries.*** In the context of neo-liberal globalization, developed countries employ an imperialist strategy of economic restructuring that internationalizes productive, commercial, and financial processes at the same time that it allows the countries in question to appropriate the natural resources, economic surplus, and cheap workforce of underdeveloped nations. The relationships maintained between industrialized countries and peripheral and post-colonial nations exacerbate the latter's conditions of underdevelopment. Underdeveloped countries find themselves with redundant population reserves (and, therefore, surplus population), while their members are unable to find working conditions that ensure their personal and family reproduction. This is the direct result of reduced accumulation processes derived from asymmetrical relations with developed nations (an unequal exchange that translates into diverse forms of surplus transference). These conditions are not socially sustainable and lead to forced migration, which we understand as population movements brought about by the lack of proper living and working conditions or life-threatening political or social conflicts. Forced migration can result in substantial population loss for countries of origin, sometimes even leading to relative or absolute depopulation. The loss of qualified and unqualified workers is also associated with the neglect of productive activities and the loss of potential wealth.

***Migrants contribute to the receiving country's development.*** Industrialized nations demand large quantities of qualified and unqualified workers. In some cases, this human merchandise is rendered increasingly vulnerable and additionally devalued by the lack of required documentation. Firstly, this ongoing demand results from developed nations' increased accumulation capacity, which is derived from the transference of resources and surpluses from

underdeveloped countries. Secondly, it is the consequence of processes of demographic transition and an aging population. Immigrants contribute to an overall cheapening of the workforce since they tend to be employed in work-intensive areas of production where they rescue or substitute a national workforce that tends to earn higher salaries and benefits. Although the qualified immigrant workforce belongs to an elite sector, it is still comparatively cheap, since an immigrant's salary is lower than that of a national citizen employed in the same position. In the case of both qualified and unqualified migrants, the receiving country reaps substantial benefits, having invested nothing in the formation of the human capital it now enjoys. Not only do immigrants provide static comparative advantages derived from a reduction in production costs, they also bring comparative dynamic benefits through their participation in accelerated innovation processes. Overall, working immigrants and their families internally strengthen the receiving country's market through consumption. Even the so-called nostalgia market entails the creation of consumer demand, which fortifies internal economic activity. Although immigrants' taxable contributions enrich the country's fiscal fund, they do not translate into the kinds of social benefits enjoyed by the national population, thus denoting a criterion of social exclusion. Immigrant workers also help pay for the current crisis faced by pension systems due to the massive retirement of the Baby Boomer generation. While these contributions counteract some of the effects brought about by the dismantling of the welfare state, they obviously do not constitute a long-term solution.<sup>3</sup>

***Migrants help maintain precarious socio-economic stability in their countries of origin.*** Migrants' salary-based remittances contribute to the subsistence of family members in the country of origin.<sup>4</sup> To a lesser extent, remittances also help finance small businesses in a subsistence economy. The participative remittances collected by migrant organizations finance public works and social projects in the places of origin. In some cases, this practice has become institutionalized: the Mexican federal government's Tres-Por-Uno (3x1) program has been replicated in other countries. Migrants with savings or entrepreneurial plans use their money to finance micro-projects in their places of origin. The most important type of remittance is, however, the salary-based one that is intended for family subsistence, which means that the resources sent by migrants are rarely destined for processes of development and social transformation. In a macro-economic context, remittance sums serve neo-liberal governments that, not bothering to come up with actual development alternatives, use them as a currency source that sustains a fragile macro-economic stability. In some cases, remittances have even been used as a guarantee when incurring foreign debt. In the absence of any kind of alternative project, migrants are now portrayed as the 'heroes of development', an utterly cynical move that renders them responsible for the promotion of said development, while the state, opting for the conservative stance of minimal participation, is no longer held accountable. The strategy of market regulation postulated by fundamentalist neo-liberals lacks any sort of development plan that involves migrants, as well as other social sectors, and promotes processes of social transformation. In

truth, underdeveloped countries fulfill a particular role as workforce reserves, and their potential development is obstructed by increasingly reduced national elites, who are subordinated to the interests of governing circles in developed countries and, to a great extent, the interests of US capital.

**The promotion of development as social transformation could contain forced migration.** Globalization theory depicts migration as inevitable; however, we must endorse, both in theory and in practice, the viability of alternative processes of development and do so on different levels. We must first redefine the asymmetrical terms that developed countries, aided by principles that have by now turned into fetishes (e.g., democracy, liberty, free trade), use to dominate underdeveloped ones. This involves the exposure of imperialist practices, which have created oceans of inequality and condemned vast regions of the world to marginalization, poverty, social exclusion, and uncontrolled migration. Those neo-liberal governments in underdeveloped countries that argue that migration is an inevitable process and, for the present, capitalize triumphantly on the benefits of remittances are operating under a logic that will inevitably collapse. A genuine process of social transformation involving the migrant and non-migrant sectors of society would seek not only to contain the overwhelming flow of forced migration but also to reverse the ongoing processes of social degradation that characterize underdevelopment and even pose a threat to human existence (Bello 2006; Harvey 2007).

Having taken all of the above into account, an approach based on the political economy of development would posit that international migration is the result of problems in the development process and that the migratory phenomenon has to be examined in this context in order to reveal its root causes and effects. In order to study migration, its cause-and-effect interrelation with development, and the different stages that are integral to this dialectical interaction, we must take into account two fundamental analytical dimensions: strategic practices and structural dynamics (see fig. 3).

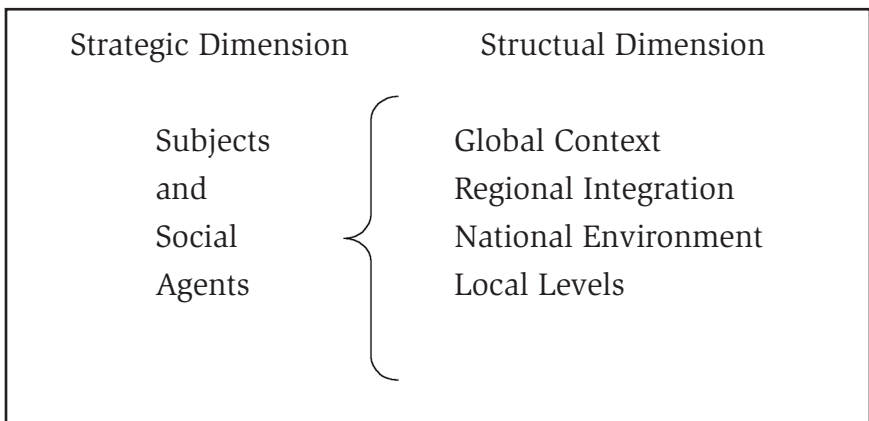


FIGURE 3 Analytical Dimensions of the Political Economy of Development

### *Strategic Practices*

Strategic practices refer to the clashes between the diverging agendas that constitute the structural complex of contemporary capitalism and its inherent problems of development. Generally speaking, there are two major projects, which we call the 'hegemonic' and the 'alternative'. The hegemonic project is promoted by powerful transnational corporations in conjunction with the governments of developed countries, which are led by the United States, and allied to the power elites of some underdeveloped nations, as well as certain international organizations. Because the neo-liberal venture has lost legitimacy in recent years, rather than speak of hegemony we should speak of domination: more often than not, these policies are being implemented through military action and imposition rather than consensus. The alternative project comprises the socio-political actions taken by social movements and classes, as well as collective agents and subjects, in support of a political scheme designed to change the structural, political, and institutional dynamics that impede the implementation of alternative development policies on all levels (global, regional, national, and local).

The capacity to regulate development and migration is mostly in the hands of transnational corporations, developed migrant-receiving nations, and international organizations and their associated capital, the influence of which spans from the global to the local. The governments of underdeveloped, migrant-sending countries tend to lack a concise national project, are subordinated to the interests of powerful groups, and have limited influence in their own national and local milieus. Nevertheless, the dynamism and maturity acquired by some national diasporas (e.g., the Mexican diaspora) give way to new kinds of social subjects. This is particularly true in the case of migrant organizations, many of which promote development in their places of origin. Their actions are transnational in character, and although their involvement is not as intense in the countries of origin as it is in the countries of destination, their incipient participation in local development is noteworthy. Migrants, whether organized or not, maintain permanent and dynamic bonds with their places of origin and contribute (especially when organized) to the local processes taking place in the marginal spaces produced by the new world order. Subjects of migration have their own sphere of influence, and while some act across different levels, others are confined by their own niche and do not greatly influence the performance or interests of other actors.

### *Structural Dynamics*

Structural dynamics refers to the asymmetrical ways in which contemporary capitalism is articulated. It includes the spheres of finance, commerce, production, and the labor market, as well as technological innovation (a strategic tool for the control of the aforementioned spheres), the use and allocation of natural resources, and the environmental impact of those materials. These structural demarcations shape the relationships between (1) developed countries, (2) developed and underdeveloped countries, and (3) underdeveloped

countries. They also determine the spaces in which the diverse social sectors, groups, movements, and classes relate to each other. All of this is expressed differently, depending on whether it takes place on a global, regional, national, or local level.

**Global context.** Developed nations are currently immersed in a wide and complex process of capitalist restructuring that is taking place on a global scale. In addition to ongoing strategies such as information technology and communications innovations, economic tertiarization, and the internationalization of finance, the current major global strategies include the internationalization of production and the transnationalization, differentiation, and precarization of labor markets. In this sense, contemporary capitalism has created a new world order structured around neo-liberal globalization—a system that reproduces the economic asymmetries between developed and underdeveloped countries on an unprecedented scale at the same time that it deepens social inequalities, poverty, and marginalization on a global scale. The welfare state is being dismantled in both migrant-receiving and migrant-sending countries, while the flexibilization and precarization of the labor market increases and the environment irreversibly deteriorates. In this context, and despite its presence in the discourse of international organizations and governments, development has been abandoned and its goals eschewed. This is why, now more than ever, the pending issue of development is one of the major challenges facing contemporary humankind.

**Regional integration.** Developed countries now comprise regional economic blocs that, among other things, seek to expand territorially their internal markets, increase their production platform, and guarantee supplies of cheap labor, natural resources, and economic surplus. This is the case, for example, of the North American bloc and the European Union. Transnational labor markets are based on the availability of a cheap workforce and its impact on the ongoing productive restructuring (a sequel to the international capitalist crisis of the 1970s) that seeks to reduce production costs as a competitive strategy. For those underdeveloped countries that participate, directly or indirectly, in the scheme of regional integration led by the great capitalist powers, the exportation of a cheap workforce results in their increased international dependency. The configuration of a regional bloc involves a series of strategic articulations that include the transnationalization of financial markets and the restructuring and internationalization of production, among other processes. It additionally fosters the permanent cheapening and precarization of the workforce as a competitive weapon against other regional blocs, with the purpose of furthering production restructuring and increasing profit margins. The economy of cheap labor has been taken to unforeseeable extremes in the past few decades. It now lies at the heart of global capitalism and illustrates the way in which the immigrant workforce has gained access to developed nations: international labor migration has grown exponentially and, in doing so, has become a crucial piece in the new global mechanism.

Migrants' contributions now affect, to varying degrees, the economic, social, and cultural development of both sending and receiving countries. Still, many



receiving countries exploit immigrants, subject them to xenophobia and racism, and blame them for a wide variety of social problems to the extent that they are considered criminals and their human, labor, social, and political rights are whisked away. When an underdeveloped nation inside a regional economic bloc becomes the source of substantial migratory flow toward a central country, this creates strong dependency ties that threaten labor sovereignty at the same time that they consolidate a specific migratory system. This does not mean that the core nation will come to depend on the cheap workforce of the sending country, since many other regions can supply laborers. In the specific case of the North American bloc, Mexico's relationship to the United States is conditioned by an asymmetrical pattern of subordination. Socio-economic asymmetries stem from the widely divergent structural situations in the two countries, and while the United States is the world's major capitalist power, Mexico is a dependent party that subordinates its political agenda and geo-strategic decisions to the interests of its northern neighbor. These processes of regional integration are not exclusive to trans-hemispheric North-South interactions. They also take place among countries in either hemisphere and have resulted in a certain reconfiguration of migratory flow, as countries of emigration simultaneously become countries of transit and immigration, and as South-North and South-South migration chains become established.

**National environment.** The neo-liberal policy of structural adjustment brings about a cycle of economic depression in underdeveloped economies, constrains the internal market, weakens the labor market, and encourages emigration toward developed nations. The emigrating workforce, which in its home country appears as broadly based overpopulation, is ultimately a working reserve at the service of productive, restructuring processes that are commanded by transnational corporations and Northern countries. The latter comprises, on the one hand, the destruction of productive chains and social production relations and, on the other, the construction of new bonds between developed and underdeveloped countries that exacerbate the dependency and exploitation of underdeveloped nations in both regional and global contexts. This policy also involves the dismantling of a development model (or a model of import substitution, in the case of Latin America) that included the presence of a welfare state and the introduction of a new social policy that does little more than channel meager resources to the most vulnerable sectors of society in an attempt to paint a human face on the social disaster brought about by neo-liberalism. During the 1980s, the Washington Consensus implemented neo-liberal policies of structural adjustment, including commercial and financial liberalization and institutional privatization. Recently, international organizations involved in the post-Washington Consensus era sought to humanize their choice of policies by raising subjects such as the fight against poverty, the promotion of equality, and social inclusion. The United Nations' development goals for the millennium take the same stance, but bypass any structural or institutional changes.

**Local levels.** Migrant-sending localities have become dependent on remittances that enable consumption and ensure family and social subsistence. Remittances are also expected to promote local development, and sending

countries tend to perceive migrants, both socially and institutionally, as the pillar upon which the precarious macro-economic, political, and social situations of the nation rest. As if this were not enough, both sending countries and international organizations think of remittances as a purportedly strategic resource that will propitiate development—either nationally, regionally, or locally—and therefore will not commit to providing sufficient resources to propel actual development. In fact, remittances supplement the negligible public funds assigned to social development under neo-liberal decentralization programs. Finally, it is at the local level that socio-economic spaces are reconfigured and internal and international migration patterns are traced.

## Final Thoughts

The theoretical framework proposed in this article focuses on the following four aspects, which we consider to be fundamental for understanding the relationship between development and migration.

1. *A critical approach to neo-liberal globalization.* Counter to discourses that advocate its inevitability, we posit that the current phase of capitalism is unsustainable and illegitimate, and our present world order should and will undergo substantial changes.
2. *A critical reconstitution of the field of development studies.* The predominance of a singular mode of analysis that stressed the belief that the free market would work as a powerful regulatory mechanism, efficiently assigning resources and providing patterns of economic convergence among countries and their populations, has summarily failed. There is a need for new theoretical and practical alternatives, and we propose a reevaluation of development as a process of social transformation through a multi-dimensional, multi-spatial, and properly contextualized approach. This integral approach requires the inclusion of the viewpoints of the underdeveloped societies and the consideration of strategic and structural aspects, which should be examined at the global, regional, national, and local levels.
3. *The construction of an agent of change.* The globalizing project led by the United States has ceased to be consensual: it has benefited only capitalist elites and has excluded and damaged an overwhelming amount of people throughout the world. Economic, political, social, cultural, and environmental changes are all needed, but a transformation of this magnitude is not viable unless diverse movements, classes, and agents can establish common goals. The construction of an agent of change requires not only an alternative theory of development but also open dialogue: the sharing of experiences, the conciliation of interests and visions, and the construction of alliances in the framework of South-South and South-North relations.
4. *A reassessment of migration and development studies.* The current explosion of forced migration is part of the intricate machinery of neo-liberal

globalization. In order to understand this process, we need to redefine the boundaries of studies that address migration and development. We need to expand our field of research and invert the terms of the present migration-development equation in order to situate the complex issues of development and underdevelopment at the center of the frame. This entails a new way of understanding international migration. Migrants should not be held responsible for the promotion of development in their places of origin. At the same time, it is important to highlight their direct contributions to the development of receiving countries and their impact in their places of origin. It is fundamental to identify viable pathways to new stages of development where migration can be voluntary instead of forced, and this requires new theoretical and methodological approaches that result in the creation of new research agendas, concepts, analytical categories, and information systems. This last issue is an invitation to engage in constructive debate and the creation of new forms of collective, interdisciplinary, inter-institutional, and international research.

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## Notes

1. It should be pointed out that most studies regarding international migration reflect the concerns of those countries that receive migrants, that is, assimilation/integration, security, wage differentials, etc. In countries of origin, most studies involve demographic dynamics, remittance flows, ethnography, cultural impact, and related topics. In turn, development studies do not seriously address the problem of migration except as some form of secondary or external factor. In contrast, most of the studies addressing relations between migration and development have focused on the local, community, or regional aspects, overemphasizing the role of remittances, offering a limited view of development, and neglecting the transnational nature of the phenomenon and, more importantly, the macro-social variables that shape the migratory system (Delgado Wise and Márquez Covarrubias 2006).
2. In a recent study, Hein de Haas (2007) undertook a review of migration and development literature. The author questions the limited and equivocal manner in which some of the field's most respected researchers have described and classified the major theories on migration, particularly the 'economy of migration' and 'accumulative causation'.
3. The advance and development of migratory dynamics have created a complex social transnational space that engages societies of origin and destination and serves as a dynamic field of economic activity. Economic opportunities in this field are usually seized by large corporations of developed countries (Guarnizo 2003).
4. For the different types of remittances, see Márquez Covarrubias (2006).

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