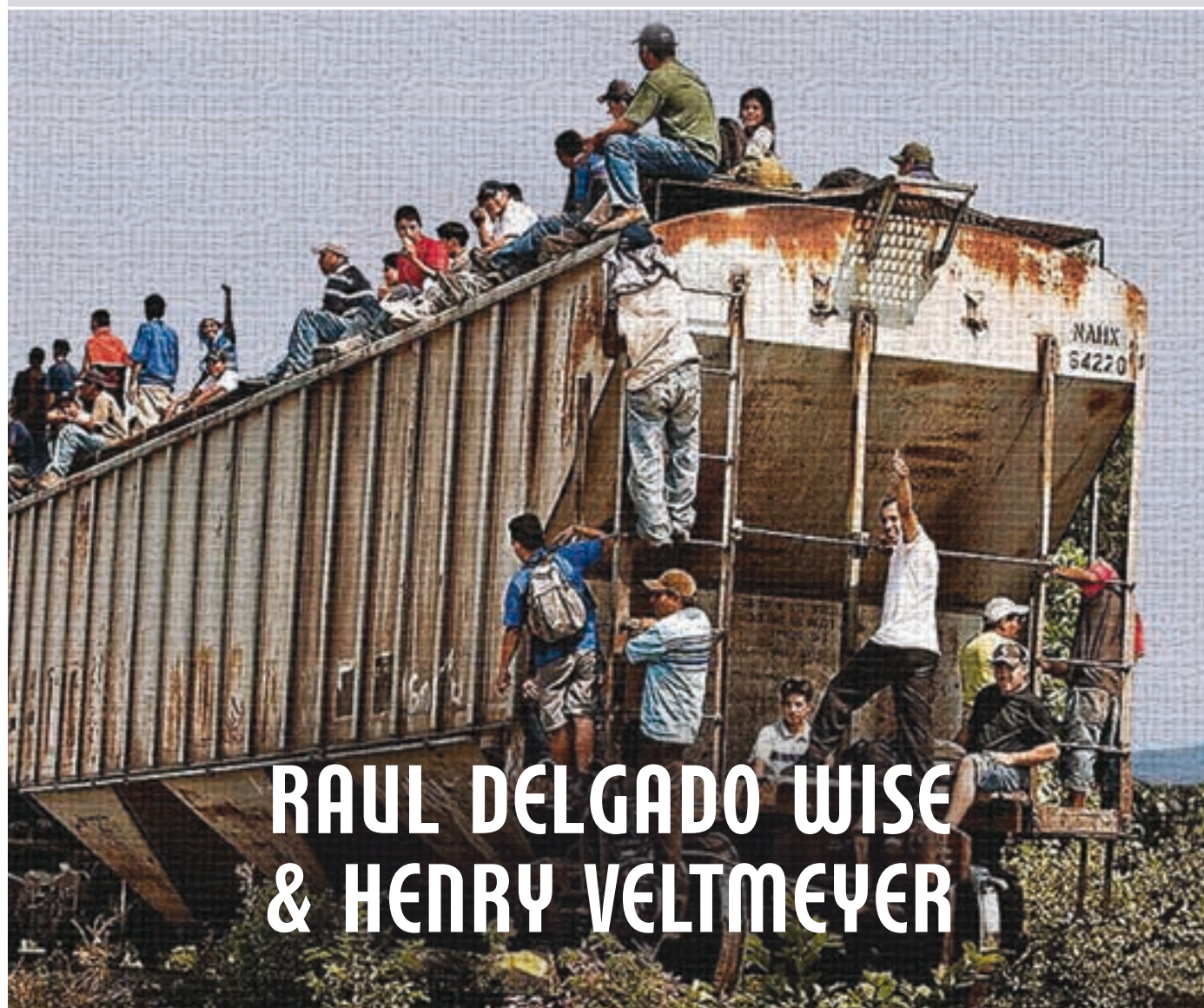


AGRARIAN CHANGE, MIGRATION AND DEVELOPMENT

Agrarian Change & Peasant Studies



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& HENRY VELTMAYER**

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Introduction

Between 1970 and 2012 the number of international migrants worldwide more than doubled, from 84 million to 232 million. In 1970, about one out of every 29 people lived in a country where international migrants composed a tenth or more of the total population. Four decades later, the ratio was nearly one in nine (Terrazas 2011: 1). Much of this growth took the form of mass migration from poor countries in the global south, on the periphery of the world capitalist system, to the wealthier countries in the global north. While in earlier periods of capitalist development people also migrated for economic reasons, motivated by a desire for a better life and a search for more opportunity, the largest flow of migrant labour was from the European centre of world capitalism to European “white” settlements in the North American outposts of the British Empire. But in the current conjuncture of capitalist development (the neoliberal era), most migration is in a south-north/south-south direction. Within the migrant-receiving countries in the north, these migrants generally settle in the larger cities, urban gateways to an apparently modern style of life and hoped-for economic opportunity.

International migration as an increasingly visible global phenomenon in recent decades has led to a voluminous academic literature and numerous official reports exploring such questions as:

1. What are the origins and motivations of migrants for leaving their countries of origin to seek opportunities abroad?
2. What are the root causes and objectively given conditions — the driving forces — of the migration process?
3. What are the social dimensions of the migration process regarding the social composition of labour migration streams and flows, the migration-development nexus, and the impact of migration on societies and communities in both the country of origin and in the destination country?
4. What are the macroeconomic and micro-social benefits of migration to the receiving and sending countries? And what are

the associated costs? Who receives the benefits and who bear the costs?

5. What is the relationship between migration and development in the migrant's country of origin and the destination?
6. What is the role of the state in regulating or managing the international flows of migrant workers?
7. How does migration further the process of capital accumulation under neoliberal capitalism dominated by monopoly capital?
8. Why is neoliberal capitalism adverse to the free movement of persons while capitalism in earlier periods encouraged international migration?

As for the first two questions the literature places migrants into the following three basic categories: *economic migrants* — a large stream of individuals in search for a better way of life and greater economic opportunities, and those seeking refuge from poverty or oppressive socioeconomic conditions; *environmental refugees* — those seeking to escape environmental degradation and natural disaster (drought, floods, climate change, etc.); and *political refugees* — those seeking to escape conditions of political conflict, insecurity, persecution or oppression.

In contrast with the vast literature on international migration, studies on internal migration have been relegated to second place, particularly in the realm of contemporary capitalism, namely neoliberal globalization. But it should be understood that in this context there are close links between internal and international migration. The number of internal (mostly rural-urban) migrants has been estimated at 750 million (IOM 2014), which, together with international migrants, add up to nearly one billion over the course of the decades-long neoliberal era. Considering that most migrants are labour migrants, nearly one of every three workers in the world lives in a place different from where they were born. In most cases they constitute a highly vulnerable segment of the working class, often subjected to discrimination and conditions of super-exploitation.

Regarding the economic category of migrants — the central concern of this book — the literature divides them into two groups: those who choose to migrate in the search for better economic condi-

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tions and those who we might term “economic refugees,” driven to migrate from their communities and way of life by extreme poverty, conditions such as deprivation, social exclusion and lack of economic opportunity. The decision to migrate, often at great personal cost to the migrant, is explained in terms of some combination of push and pull factors.¹ However, we look at the question from a political economy perspective,² arguing that, while the search for economic opportunities exerts a powerful pull, there is little question that the vast majority of economic migrants and migrant workers migrate not by choice but in response to the limiting or oppressive conditions created by the workings of the capitalism, particularly in their home countries as a result of the upsurge of uneven development. While a majority of migration scholars might cite the desire to escape poverty, or relative disparities in the economic development of migrant sending and receiving countries,³ as an explanation of the motivation to migrate, they do not blame the forces of capitalist development for this poverty. In fact, they see capitalism as the solution.

There is little question and few studies about the system dynamics of migrant labour — the dominant role of capitalism in generating the forces that lead to and therefore can be used to explain the massive flows of international migrants in the world today. The vast volume of writings in the mainstream tradition of migration studies focus exclusively on questions 1–6, ignoring 7–8. These studies, conducted predominantly by neoclassical economists, anthropologists and sociologists, are concerned almost entirely with the motivations of migrants who are assumed to freely choose to migrate. Yet structural conditions and system dynamics in a very real sense condition and even force these individuals, and betimes entire families, to migrate. The issue here is free choice or forced migration? Do these migrants have a choice? What are their options? The fundamental concern in the social scientific study of migration is to explain the strategic and structural conditions that drive the decisions of individuals and families to migrate and the consequences of these decisions for the migrants themselves as well as for the societies of origin, transit and destination.

The methods of analysis used in these studies can also be placed into two categories. First, the method used predominantly by writers

in the mainstream of migration studies is to search for correlations and relations of cause between two sets of social facts⁴ — the decision to migrate (the dependent variable in the explanation) and the objectively given and/or subjective conditions, the presence or absence of which is correlated with the decision to migrate and thus deemed to be the “independent variable,” or explanatory factors. The explanatory factors in this analysis are viewed as conditions that either “push” individuals to act in a certain way, or that exert a powerful “pull.” However, an alternative political economy tradition of migration studies explains the underlying motivation to migrate — in many if not all cases forced — in terms of the structure and dynamics of the operating capitalist system. This system can be defined in terms of the mode of production, i.e., a particular combination of the existing forces of production and the corresponding relations of production and the main trend inherent in those relations toward uneven development.

From this political economy, or Marxist, perspective, the focus of this book is on what might be described as the labour migration dynamics of the capitalist development process, or the migration-development nexus. At issue in this development process — the development of society’s forces of production and corresponding social relations — is the capital-labour relation, which constitutes the economic base of the social structure in all capitalist societies, as well as the structure formed by a global division in the wealth of nations. The first has to do with two basic social classes: the capitalist class, membership in which can be defined in terms of a relation of property in the means of production; and the working class, whose labour power is the fundamental source of value — the value of commodities that are bought and sold on the market, and which can be measured in terms of hours of work under given social and technological conditions⁵ — and surplus value or profit, the driving force of capitalist development.

Marx’s theory of capitalist development, which remains the only useful tool for decoding the structural dynamics of the capitalist system in its evolution and development of the forces of production, is constructed around four fundamental propositions:

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1. that labour is the source of value (the labour theory of value);
2. that wage labour is a hidden mechanism of economic exploitation (extraction of surplus value from the direct producer or worker by paying workers less than the actual or total value produced);
3. that capitalism has an inherent propensity towards crisis (viz., Marx's theory that specifies a tendency for a fall in the average rate of profits); and
4. what Marx described as "the general law of capital accumulation," which specifies a two-fold tendency, on the one hand, towards the centralization and concentration of capital and, on the other, towards the "multiplication of the proletariat" — the transformation of a class of small landholding agricultural producers (family or peasant farmers) into a proletariat of wage labourers and an industrial reserve army of surplus rural and urban labour.

We elaborate on proposition #4 in Chapter 1. From a political economy and critical agrarian studies perspective, it provides a framework for understanding the dynamics of internal and international migration today.

Methodological Individualism versus Class Analysis

A key presupposition of the approach used in this book to analyze the dynamics of migration and capitalist development is that individuals act, and respond to the forces operating on them, not as individuals but as members of a social class that is formed in the process of production. This means, among other things, that analysis should not abstract individuals from the social context in which they are embedded. Such abstraction — what we might term "methodological individualism" — is central to economics in the liberal tradition — classical theory, social liberalism (as it is constituted within the framework of development economics and the concept of "human development"⁶) and neoliberalism, with reference to the fundamental ideas shared by members of the thought collective formed by Von Hayek in the 1930s (Mirowski and Plehwe 2009). These ideas serve as the theoretical foundation of the "new economic model"

(neoliberalism, free market capitalism) that was constructed — in Latin America at any rate — and widely implemented in the 1980s in the form of the Washington Consensus (Williamson 1990). In this economic way of thinking, people are viewed not as members of a social group, but as individuals, each of whom in their economic transactions makes a rational calculation of self-interest, choosing a course of action that maximizes this interest. On the basis of this assumption, development economists have constructed a widely used methodology in which individuals are grouped with others according to their share of the national income, reducing them to a statistical category. This type of analysis allows economists to approximate the social condition of each individual in the distribution of national production (their share of the social product) by sorting them into statistical groups — deciles or quintiles of income earners. The problem with this method of income class analysis is that in the real world individuals do not “act” as members of a statistical group (as part of the bottom or top class of income earners, for example); rather, they act in terms of conditions that they share with other members of the group, community or society to which they belong. That is, an individual’s social or class consciousness — an awareness of their social or class position and relation to others in the groups or society they belong to — is a critical factor of social or political action.

In contrast to the individualistic approach used by most economists, Karl Marx, among others, argued that individuals, like markets (as argued by Karl Polanyi in his book *The Great Transformation*), are embedded in “society” and cannot be properly understood outside the social relations of production, relations that they necessarily enter into early on. Accordingly, Marx classified individuals according their relation to production or their social class, i.e., the conditions of their social existence determined by the prevalent mode of production. He theorized that at each stage in the evolution of society’s forces of production there is formed a corresponding structure of production relations, and thus that capitalist society is based on the capital-labour relation. This specifies the existence of two basic classes: the bourgeoisie, or the capitalist class, which exists in a relation of private property to the means of production; and the working class, those who, by virtue of being dispossessed from their

means of production, are compelled to exchange their labour power for a living wage in the labour market.

Studies on migration and development deploy four different methods of class analysis, each associated with a different way of theorizing the migration-development nexus: (1) occupational class analysis, which defines individuals according to the work they do; (2) income class analysis, which groups individuals or households into deciles or quintiles of income earners to determine their percentile share of national income; (3) social class analysis, which looks at the individual's relationship to the market, or their capacity for material consumption, and thus their "life chances"; and (4) political economy analysis — the method used in this book — which determines the individual's relation to production and the objective and social conditions of this relation.⁷

Organization of the Book

At issue in this book are the development and migration dynamics associated with the evolution of the world capitalist system. But these dynamics include complex issues that are necessarily excluded from consideration. These issues relate to what might be described as the "refugee problem" — the forced migration of hundreds of millions of people due to conditions generated by a growing ecological crisis of global proportions and spreading political conflicts and "wars" — wars over natural resources and wars waged by diverse social groups to gain control over the instruments of state power. This book is not concerned with these issues but rather with issues related to the development dynamics of migrant labour.

The book begins with an overview of different ways of understanding and analyzing the development dynamics of internal and international migration. Four different theoretical and methodological approaches, and associated analytical frameworks and theoretical propositions, are identified and discussed. We argue that the most useful approach is based on what is described as the "political economy of development," which is informed by a Marxist theory of capitalist development, a theory that seeks to explain the fundamental dynamics of social change and economic development

in terms of the workings and evolution of the capitalist system. In the context of contemporary capitalism, i.e., capitalism in an era of neoliberal globalization, a system dominated by monopoly capital, what is the role of migration? That is, how does migration further the process of capital accumulation under neoliberal capitalism? How is migration in this context harnessed so as to stimulate capital accumulation?⁸

The second chapter provides the framework for our analysis of the dynamics of internal (rural-urban) migration in the global south and international (south-north) migration. As we see it these dynamics are rooted in the structure and evolution of capitalism as a world system. The origins of this system has been and is still surrounded by debate and controversy, but there is no question about the central importance of what Marx described as “primitive accumulation,” the essential feature of which is the separation of the direct agricultural producers, or small landholding family farmers or peasants, from the land and their means of production.

The complex dynamics of this process, and the subsequent development of the available forces of production — capitalist development — put into motion forces that have resulted in a process of productive and social transformation that, on the one hand, has led to an unprecedented increase (albeit very uneven) in the wealth of nations, but on the other hand, has created conditions that threaten the livelihoods and well-being of working people across the world, even the very survival of the human species.

The chapter provides an analysis of these contradictory forces of capitalist development as they relate to what is widely understood, and has been debated as, the “agrarian question” — the productive and social transformation of an agriculture-based society and economy into a modern industrial capitalist system with all of its contradictions. On the class dynamics of agrarian change see Bernstein (2012).

Chapter 3 delves into the complex dynamics of three interrelated processes: (1) capitalist development of the forces of production and the relations of production that correspond to different phases in this development; (2) the capitalist labour process — the social production process of transforming an idea related to a need or problem,

raw materials and human labour into commodities to be bought and sold on the market; and (3) economic and social development — a process resulting from a project and related efforts to bring about an improvement in the social condition of a given population or people, and to build the institutional and policy framework for bringing about the changes needed for this improvement.

As in the case of the “agrarian question,” addressed in Chapter 2 regarding the capitalist development of agriculture, or the transition towards capitalism, the evolution of capitalism as a world system raises fundamental questions about the role of migration in the development process. While Chapter 2 focuses on the dynamic of internal (rural-urban) migration associated with, or resulting from, the capitalist development of agriculture, Chapter 3 analyzes the dynamics of international migration within the institutional and policy framework of the world capitalist system.⁹

The chapter addresses three principal themes. The first is that most migrant workers today are still locked into forms of labour exploitation that marked the birth of global capitalism. Second, the search by capitalists at the centre of the world system for cheap labour has brought about a new international division of labour and has dramatically expanded international flows of migrant workers in a south-north direction. The chapter analyses the dynamics of international migration in the context of the world capitalist system and the project of international development, which is designed fundamentally as a means of ensuring the stability and survival of capitalism. The third theme relates to the role of governments in the imperialist state system in controlling the flow of and policing international migration, i.e., harnessing the international flow of migrant workers to the national interest defended and advanced by these countries, an interest that is generally equated with the interests of capital in securing a labour force for its national and global operations.

In Chapter 4 we turn to the international dynamics of labour migration. These dynamics include formation of an international division of labour and a global labour market that reflects both national differences in wage rates and working conditions, and the workings of market forces and migration policies. From a discussion of the dynamics the chapter turns to the system of global labour arbitrage

used as a means of restructuring global production, commerce and services by taking advantage of the extraordinary availability of cheap and flexible labour in the global south. This has been functional for monopolizing the process of knowledge production, the development of a south-north brain drain, and the restructuring of the global labour market under a neoliberal policy regime.

This neoliberal restructuring process, which in Latin America has taken the form of “structural reform” in the direction of free market capitalism,¹⁰ includes: (1) the reinforcement of migration processes as mechanisms of accumulation; (2) creation of a dispersed and vulnerable proletariat available to global networks of monopoly capital; (3) the covert proletarianization of highly qualified scientific and technological workers; (4) the real and disguised proletarianization of the peasantry; (5) the semi-proletarianization of migrant workers; (6) the expansion of the reserve army of labour; and (7) the subordination and resistance of the intellectual worker.

In Chapter 5 we turn to the sociology of migration with reference to its social dimension and the underside of development — the social cost of the migration process borne by the migrants themselves as they choose or are forced to relocate from their communities in the countryside to the urban centres and cities of the contemporary capitalist world system. There are multiple social dimensions of the migration-development problematic. In this chapter we can only hint at the complexity of the problem by focusing on four particular issues: (1) the gender dimension of the development-migration process; (2) the negative social impact of this process on migrant-sending communities regarding the loss of their most economically productive members; (3) the social costs borne by migrant families in terms of forced separation (migrants having to travel by themselves and leave behind parents, spouses and children), vulnerability and exposure to conditions of personal insecurity and exploitation; and (4) the experience of child migrants, large numbers of whom are forced to undertake the tortuous migration journey by themselves in the concern and need to join their parents.

In conclusion, Chapter 6 examines diverse dimensions of the migration-development nexus and advances ideas for a new theoretical approach towards understanding its dynamics. The point of

departure here is the way that international organizations such as the World Bank link migration and development. In various ways these organizations see remittances, as well as the “circulation of brain-power,” as tools for the development of the poor migrant-sending underdeveloped countries.

The chapter argues that this idea of the role of migrant remittances is part of a mythology designed to obscure the root causes of current labour migration dynamics. We identify five particular elements of this mythology, which serves as a convenient ideological cover for the construction of public policy regarding migration.

Deconstruction of this mythology, which surrounds the question of migration and development, leads to an entirely different perspective, one that emphasizes both the structural and the strategic dimensions of migration from a political economy and critical development perspective. From this perspective analysis of the migration-development nexus takes into account not only the workings of the capitalist system in the current conjuncture of the development process but also interrelated issues such as social agency, the global context, regional integration, the role of the nation-state and the intra-national dimension of development.

As for policymakers in the area it is suggested that migrant-sending countries should adopt policies designed to protect local populations from the destructive forces of capitalist development, forces that compel large numbers to migrate and that promote a process of endogenous development in peripheral regions and underdeveloped countries. It is also suggested that both migrant-sending and migrant-receiving countries be more cognizant of the structural development constraints placed on the former and that these countries be compensated for the contributions that migrants in both high- and lower-skilled migration streams make to the migrant-receiving countries. In addition, the development potential of migration can be increased by creating more effective legal channels for high- and lower-skilled migration and integration policies that favour the socioeconomic mobility of migrants and avoid their marginalization (de Haas 2012).

Notes

1. Reference to push and pull factors does not imply our adherence to its most common usage, where a list of factors without any hierarchical order is given. It is crucial to dialectally distinguish between structural and individual factors, with particular reference to the main and the secondary contradictions involved in the migration process.
2. Political economy is fundamentally concerned with and focused on what might be described as “structural factors,” with reference to conditions that, as Karl Marx argued as a matter of principle, are “objective” in their effects on people according to their location in the class structure of the economic system and the forces generated by the workings of this system. Needless to say, there is also a subjective dimension to the dynamics of capitalist development. The “subjective” has to do with how individuals experience and react to (interpret) the structural forces that operate on them and constrain their options and responses — and in the context of our analysis — force or motivate them to migrate. This political economy perspective on migration is supplemented with a sociological perspective on the social dimensions of the migration processes (Chapter 5).
3. This is indeed the accepted explanation of the motivation to migrate given by Dhananjayan Srisjkandarajah, a leading researcher at the Institute for Public Policy Research, in a study commissioned by the Global Commission on International Migration. Although she is careful not to attribute her analysis to the GGIM, there is no doubt that it represents a widely held view on what the author describes as the “migration-development-migration” nexus.
4. “Social facts” in this methodological context (“positivism,” as established by the classical sociological theorist Emile Durkheim) refer to conditions that are “external to individuals” and “coercive in their effects” on them.
5. On the presumption that the worker’s labour power was a commodity like any other and that therefore its value was determined by calculating the socially necessary labour time expended in the production of this commodity, Marx theorized that labour was the fundamental source of surplus value; that labour power is the only commodity able to produce value greater than itself (surplus value), which is extracted by the capitalist from the worker by paying the worker a wage that represents the value of labour power rather than surplus value. This theory is generally regarded as Marx’s greatest theoretical contribution — the discovery that the wage relation between capital and labour discloses the “inner secret” of capitalism: that wage labour is the fundamental mechanism of surplus extraction or exploitation, the source of profit.
6. On the concept of human development, and the liberal reformist ap-

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proach to development on which it is based, see, inter alia, Haq (1995), Sen (1999), Jolly, Stewart and Mehrotra (2000). For a critical reflection on this approach see Chapter 1 of Veltmeyer (2014).

7. For an application of this method to an analysis of the dynamics of agrarian change see Bernstein (2012).
8. From this political economy and critical development studies perspective, what neoliberal theorists regard as the development impact of migration is really about the migration dynamics of capital accumulation. As Canterbury (2012: 1) has it: “Each epoch of capitalism, dominated by a given class of capitalist, produces its own migration dynamics including arrangements for capital accumulation from migration processes. In the same manner that mercantile and industrial capitalists created elaborate processes to stimulate and exploit migrant labour in order to accumulate capital, neoliberal capital is exploiting migration processes to accumulate capital in the neoliberal epoch of capitalism.”
9. Our use of the term “world capitalist system” does not mean that we subscribe to “world systems theory,” elaborated by Immanuel Wallerstein and colleagues at the University of New York at Binghamton and the Fernand Braudel Center. On the contrary, we subscribe to a historical materialist approach to a class analysis of the long-term dynamics of social change, and the theory of capital and capitalist development elaborated by Karl Marx. This theory relates to both the geoeconomics of capital (capitalism) and the geopolitics of capital (imperialism).
10. On this neoliberal restructuring process see, inter alia, Petras and Veltmeyer (2001).

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