

APRIL 2007

SUMMARY

Circular migration, the temporary or permanent return of migrants to their countries of origin, is high on the agenda of many policymakers today. It is seen as offering benefits to countries of migrant origin, which can tap into the skills and resources of returning migrants; to destination countries, which can fill labor market needs without facing the full challenges of immigrant integration; and to migrants themselves, who may take advantage of wider openings for legal migration. Both countries of origin and destination can profit from the transnational economic ties forged by migrants who keep a foot in both countries.

Despite its potential, successful circular migration is hard to achieve on the ground. The most common policy route to encourage circulation has been to ensure that migrants maintain ties with their countries of origin, by providing financial incentives to return or by enforcing strict measures to prevent their remaining permanently in destination countries.

Experience from many countries shows that this conventional set of policies has not, and in all probability will not, work on its own. Effective circular migration arrangements call for policies that strengthen ties to countries of both origin and destination. An environment that helps migrants to reach their goals—as manifested for instance by accumulated savings, newly acquired skills, and successful business ventures—is most likely to foster temporary or permanent return.

Circular Migration and Development: Trends, Policy Routes, and Ways Forward

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I. The Attraction of Circular Migration

Portrayed as a “triple-win” solution to what was originally thought of as a zero-sum game, circular migration is high on the agenda of many policymakers in migrant-receiving countries, particularly in the West—despite the formidable challenges of successful implementation.

The appeal of circular migration is not hard to see. It offers destination countries a steady supply of needed workers in both skilled and unskilled occupations, without the requirements of long-term integration. Countries of origin can benefit from the inflow of remittances while migrants are abroad and their investments and skills upon return. The migrants are also thought to gain much, as the expansion of circular migration programs increases the opportunities for safer, legal migration from the developing world.

Beyond its tangible benefits, however, the appeal of circular migration also stems from the fact that it reflects an impulse that is second nature to many if not most migrants. Studies have repeatedly pointed out that, contrary to popular conceptions, many migrants, including members of the Diaspora, do want and intend to return to their countries of

origin, either on a temporary or a permanent basis. A recent World Bank survey, for instance, found that 60 to 75 percent of the migrants from Bosnia/Herzegovina, Romania, Georgia, Bulgaria, the Kyrgyz Republic, and Tajikistan would prefer to work in Western Europe on a temporary basis.

For many migrants, however, various circumstances, either man-made or natural, have prevented this from becoming reality. Intentions to return home either temporarily or permanently do not necessarily translate

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to actual circulation.

Some migrants may find return a prohibitively expensive option, or one that poses the risk of losing a job or, for some temporary migrants, even losing eligibility for residency. For others, countries of

origin simply do not have the professional or business opportunities that will make return worthwhile. Still others develop such strong ties in their adopted country that they lose interest in returning home for more than an occasional visit.

If circulation occurs, the impact on development, in both sending and receiving countries, may be negligible, and in some cases, even negative. Although not an impossible goal, circular migration that fosters the win-win scenario as envisaged by an increasing number of policymakers and academics

alike is hard to achieve on the ground.

The appropriate goal of policy initiative is not to encourage circular migration, per se, but to foster a type of circular migration that is ultimately beneficial to the migrants, their families, and their countries of origin and destination. This more ambitious goal, although more difficult, is clearly warranted. It requires innovative thinking, an endeavor that the bulk of the current policy literature has yet to address seriously.

II. Circular Migration: Definitions, Types, Trends, and Impact

What Is Circular Migration?

Far from being new, the term circular migration has been around for decades. As early as 1982, Graeme Hugo used “circular migration” to describe the internal migration within Indonesia. The term is used to refer to many different patterns. More recently, however, it is mostly associated with temporary worker programs. Indeed, skeptics have wondered whether “circular migration,” as being used in current discourse, is just another way to describe yet another guest-worker/temporary worker program while avoiding the baggage usually associated with these programs: the same dog simply sporting a different collar.

Circular migration today, however, is a different animal. At least conceptually, it is based on a continuing, long-term, and fluid relationship among countries that occupy what is now increasingly recognized as a single economic space. Far from being rigid and con-

straining, the rules of successful programs are more adaptive and enabling. The main players have also diversified, and include not only governments, but increasingly, the private sector, civil society, the international community, and the migrants themselves. The migrants are not just passive participants but active agents of their own mobility.

Types of Circular Migration

Although a critical component, a temporary labor program is just one of the ways to facilitate circularity. Return of members of the Diaspora is another type of circular migration. An effective way to think about circular migration is to differentiate both departure and return as either permanent or temporary. The term permanent migrants refers to those who have permanent residency or citizenship in their adopted countries. For the purposes of this policy brief, permanent migrants also include those holding what are essentially transitional visas: temporary visas but with definite pathways to permanent residency or citizenship.

Temporary migrants are workers on a time-limited labor scheme or those who, by their own volition, stay temporarily. This distinction is important, given that the circumstances surrounding these two sets of migrants are quite different, and thus have correspondingly different policy implications. Return itself can be also differentiated as either permanent or temporary.

Following this conceptual framework, Table 1 provides country-specific examples of differ-

ent types of circular migration. The return wave among the Irish Diaspora in the late 1990s is an example of what may be a truly triple-win scenario. Alan Barrett and Philip O’Connell’s study based on Ireland’s labor force survey data from the mid-1990s confirms that the returning Irish were relatively highly educated and that their return fueled Ireland’s then-burgeoning software sector.

The permanent return of temporary workers can be similarly beneficial. Korean firms participating in turn-key projects in the Middle East during the 1970s acquired project management skills that were applied to the large construction projects in the Korean industrialization drive a decade later. In both cases, the migrants acquired skills and experience while abroad, and then used them upon settling permanently back in their home countries.

Return, however, need not be permanent, but is in many cases temporary or even cyclical. AnnaLee Saxenian’s survey of Silicon Valley, California, found that permanent migrants of Taiwanese, Indian, or Chinese descent are returning to their native countries regularly for business purposes. About half of these foreign-born professionals reportedly returned for business at least yearly. Known among the local Chinese as “astronauts,”

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Table I. A Typology of Circular Migration

	Permanent Migrants	Temporary Migrants
Permanent Return	A. Return of the Irish Diaspora in the late 1990s	B. Korean turn-key project managers in the Middle East
Temporary Return	C. Taiwanese “astronauts” from Canada and Silicon Valley, California.	D. Contract workers from the Philippines

these so-called transnational entrepreneurs set up subsidiaries, joint ventures, subcontracting, or other business operations in their countries of origin.

Many temporary migrants also return temporarily. Reportedly more than half of contract workers from the Philippines, for example, return home only to migrate again. Reasons for re-migration varies, but often can be attributed to lack of enough savings and poor employment and/or investment opportunities at home.

**Extent of Circular Migration:
Making the Invisible Count**

It is impossible to come to any agreed estimate on the number of people engaging in circular migration. Neither census data nor the kind of administrative data that measures the entry and (much more imperfectly) the exit of immigrants, tourists, business visitors, international students, and so forth is suited to capturing the movements of many kinds of circulating migrants.

Circulation among Permanent Migrants

The permanent or temporary returns of permanent migrants are difficult to estimate. While many countries of destination have registration procedures in place that allow assessment of the number of incoming immigrants, estimation of outflows of immigrants is less straightforward. As already noted by a number of authors, the permanent settlement migration paradigm still defines most data collection systems. There are typically no procedures in place that register emigration. For example, the Taiwanese “astronaut” with both Canadian and Taiwanese passports, who travels between native and adopted countries, may not be counted as a migrant by either state.

One way to assess the degree of out-migration among permanent migrants is to use census or survey information that compares the size of foreign-born cohorts between two decennial censuses. Although these estimates do not capture emigration of recent arrivals and are sensitive to the enumeration and reporting

problems of censuses, they do show a non-negligible rate of circulation even among permanent migrants.

During the 1980s, Robert Warren and Jennifer Marcs Peck, using US Census and Immigration and Naturalization Service statistics for legal residents, found that more than one million foreign born (one-third of legal immigrants) left the United States between 1960-1970. Likewise, using administrative and survey data, Guillermina Jasso and Mark Rosenzweig found that of the 15.7 million immigrants admitted to the United States between 1908 and 1957, about 4.8 million emigrated. Estimates in more recent cohorts reveal roughly similar trends. Most recent estimates on the United States indicate that, of the 10.6 million foreign born who immigrated between 1990-2000, about 2.25 million eventually left. A related census-based approach used for Canada by Kit-chun Lam also shows a substantial amount of return or onward migration. Similarly, Abdurrahman Aydemir and Chris Robinson's study indicates a Canadian out-migration rate of 35 percent among young working-age male immigrants 20 years after their arrival. Special runs of the 2001 Census of Hong Kong also point out strong evidence of circulation among permanent emigrants. About 86,000 emigrants reportedly returned to Hong Kong from the period of 1996–2001, 40 percent of them moving from Canada. Indeed, Canadian passport holders formed the majority of returnees, with the Canadian Chamber of Commerce in Hong Kong putting their current population at almost half a

million. Due to limitations in data, it is difficult to pinpoint whether the return is mostly permanent or temporary.

It is important to note at this point that departures initiated by migrants themselves—what may be characterized as spontaneous circulation—is very different from required departure. The difference has important policy implications. Policy approaches to spontaneous returns, whether temporary or permanent, are likely to be characterized by facilitation of travel and re-entry, and construction of incentives to engagement in both countries of origin and destination. Employment programs that have departure (possibly with the prospect of re-entry at a later date) as a condition of participation must rely on a harder, enforcement-oriented approach that provides both workers and employers with strong disincentives for breaking the rules.

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Circulation among Temporary Migrants

The extent of circulation among temporary migrants may be easier to characterize. Estimates from the International Labor Organization (ILO) reveal a rising trend of temporary migration. Since 1997, the number of temporary migrants going to countries that

belong to the Organisation for Economic Co-operation and Development (OECD) has increased annually by 9 percent. Temporary migration to East and West Asia, including Saudi Arabia and the United Arab Emirates, has also been steadily increasing by 2.5 percent per year since 1985.

The trend toward temporary employment applies across regions and levels of economic development in the receiving countries. For example, in Australia, a traditional immi-

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grant-receiving country, the number of temporary workers tripled between 1995 and 2004. According to the OECD, the total inflow of temporary workers to Australia for the period was around 115 percent of the number of permanent settlers, with 355,700 tempo-

rary workers compared to 308,000 permanent workers. In the United States, the number of temporary workers grew by an average of 10.4 percent annually, from 208,100 in 1997 to 396,700 in 2004.

Much the same pattern prevails in other countries. New Zealand had about 69,800 temporary workers in 2004, up 175 percent from 25,400 in 1998, and France admitted around 10,000 temporary workers in 2004 as compared to 4,300 in 1998.

The proportion of temporary migrants who have actually returned to their countries is more difficult to characterize. Estimates, some with heroic assumptions, do abound.

Amelie Constant and Klaus F. Zimmermann's 2003 study of Germany's guest-worker program suggests that more than 60 percent of guest workers in Germany are found to be repeat migrants. Another study by Robert Holzmann and others, using OECD data on the exit of visa holders, estimates that between the period of 1992-2001, more than 50 percent of Moroccans in Germany, Filipinos in Japan, and Turkish migrants in Austria, Germany, and Switzerland eventually returned to their host countries. Limitations in OECD data, however, may make this assertion a bit suspect. It is difficult to tell whether the temporary workers who left actually returned to countries of origin or moved onward to a third country or simply overstayed their visas and remained hidden in the underground economy.

The Philippines has some 3 million of its citizens working abroad on finite, government-supervised labor contracts, most of whom return when their contracts expire—at least temporarily. In the 1990s, about 60 percent of those who left the Philippines on temporary contracts had been abroad before, a trend that continues well into this century. According to the Philippine Department of Labor and Employment, about 51 percent of contract workers deployed within the first six months of 2006 were rehires.

The Impact of Circular Migration on Developing Countries

The impact of such circular migration on the development of migrants' countries of origin is complex. Studies are just beginning to

accumulate. Recent findings from countries as diverse as Taiwan, China, India, Mexico, Ghana, and Ireland, to name a few, seem to suggest that circular migration can have a positive and non-negligible impact on development. The impact, however, varies depending largely on three important factors: (1) the socioeconomic conditions in destination countries; (2) the circumstances leading to return and whether return is planned, forced, or spontaneous; and (3) the characteristics of the migrants themselves (i.e., highly skilled, trained, well-financed). Recent experience in China, India, and the Philippines illustrates this point.

Positive Circularity China recently has experienced a significant rise of returnees with advanced technical knowledge. Many of the returnees have graduate degrees, including a high percentage of PhDs and MBAs. A 2002 survey of 154 returnees and locals in high-tech zones in six Chinese cities found that returnees in the private sector often bring back high-level technology unavailable in China. A recent and comprehensive survey of India's software industry revealed roughly similar trends. About 30-40 percent of highly skilled Indian returnees had relevant work experience in a developed country. Indeed, some have attributed the rise of India's software industry in part to returning non-resident Indians.

Negative Circularity Circularity, however, does not in all cases lead to positive outcomes. Some studies looking into the developmental impacts of the return of temporary contract

workers, particularly from the Middle East, are more negative. Gopinathan Nair's study of Kerala, India, for instance, found that returned migrants are, in general, middle-aged persons with low-levels of education, skills, and experience. Not surprisingly, half of them were found to be unemployed upon return. Although several schemes for concessional loans and other incentives for small-scale investors exist in Kerala and in India as a whole, the study found that the poor investment climate combined with the local government's lack of a return migration policy resulted in "paper schemes" that are "hardly accessible to migrants."

Roughly similar experiences can be found in the Philippines. In a 2002 visit to the country, the Special Rapporteur of the United Nations Commission on Human Rights, Gabriela Rodríguez Pizarro, noted that temporary migrants often have no savings and few chances to find employment upon their return. Statistics from the Philippine Overseas Employment Agency indeed revealed that about 70-80 percent of overseas contract workers do not have significant savings upon return.

Putting Circular Migration in Context The mixed results from these studies, although still few and mostly preliminary in nature, suggest the promise as well as the perils of circular migration. Circular migration's

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impact on development tends to be positive when: a) the socioeconomic conditions in countries of origin have improved or are strongly expected to do so; b) the return, whether on a temporary or permanent basis, has been voluntary and planned; and c) the returnees have gained skills and savings while abroad. In cases that fail to meet any of these conditions, circular migration's impact on development may be

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very limited. The goal of policy therefore, is to create circular migration arrangements that allow for positive circularity.

III. Policy Routes: The Usual Path and the Road Less Traveled

The Usual Path

The two most common policy routes to encourage circularity have been to create incentives for migrants, both permanent and temporary, to maintain ties with their countries of origin, or to institute strict measures to prevent the possibility of overstaying temporary visas. Policy prescriptions, however, have generally differed depending on migrants' residency status, skill level, and/or financial standing.

Luring the Diaspora to Return For permanent migrants, including the second and subsequent generations, governments and some

international organizations have offered incentives that make return, whether on a temporary or permanent basis, more appealing. The focus, however, has been mainly on the highly skilled or well-financed members of the Diaspora.

Taiwan and Korea, for instance, started in the 1960s to identify and offer "high flying individuals" research autonomy, salary top-up, and other benefits in a model that is now being emulated by China on a much larger scale. Starting in 1989, China set up a new service center offering returnees housing assistance, duty-free purchases, and offers of return airfares for self-financed students. There are also programs aimed at attracting back nationals for shorter "testing the waters" visits of perhaps one year. Other countries, such as Jamaica, Uruguay, and Argentina, have had similar programs in the past.

Some governments assigned or created a lead coordinating body to organize these initiatives. Efforts have been coordinated by the Ministry of Science and Technology in Korea and by the National Youth Commission (NYC) in Taiwan. These offices enjoy consistent budgetary and administrative support from the very top of government. Other countries have followed suit. El Salvador adopted Executive decrees creating a Vice-Minister for Salvadorans Abroad as well as an inter-institutional network dealing with expatriates. In India, a Non-Resident Indian and Persons of Indian Origin Division was created under the Ministry of External Affairs. These official bodies work to encourage and

solidify the ties between emigrants and their home countries, and to facilitate the reintegration of those who return.

Using similar incentives, the International Organization for Migration (IOM) has helped expatriates from 11 African countries and Afghanistan return home, but in very small programs and at high cost. A similar example is the UN’s Transfer of Knowledge through Expatriate Nationals (TOKTEN) program that subsidizes professionals to return to their countries of origin for a short period of time to impart skills acquired while abroad. TOKTEN is especially active in the West Bank and Gaza. Since its inception in 1994, more than 400 Palestinian expatriate professionals have served in senior advisory and planning positions in various key Palestinian

Authority ministries, leading Palestinian institutions, nongovernmental organizations, and private sector institutions. Moreover, about 18 percent of TOKTEN consultants have decided to return to the occupied Palestinian territories permanently.

Keeping Temporary Workers Temporary

For migrants on temporary worker schemes, policy prescriptions have focused less on incentives and more on designing schemes with particularly strong return provisions—a trend more true for less-skilled rather than high-skilled occupations.

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	The Usual Path Maintaining Ties to Countries of Origin	The Road Less Traveled Maintaining Ties to Countries of Destination
Permanent Migrants: (including Members of the Diaspora)	Provision of Return incentives: focus on the highly skilled and/or well-financed	Removing Disincentives to Circulation <ul style="list-style-type: none"> • Flexible residency and citizenship rights • Portable benefits • Accessible Information
Temporary Migrants	Restrictive temporary worker schemes with particularly strong return provisions and stiff penalties for overstaying	Flexible and open working arrangements <ul style="list-style-type: none"> • More flexible contracts • Options of re-entry • Portability of visas • Building Skills and Entrepreneurship

to permanent status. Some receiving governments have adopted rules restricting mobility, access to the general population, and even access to migrant workers' own wages.

The United Arab Emirate's labor policy, for instance, generally segregates migrant workers from the host society. Almost 70 percent of contract workers are reportedly housed in worker camps located away from the city and

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are transported on a daily basis by the employers to their work sites. Women domestic helpers in Singapore are not allowed to marry a Singaporean man and, if found to be pregnant, are subject to deportation. Mandatory saving accounts, whereby temporary migrants

pay a proportion of their earnings into a fund redeemable only upon return, are increasingly common, similar to savings plans already operational in a number of countries such as Taiwan, and selectively in the United States and the UK.

Governments have also adopted stiff penalties for overstaying such as fines, imprisonment, and, in some cases, even physical punishment. Overstaying guest workers in Singapore, for instance, face not only the confiscation of bonds but also mandatory caning and up to six months' imprisonment

for illegal entry. Roughly similar laws are enforced in Malaysia and also in Japan and Thailand, but without provisions allowing corporal punishment.

Proposals coming from the West can be quite restrictive as well. A World Bank economist, for instance, suggests the hiring of a private insurance agency with the power to apprehend temporary migrants who fail to return. In Maurice Schiff's proposed "solution to the guest-worker program," a private agency would buy an employer's foreign-worker bond and charge an insurance premium. If the guest worker were to return home, the agency would redeem the bond with interest; if not, the agency would try to apprehend the worker to recover the bond's money. If the worker could not be found, the agency would forfeit the bond.

In reality, in liberal democracies, temporary workers who do not leave the country at the end of a labor contract often continue to work without authorization. They lose their legal status and are subject to arrest and deportation if apprehended. Employers are subject to penalties for knowingly hiring unauthorized workers, but rarely face a direct penalty if temporary workers do not leave. The difficulty of actually enforcing return is one of the greatest obstacles to the adoption of broad policies of circularity in liberal democracies.

The "Usual Path" to Nowhere? Whether the usual path of maintaining ties to countries of origin through incentives and strict return provisions is effective in facilitating circular-

tion—and is ultimately good for development—remains unclear. Subsidizing the return of highly skilled members of the Diaspora has been met with criticism mainly due to the high costs involved. Likewise, restrictive provisions in many temporary schemes, while effective in ensuring return, may facilitate the negative circularity described earlier in this policy brief—to say nothing of the human rights consequences of harsh restrictions. Pending more serious studies on these issues, firm conclusions are difficult to attain.

What is increasingly clear, however, is that the usual route, by itself, does not work well. Maintaining ties to countries of origin, although a critical component, is not the only driver of circular migration. Although it may seem counterintuitive, fostering positive ties to countries of destination is also critical.

Studies in countries as diverse as Taiwan, China, India, Mexico, Ghana, Ireland, and Morocco suggest that migrants who have returned and successfully invested in their countries of origin have often established relatively successful careers in destination countries. These circular migrants managed not only to save enough money to make significant investments in countries of origin, they have also created and maintained strong networks in the destination countries to sustain their transnational businesses.

In other words, effective circular migration arrangements call for policies that strengthen ties to countries of both origin and destina-

tion—that accommodate the “transnationalism” that many immigrants today incorporate into their lives. The appropriate policy goal, therefore, is to create an environment that makes migrants more likely to succeed in *destination* as well as origin countries—as manifested, for instance, by accumulated savings, newly acquired skills, and successful business ventures. In that framework, success at destination makes circulation more likely.

The Road Less Traveled

Depending on migrants’ residency status, positive circularity can be facilitated by: (1) sponsoring temporary worker schemes with more flexible and open working arrangements; and (2) removing disincentives to circulation that discourage permanent emigrants and members of the Diaspora from returning.

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Moving Beyond Traditional Guest Worker Programs

Some of the recent writings on temporary schemes call for more flexibility and openness in the system, such as longer and more flexible contracts, options of re-entry, portability of visas, and building skills and entrepreneurship.

1. Longer and more flexible contracts:

Temporary contracts are often not long and flexible enough to enable migrants to, first, recover financial costs associated with migration (such as debts, placement fees, etc.) and second, save enough money to establish businesses upon return (and even while still abroad). For instance, some assessments of the now defunct sector-based schemes in the UK noted that the one-year work permits

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issued to migrants in low-wage occupations kept workers from saving enough money to allow meaningful investment upon return. Indeed, a number of studies suggest that return after a brief period abroad is less likely to contribute to development. This is

especially true among low-skilled returnees who had to return unexpectedly and/or were unable to adapt to the host country. Historian Francesco Cerase's analysis from almost 30 years ago that "return of innovation" is the most relevant factor to development still holds today.

2. Options of re-entry: The ability to apply for repeated temporary stays, with some kind of preferential access to work permits, stabilizes migrants' relationship with countries of destination. Switzerland's long practice of

allowing temporary access to its labor market on a renewable basis appears to encourage circular migration, though under very tightly controlled conditions. Studies of Canada's temporary worker program with Mexico have reached similar conclusions. A 2006 study by a Canadian think tank, the North-South Institute, found that "between 70 and 80 percent of the migrants are rehired by name from a previous season and receive priority in the immigration processing." It is important to note, however, that the small scale of the program (about 14,000 workers per year) raises doubts about its broader applicability, and it is quite inflexible about return requirements.

3. Portability of visas: Most temporary worker schemes tie migrants to particular employers and jobs with contracts, and restrict or prohibit migrants from changing employers. The H-1B visa, for instance, is the largest of such programs in the United States. It enables employers to hire foreign professionals with at least a university education. Although H-1B visa holders can remain in the country for up to six years and many find ways to adjust their status to permanent residency, they are formally tied to their employers. Allowing migrants to change employers gives them leverage in what is otherwise an unequal employment relationship potentially ripe for abuse and exploitation.

4. Building Skills and Entrepreneurship:

Some migrant-sending countries, such as the Philippines and Indonesia, have acknowledged the role of skills training in making

their less-skilled temporary workers more competitive, and as a means to protect their rights. Most policy initiatives and recommendations have centered on building basic skills, such as language, cultural, and in some cases vocational training; and on teaching saving, investment, and business know-how. Although increasingly practiced in migrant-sending countries and among international organizations, skills and entrepreneurial training of temporary workers while in host countries remains uncommon. The private sector, in general, finds few incentives for further training of the less skilled. As results of a very recent study by the United Kingdom’s Learning and Skills Council (LSC) suggests, most employers perceived the training of the less skilled as a “cost to be avoided.” Less-skilled migrant workers are expected to learn from co-workers on the job.

Removing Disincentives to Circulation Facilitating circulation among permanent migrants, on the other hand, requires the removal of disincentives to circulation, primarily by providing flexible residency and citizenship rights, portable benefits, and access to information.

1. Flexible Residency and Citizenship

Rights: Reliable data on the numbers of dual or plural citizens remain sparse. Some reports suggest that about half of all countries allow dual citizenship. Among migrant-sending countries, the trend is clearly toward dual nationality. In 2000, ten countries in Latin America—Brazil, Colombia, Costa

Rica, the Dominican Republic, Ecuador, El Salvador, Mexico, Panama, Peru, and Uruguay—already have such provisions. The implementation of dual citizenship practices varies considerably among states, however. Several countries, including China, Iran, and Greece, have no provision for expatriation; thus, persons born in China are still considered Chinese citizens if they take another nationality, regardless of whether they desire or claim dual citizenship. India approved selective dual citizenship to nonresident Indians living in wealthy, industrialized countries around the world but withheld it from Indians living in poorer or less developed countries. The expatriate community from Colombia, including members with alternate citizenship, is allowed to elect representatives to the Colombian legislature and Dominicans abroad can run for office in the Dominican Republic even if they maintain primary residence and citizenship abroad. Several countries, including, recently, Iraq and Peru, also allow overseas citizens to vote in national elections.

For a number of migrant-receiving countries, dual citizenship remains a highly contentious proposition. In Germany for instance, dual citizenship has been interpreted by some as weakening citizenship and/or loyalty to Germany. In Marc Howard’s study of 15 EU

Restrictive proposals such as those limiting temporary migrants to a stay of two years, with a limited number of renewals, may be self-defeating.

countries, 10 countries prohibit naturalized immigrants from holding dual citizenship.

Circularity may also be inhibited by the *processes* involved in acquiring residency and citizenship rights. Migrants applying for permanent residency in the United States cannot travel abroad without seeking special permission—a lengthy and cumbersome process. Application for naturalization can only begin after fulfilling a five-year continuous residency requirement; the clock is reset if the migrant is absent for more than six months, which essentially discourages circulation by legal permanent residents.

IOM has had limited success in recruiting expatriates back to Africa, partly due to deep

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concerns about the inability to return to previous occupations and to maintain residency status in host countries. This reportedly led to a change in strategy within IOM, with the focus shifting to recruiting Africans who have

become naturalized citizens for temporary assignments in their home countries.

2. Portable Benefits: Countries of destination should also seriously consider offering portable pension, health and life insurance benefits, in order to remove the disincentives for return. For instance, a recent study indicates that only 20 percent of migrants world-

wide currently work in host countries where full portability of pension benefits is assured. This lack of portability may have hindered circulation among permanent residents and second-generation immigrants.

3. Accessible Information: Countries of origin and destination may also cooperate to set up networks and databases designed to connect expatriates with projects, jobs, and other opportunities to be actively engaged with their home countries. Governments such as those of Korea and Taiwan have set up networks and maintained a database designed to help national scholars abroad find public or private employment at home and to help domestic employers identify highly educated nationals abroad. Although some countries have followed suit in recent years, such as Colombia, Uruguay, and South Africa, problems in maintaining a truly useful, accessible, comprehensive, and up-to-date database still abound.

IV. Some Caveats: Learning from the Past and Stepping into the Future

Learning from the Past

The road less traveled is neglected for many reasons, mostly driven by political constraints and passionate public perception rather than dispassionate economic reasoning. In countries that are increasingly hostile to immigration and yet, ironically, more in need of it, it is not hard to see the contro-

versy in a policy characterized by flexible contracts and residency rights as well as portable benefits and visas.

Policymakers may take refuge in the fact that lessons from the past abound. A number of lessons learned and so-called best practices can be gleaned just from the few examples suggested in this policy brief. Policymakers, however, would be hard-pressed to find a perfect model— as of this writing, there is none. The key policy challenge is not just a matter of finding an existing program and taking it to scale or adopting a program from one region and implementing it in another. Rather, it is about cherry-picking different elements of policy design among various programs that may work if put together in the particular socioeconomic and political contexts of the countries involved.

Only after careful experimentation, through small-scale pilot programs, followed by incremental adjustments, will initiatives begin to work as well on the ground as they promise to on paper. The policy routes described in the last section are indeed just that—routes, not blueprints.

Experience shows how the “usual path” has not, and in all probability will not work, on its own. People respond to incentives and disincentives only if they are appropriate and reflect what is happening on the ground.

The generous return incentives reserved for highly skilled and well-financed members of

the Diaspora may amount to nothing in the eyes of permanent migrants who still find the socioeconomic and political conditions in their origin countries dismal and expectations of improvement grim. Temporary labor programs that measure success mainly by the rate of return, and do not consider the return’s impact on the welfare of migrants, their families, and their sending countries may find temporary workers opting not to play by the rules and migrant-sending governments with limited capacity less than enthusiastic in enforcing them.

Designing appropriate and practical incentives is the key. The “road less traveled,” described above, widens the pool of incentives available to policymakers. It recognizes that enabling migrants to comply with the rules is as important as the rules themselves.

Circularity, however, does not in all cases lead to positive outcomes.

In the case of temporary migrants, for instance, longer and more flexible contracts, with options of re-entry, may allow migrants, especially those in low-wage occupations, to limit the expenses associated with migration and save the money and gain the skills found critical in more successful returns. Investing in basic skills and entrepreneurial training might also facilitate circulation by equipping migrants with the tools to make informed decisions concerning their rights, obligations, and options.

These considerations are rarely reflected in debates concerning temporary worker schemes. In the United States, for instance, discussions on the appropriate length of stay for temporary migrants rarely touch upon the impact on migrants' savings and skills acquisition and how that combination affects the prospect of compliance with the terms of the program. From this perspective, restrictive proposals such as those limiting temporary migrants to a stay of two years, with a limited number of renewals, may be self-defeating. Ironically, strict provisions that are designed to ensure return may actually, in some cases, facilitate what they are trying to prevent—overstaying.

Stepping into the Future

The 21st century has been described as a new age of global mobility. The increasing economic integration of many countries creates tension with the political boundaries established in an earlier time. The global movement of people can offer benefits on a global scale similar to freer trade and finance flows. But this potential is most likely to be realized through a more cooperative framework that recognizes and encourages circularity as a dynamic pattern of transnational movement, not just a means of avoiding the challenges of immigrant integration or illegal immigration.

In the thinking, design, and implementation of truly circular migration arrangements, it is critical to focus on three factors:

Effective circular migration arrangements require, first and foremost, innovative thinking. Countries might consider “special” circular migration arrangements that have a primarily development-driven agenda. For instance, the US National Institute of Health's Fogarty International Center (FIC) aims to strengthen the capacity of institutions in low- and middle-income countries to conduct HIV/AIDS-related research by training African researchers in the United States and continuing to work with them upon their return. Incentives such as the development of health infrastructure in the trainee's home country and provision of research support upon return, coupled with the use of short-stay visas to discourage continued stay, have worked well.

Studies have also pointed to the merits in opening up circular migration schemes with the least-developing countries and for less-skilled work, such as seasonal agricultural work and work in the hospitality, food, and construction sectors. Economic models of increasing labor mobility predict that both developing and developed countries gain most from the migration of low-skilled workers. But, as discussed earlier, ensuring circular patterns of movement among less-skilled workers from less-privileged countries poses difficult problems of implementation. Investment in understanding the motivations and goals of migrants will be repaid in more accurately targeted incentives and disincentives.

Second, *issues of sustainability should also be front and center* in any circular migration program. Programs are more likely to win continuing financial and political support if they are: (1) consistent with the development agendas of countries of origin; (2) generate a sense of ownership on the part of both countries of origin and receiving countries; and (3) encourage active participation of different stakeholders—in particular the private sector.

For example, although Taiwan and Korea spent substantial resources in the early 1960s tracking and maintaining ties with highly skilled nationals abroad, the scope was fairly limited—the generous incentives were reserved for expatriates who could be useful in particular fields judged by government planners to be critical to future industrialization. There was also a concerted effort to seek the active participation of the private sector.

Lastly, *ongoing monitoring, evaluation, and frequent adjustments should be the backbone of any circular migration program*. The rate of return, although an important component, should not be the only measure of success. The impact of circular migration on the social and economic well-being of migrants,

the development of their communities and countries of origin, and the economic growth of the receiving countries—both in the short and long term—are all essential yardsticks of successful policy implementation.

Monitoring and evaluation of this nature will be impossible without the availability of reliable data and information. The nature of the transnational movement of people requires data to be collected from countries of origin and countries of destination, which in turn calls for coordination of such data from various sources.

As already noted above and worth repeating, the permanent settlement migration paradigm still defines our data collection systems. Thus, no system is yet in place to capture adequately the

As already noted above and worth repeating, the permanent settlement migration paradigm still defines our data collection systems.

contemporary movement of people. Without adequate data to anchor conclusions, the option of playing it safe by doing little remains strong. In this scenario, the developing world may end up with policy recommendations that may satisfy their authors, but rarely help their supposed beneficiaries.

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The Migration Policy Institute (MPI) is an independent, nonpartisan, nonprofit think tank dedicated to the study of the movement of people worldwide. The institute provides analysis, development, and evaluation of migration and refugee policies at the local, national, and international levels. It aims to meet the rising demand for pragmatic responses to the challenges and opportunities that migration presents in an ever more integrated world. MPI produces the Migration Information Source at www.migrationinformation.org.

This policy brief is the first in a series from MPI's Program on Migrants, Migration, and Development. Upcoming reports will address remittances to India, the policy gap between migration and development strategies, and an analysis of the Overseas Workers' Welfare Administration in the Philippines. Previous publications of the program include:

- "Remittances and Development: Trends, Impacts, and Policy Options: A Review of the Literature" by Dovelyn Rannveig Agunias, September 2006. Available online at: http://www.migrationpolicy.org/pubs/mig_dev_lit_review_091406.pdf.
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MPI's work on Migrants, Migration, and Development is made possible by the generous support of the John D. and Catherine T. MacArthur Foundation, and by a grant from the Multilateral Investment Fund of the Inter-American Development Bank.

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