

# THE DEVELOPMENT IMPACT OF MIGRATION UNDER NEOLIBERAL CAPITALISM

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## **Abstract**

Neoliberal migration theory focuses on the development impact of migration in both labor sending and receiving countries. It regards migration as an integral component of a continuous process of capitalist development, and not as a phenomenon to be analyzed separately, the mistake of hitherto studies on the relationship between the two concepts. It represents development as capitalist rather than alternative development, and fails to recognize the class dynamics in the development impact of migration – the principal concern of this historical-structural essay. The alternative position is taken that the direction and flow of migration are determined by global flows of capital, currently supported by super-structural arrangements involving a complex of international institutions, academics, research programs, reports, policy prescriptions, and policy makers that promote the unhindered flows of capital and managed migration in furtherance of the imperialist-centered model of accumulation. The neoliberal focus on migration and development maintains class inequality in society.

**Keywords:** Class, migration and development; diaspora and remittance; migration and the millennium development goals; migration and human development; separation walls

## INTRODUCTION

Neoliberal migration theory in the current period of globalization – imperialism in the twenty-first century – focuses on the development impact of migration in both labor sending and receiving countries. Its aim is to influence economic and social policy and the theoretical debate on the linkages between development and migration. In essence, the neoliberal approach is a return to the hitherto quests in socio-economic theory on the right to establish positive and negative linkages between migration and development. However, neoliberal theory regards migration as an integral component of a continuous process of capitalist development, and not as a phenomenon to be analyzed separately, the mistake of hitherto studies on the relationship between the two concepts. The neoliberal approach therefore seems to mirror the world systems theoretical proposition that migration is an integral component of the global expansion of capitalism, which historically required both forced and voluntary movements of people from Africa, Europe, and Asia on a unprecedented scale since Europeans stumbled on the so-called New World in the late fifteenth century. Both these approaches, however, fail to recognize the class dynamics involved in development and migration processes.

The principal concern of this essay is with the class dynamics of migration and development in the neoliberal period of global capitalism. It takes the alternative view that the direction and flow of migration are determined by global flows of capital (Petras, 2007) currently supported by super-structural arrangements involving a complex of international institutions, academics, research programs, reports, policy prescriptions, and policy makers that promote the unhindered flows of capital and managed migration in furtherance of the imperialist-centered model of accumulation. This complex of institutions, prescriptions and actors are all mobilized to serve the interests of neoliberal capitalism within the current framework of the “imperialist-centered model of accumulation” (Petras, 2006; Petras, 2007; Delgado-Wise, 2009). To this end the essay is intended as a contribution in recognition of the need to “put forth an economic model” on migration “which encompasses

the historical relations between the imperialist nations and the semi-colonies of the Third World” (Petras, 2007: 40) and for “a theoretical approach based on a Marxist critique of the dominant perspectives regarding the migration-development nexus” (Wise, 2009: 794).

The standard line of reasoning on migration and development prevalent within the community of academics, policy makers, and international institutions, which are the torch bearers of the neoliberal theory of migration and development is that migrants play an important role in promoting development and poverty reduction in the people-sending countries, and that they contribute towards the prosperity of people-receiving countries. The global capitalist ruling classes and the elites that work for them in the halls of academy and the international institutions such as the World Bank and the IMF have been busy in recent years identifying new directions for action on the issue of migration and development. Which class stands to benefit the most from an understanding of the development impact of migration in capitalist society? The answer is clear – the chief beneficiaries are the neoliberal capitalists in the rich migrant-receiving states and their collaborators in the state bureaucracy and private sector in the migrant-sending countries.

The central theses and argument of the essay are presented before a background discussion on hitherto attempts in the literature to establish linkages between migration and development to the benefit of global capitalism (Özden and Schiff, 2007). The discussion here focuses on some key theoretical issues and concerns, and the main phases in the debate on linking migration and development policy. Thereafter, attention is turned to the new directions and thinking on migration and development in the neoliberal period. The goal here is to demonstrate the cohesiveness of the global class forces, represented by the elites in the international organizations in their control, as they speak in one accord on the development impact of migration. The central planks of the neoliberal view on the development impact of migration are presented with respect to remittances, the role of diaspora, and the impact of migration on the Millennium Development Goals (MDGs) and human development. Finally, before concluding there is a critical analysis of separation fences in Israel and the US, and the European Union’s

collaboration with Libya to keep out migrants. The class dynamics of migration in neoliberal capitalist development is revealed in terms of the intra-class tensions over the role of migration. Neoliberal capitalism advocates migration as an agency for capitalist development, but simultaneously takes action to constrain the movement of people.

## THESIS AND ARGUMENT

This essay engages in a historical-structural analysis of the development impact of migration under neoliberal capitalism. The central questions are: Why neoliberal theory advocates a new direction and thinking on migration and development in the current period of global capitalism? What are the class dynamics of migration as manifested in the complex of international institutions, research programs, reports, and policy prescriptions mobilized to facilitate the flows of capital and migrants in the current period of neoliberal capitalism? Its thesis is that the relationship between migration and development as formulated in neoliberal theory and the international organizations<sup>1</sup> serve to perpetuate the concentration of capital accumulation in the rich countries, deepen the capitalist exploitation of migrant workers, and maintain the status quo of the asymmetrical international division of labor that favors the rich states.

The argument is that neoliberal theory on the development impact of migration does not cut to the chase of the subject, which could only be meaningfully unraveled through an appreciation of “the historical relations between the imperialist nations and semi-colonies of the Third World” in the context of the class dynamics of capitalist development. The development impact of migration espoused by neoliberal theorists means only one thing – the use of managed or controlled migration to secure migrant labor for exploitation in the process of capitalist commodity production for market exchange in the furtherance of capitalist development. In the neoliberal view, development means capitalist development in which all humans are engaged in the production of com-

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1. For example, the Global Commission on International Migration (GCIM), the Global Forum on Migration and Development (GFMD), the International Organization for Migration (IOM), the World Bank, and the United Nations Development Program (UNDP).

modities for exchange in capitalist markets. The development impact of migration is not about understanding how migration could bring about credible development alternatives to capitalism. Alternative development means however the transformation of the class divisions and the power relations that concentrate accumulated wealth and political power in the hands of the few, and perpetuates economic and social inequalities, and systems of laws, violence and military apparatuses designed to facilitate the suppression of the majority by the minority.

## THEORETICAL BACKGROUND ON MIGRATION AND DEVELOPMENT

### *Some Issues and Questions that are Key Neoliberal Concerns*

There has been an ongoing concern with capitalist development in migration-related research, but according to Skeldon (2008) the deliberate manipulation and management of migration as a factor in the promotion of economic development is a recent phenomenon that emerged in the last fifteen years (Wise and Marquez, 2007). This is the period in which neoliberal market fundamentalist theory has risen to a hegemonic position vis-à-vis Marxist and other forms of historical-structuralist theory. Castles and Wise (2007) pointed out that the current focus on migration and development has to do with “powerful economic and demographic factors in both South and North,” and that migrants from the south are perceived as a problem and threat “to security, stability and living standards in the North.” Indeed, Wise and Guarnizo (2007) argue that “the effects of migration on development depend on large structural factors in which the two phenomena are embedded.”

However, the efforts to analyze the relationship between migration and development have been fraught with many difficulties. It is generally believed that migration is caused primarily by the lack of economic development, which forces people to move to greener pastures. The UNDP (2009) has reported however that migrants are not usually the poorest people, and the poorest countries do not participate the most in the global migration system. Furthermore, economic development increases rather than slows out migration. The little light at the end of the tunnel

in terms of remittances, the new skills acquired by migrants, and their contacts with their home communities (Skeldon 2008a), characterized as the benefits of migration to migrant sending countries, are identified as sufficient conditions to mainstream remittances, brain circulation and diaspora in the neoliberal theory of migration and development.

Neoliberal theory represents a break with the past in which migration and development were categorized as two separate phenomena that needed to be brought together to advance the living conditions in poor countries. It was considered then that appropriate migration policies were necessary to place migration in the service of development. Neoliberal theory however regards migration as an integral component of development. Due to the imprecise meaning of the term development, however, it is difficult to say what development migration will fashion. Nowadays, there seems to be some consensus on development in neoliberal theory around the Millennium Development Goals (MDGs), which is to end to human poverty. Although poverty reduction is an important gauge of development in the context of the MDGs, economic growth measured in terms of increases in a country's national income remains the principal method of appraisal of capitalist development.

Skeldon (2006) believes that migration theory must embrace politics, demography, sociology and other dimensions of development for it to be properly integrated into the development debate. This raises the issue of the problems of measurement and classification of migration. What role should be ascribed to internal migration and migration among poor countries in the debate on migration and development? This is important because the majority of migrants move within their own country, and among the poor countries. This migration is usually left out of the debate on migration and development (Skeldon, 2006; Skeldon, 2008a), which is preoccupied with international migration and in particular the movement of people from the developing countries to developed states.

Specific issues and key questions identified in the neoliberal literature for in depth analyses include the multidimensional nature of migration and the implications of the MDGs, and "migration transitions" involving social and economic advance through demographic changes

from higher to lower fertility and mortality rates. Thus, there could be a reversal of flows such that a country moves from a position of net emigration to net immigration. Docquier and Marfouk (2006) identified the UK as experiencing migration transition because in absolute terms compared with other countries more highly skilled Britons 1.44 million lived outside the country in 2000. Sriskandarajah and Drew (2006) noted that an estimated 5.5 million British citizens or 9.2 percent of the population lived abroad, which compares favorably with the Philippines and Mexico, regarded as the “classic” countries of emigration with an estimated 10 percent of their respective populations living abroad.

The perceived fault-lines – the separation of migration and development for analytical purposes, and the lack of precise definitions of development and migration – and the issues and questions identified are manifestations of the absence of class analysis in neoliberal theory on the development impact of migration. In the first instance, development is a capitalist class project that concentrates wealth and power in the hands of a few that suppress the majority. Second people do move voluntarily or on the basis of force as dictated by imperialist centered model of accumulation. Capitalist development is not only international it is also national and regional processes. Internal migration is as much a reflection of the class dynamic of domestic and international capitalism as is regional and international migration. Third, there is a litany of failed development approaches including basic needs and growth with equity in the developing countries that emanated from the international institutions and from all appearances the MDGs seem to be on the same path.

### *Theoretical Perspectives on Migration, Remittances and Development*

The study of development was bequeathed to present generations by classical political economy, which sought to unearth the causes for the accumulation of wealth (development) in capitalist in nation-states and to formulate appropriate economic policies to that effect. Armed with the tools provided by classical political economy, its neoclassical and Keynesian off springs and its Marxist critics, scholars and policymakers

developed a focus on development as “modernization” of the former colonies through their imitation of the industrialization processes in the advanced capitalist countries. This post-World War II understanding of development soon incorporated the study of migration to ascertain its contribution to capital accumulation or development in migrant-sending and receiving countries. When viewed from a historical vantage point the focus on the link between migration and development tend to ebb and flow, but with the ascension of neoliberal capitalism to hegemonic status globally there is a concerted effort by the global elites to squeeze even more profit from migration processes disguised as concerns to foster development in both migrant sending and receiving countries. The link between migration, remittances and development is addressed from three broad theoretical perspectives – developmentalist and neoclassical; historical structural and dependency; and the new economics of labor migration and livelihood (de Haas, 2010 and 2007).

### *Developmentalist and neoclassical perspectives*

Developmentalist believe that migration stimulates the transfer of investments capital from the North to the South and increases the exposure of migrant-sending communities to key ingredients – liberal, rational and democratic ideas, modern knowledge and education – to stimulate capitalist development. Migrants are regarded as important change agents, investors, innovators, with the foreign experience and newly acquired skills and knowledge, which when coupled with their remittances could lead to the economic take-off of their natal countries. Undoubtedly, exposure to these so-called key ingredients of capitalist development is really about bringing traditional communities into the fold of global capitalism. It is not about their economic and political liberation and empowerment. Moreover, the “take-off” is associated with an “anti-communist manifesto” for capitalist modernization (Rostow, 1960). Furthermore, Wise and Marquez (2007) argue that the neoliberal “perspective on which most related public policies are based, distorts the notion of development and obscures the root causes that drive the current dynamics of labor migration.”



The neoclassical perspective focuses on rural-urban migration it considers as a stimulant to economic growth and development. Rural-urban migration, which implies the transformation of agricultural workers into industrial laborers (Todaro, 1969), is a phenomenon championed from a classical perspective by Sir Arthur Lewis (1954). Lewis (1954) argues that the transfer of labor from the rural, traditional, agricultural sector operating at wage levels below the marginal product of labor, to the modern industrial capitalist sector in which the wage rate is above the subsistence level is crucial in the economic development of developing countries. Neoclassical theory postulates that the free movement of labor increases labor scarcity, productivity and wages in the migrant-sending countries, while capital will flow in the opposite direction to that of the movement of labor (de Haas, 2010 and 2007).

However, neoclassical economics does not have a place for remittances (Taylor 1999), but it does situate migration in a positive light such as in the balanced growth approach (Nurkse 1963), which conceptualizes development in terms of increasing production and market expansion. The main obstacle to development is identified as narrow, limited market opportunities, which requires the mobilization of all potential sources of capital including remittances from migrants, and investment planning by the state. Wage differentials between migrant-sending and migrant-receiving countries are seen to be the primary causes for migration, which contributes to the optimal allocation of production factors based on supply and demand forces in all labor markets. The view is that migration is a market force that will lead to factor price equalization – the leveling-out of wages in the labor-sending and receiving countries, which will put an end to the need for people to want to move. Thus, migration contributes to development through the process of factor price equalization.

### *The historical structural and dependency perspective*

The historical structural and dependency views on migration and development seriously challenged the optimism that prevailed on the subject in the 1970s. The critique of the developmentalist and neoclassical approaches to migration and development could be summarized as follows

– the that capitalist penetration of the periphery encourages migration, destroys traditional communities, undermines their economic development, uproots their populations, increases their dependence on global capitalism, and is the cause of the development of underdevelopment. Thus, structuralist theories regard migration as sustaining and reinforcing the problems of underdevelopment rather than alleviate them. The historical structuralist and dependency view is that migration stimulates the withdrawal of human capital, and breaks down tradition, stable village communities and their economies. Remittances encourage people to be passive, non-productive and promote remittance-dependent communities, while stimulating a brain and brawn drain among rural youths. Migration and remittances also promote inequality because of barriers that poor people face in moving. Remittances are not only spent mainly on conspicuous consumption and “consumptive investments” such as houses, and hardly invested in productive enterprises, but migrants purchasing with foreign currencies cause inflation in land prices in their natal countries. Besides, migration and remittances have negative socio-cultural effects leading to a change in taste in favor of imports. Migration artificially increases the family welfare of migrants due to remittances, which are unstable and temporary income and discourages autonomous economic growth in labor-exporting countries (de Haas, 2010 and 2007).

Through the process of “cumulative causation” (Myrdal, 1957) there is a causal link between economic prosperity in the rich countries and the flight of capital and labor from the peripheral countries. The neo-Marxist view, however, is that migration not only reinforces spatial and interpersonal disparities in development, it also reproduces and reinforce the capitalist system based on inequality. Endogenous growth theories with increasing returns are partly used to predict the outcomes of spatial and interpersonal asymmetries (Solimano, 2008). The basic premise of endogenous growth theory with increasing returns is that growth over time entails increasing returns to scale for a metropolis or a national economy, meaning that a proportionate increase in labor and capital gives rise to more than proportionate gains in output due to innovations, spillovers, enhancing skills, and productivity levels in the economy.

*Pluralist: new economics of labor migration and livelihood approaches*

The pluralist perspectives such as the new economics of labor migration (NELM) and the livelihood approaches emerged in opposition to the developmentalist, neoclassical, and structuralist theories in the 1980s and 1990s (de Haas, 2010 and 2007). The principal pluralist argument is that the NELM establishes open links between the causes and consequences of migration while simultaneously illustrating its drawbacks and positive aspects. This is said to be its strength over hitherto rigid and determinist approaches to the subject, which cannot properly address the complex relationship between migration and development. In the pluralist perspective migration is a potential source of investment capital and a livelihood strategy to overcome market constraints faced by ordinary households that prevent them from investing in productive activities to improve their livelihoods. The main constraints faced by ordinary households are inadequate access to credit or capital and risk or insurance markets, which are poorly organized in developing countries (de Haas, 2010 and 2007).

The NELM postulates that the basic decision-making unit is the household rather than the individual migrant and models migration as “the risk-sharing behaviors of households,” which arguably are in a better position than individual migrants to diversify its labor resources to minimize risks. It proposes that migrant households have addition motives to income maximization that influenced their decision-making and that people migrate even in the absence of substantial income differentials. The reason is that migration is a household response to income risks since migrant remittances serve as income insurance for households of origin. Livelihood approaches critical of neo-Marxists and dependency theories emerged among geographers, anthropologists and sociologists conducting micro-research in developing countries in the 1970s (de Haas, 2007). The critique is that poor people are not passive victims of capitalist exploitation they fight back by taking steps however limited to enhance their livelihoods. The pluralist perspective ascribes a significant role to human agency, and in this connection migration is an important strategy to diversify, secure and improve livelihoods (de Haas, 2007).

## NEW DIRECTIONS AND THINKING ON MIGRATION AND DEVELOPMENT

### *Migration and Financial Liberalization*

Indeed, what parades today as new directions and thinking in migration and development is nothing more than the chewing over of old bones. The difference is that the migration and development debate is being revisited at a historical conjuncture dominated by neoliberal capitalism. The core thrust of the neoliberal discussion is the central role assigned to remittances and Diasporas in the process of capitalist development in the periphery. Thus, the development impact of migration concerns the facilitation of remittances and Diasporas within the framework of market liberalization. Remittances are defined as a component of capital to be subjected to market liberalization, and migrants are a component of labor not as free as capital to move. Neoliberal capitalism is caught in an oxymoron in that it wants the migrants' money but not the migrants, but the money only comes with the migrants. In any event the global capitalist elites have been mobilized to put their hands to the wheel to bring about the desired result of neoliberal capitalism with respect to migration – the liberalization of remittances and promotion of managed migration. What follows below is a descriptive and critical analysis of the views emanating from the international institutions, research reports, and policy prescriptions designed to promote the development impact of migration under neoliberal capitalism.

A major assumption in neoliberal theory is that globalization is rapidly eroding national borders spurred-on by financial liberalization, which removes restrictions on the movement of capital. There has been considerable liberalization of trade in goods and some services in the international trading system, but the same cannot be said for the movement of labor on which there remains severe constraints. According to the International Organization for Migration (IOM), “liberalization of the movement of persons to provide services, pursuant to Mode 4 of the General Agreement on Trade in Services (GATS), has not kept up the pace,” and “for many developing countries the liber-

alization of trade, such as under Mode 4, is seen as an important contribution to their economies and employment opportunities for their nationals” (IOM, 2006: 33).

Its appearance therefore, neoliberal theory is promoting the unrestricted movement of persons within and across national borders, to complement the movement of capital and to stimulate the processes of economic and human development. In reality however, only lip service is paid to the removal of restriction on the movement of labor. The truth of the matter is that neoliberal theory is pushing for the finalization of migration that is the full integration of money transfers by migrants into the formal financial sector. The financialization of migration is rapidly becoming a centerpiece in neoliberal capitalism, disguised nonetheless as an essential ingredient in the economic and human development of both migrant-sending and migrant-receiving countries. Once remittance is fully incorporated into the financial system, the financial hawks could subject it to arbitrage, credit swaps, bets etc., to generate money for the super rich.

According to the IMF (2010) states have a right to limit capital flows by exercising such controls as are necessary to regulate international capital movements so long as they “do not restrict payments for current transactions or unduly delay transfers of funds in settlements of commitments” However, the IMF does have jurisdiction over “moderate remittances for family living expenses,” which is included in the IMF’s definition of “payments for current transactions,” classified as part of the kinds of capital transfers that requires liberalization (IMF, 2010). Remittances are therefore an integral part of global capital flows that neoliberal capitalism seeks liberalize. The problem is however that “there are no widely accepted ‘rules of the game’ for international capital flows” in spite of the fact that these flows are the “principal conduit for the transmission of global shocks” (IMF, 2010). The IMF claims that it is “hamstrung in its efforts to forge such rules,” which reflects the “perceived ambiguity in its Articles, divergent attitudes among members, and the legacy of a failed attempt to confront the issue in the late 1990s,” and the fact that its “Executive Board has not had a broad ranging discussion of capital account liberalization and controls since 1997” (IMF, 2010). The IMF sees its role as helping to develop “rules of the

game for global capital flows and in fostering multilateral, nondiscriminatory, approaches that look to the interest of both the originators and recipients of capital,” and to “provide a more complete framework to address the complex issues related to international capital flows” (IMF, 2010). The IMF is therefore anxious to place its hands on remittances as it creates ‘rules of the game’ on international capital flows. There could be only one true reason for this, which is to place remittances in the service of global neoliberal capitalism.

### *Migration and Remittances*

A primary plank of neoliberal theory is the marketization of remittances by migrants to their countries of origin. It seeks the introduction of policy measures that would formally bring into capitalist financial markets, the underground financial systems established by migrants to remit money to their relatives back home. The focus is on how the banking and financial intermediaries could capture through fees and pricing policies, their share of the billions of dollars that are remitted annually by migrants. Mohapatra, Ratha and Silwal (2010) of the Migration and Remittance Unit of the World Bank noted, “Officially recorded remittance flows to developing countries are estimated to increase by 6 percent to \$325 billion in 2010.” This figure had fallen by 5.5 percent to \$307 billion in 2009. Remittances declined modestly during the global financial crisis, compared with foreign direct investment (FDI), which decreased by 40 percent between 2008 and 2009, and private debt and portfolio equity flows that fell by 80 percent from their peak in 2007. The sharp decline in FDI and private debt and portfolio equity flows, relative to remittance flows are presented as evidence of the importance of remittance as a source of external financing and capital flows in developing countries.

The World Bank estimated that remittances amounted to 1.9 percent of GDP for all developing countries in 2009 but were nearly three times as important, 5.4 percent of GDP for the group of low-income

countries.<sup>2</sup> In line with the Bank's outlook for the global economy, the recovery in remittances is set to continue as it is estimated that they are "expected to increase by 6.2 percent in 2011 and 8.1 percent in 2012, to reach \$346 billion in 2011 and \$374 billion in 2012, respectively." These estimations are somewhat lower however, because the World Bank has changed its definition of "developing country," which now excludes Poland the recipient of \$9.1 billion in remittances in 2010 (Mohapatra, Ratha and Silwal, 2010).

Mohapatra, Ratha and Silwal (2010), have identified six reasons for the resilience of remittances in the face of economic crises in host countries. These are

- (a) Remittances are sent by the cumulated flows of migrants over the years, not only by the new migrants of the last year or two. This makes remittances persistent over time.
- (b) Tightening of border controls and fear of unemployment back home may encourage the migrant to stay abroad longer (i.e. increase the duration of migration). Those staying continue to send remittances.
- (c) Since remittances are a small part of a migrant's income; the migrant can cushion a fall in income by cutting costs (especially housing) and continue to send remittances.
- (d) A returning migrant is likely to take back accumulated savings, which are counted as remittances.
- (e) Fiscal stimulus packages in response to the financial crisis may also provide a cushion to migrant employment and outward remittances.
- (f) At the macroeconomic level, countries with diversified migration destinations are likely to have more resilient remittances (Mohapatra, Ratha and Silwal, 2010).

The "outlook for remittance flows, however, is subject to the risks of a fragile global economic recovery, volatile currency and commodity price movements, and rising anti-immigration sentiment in many des-

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2. Afghanistan, Bangladesh, Benin, Burkina Faso, Burundi, Cambodia, the Central African Republic, Chad, the Comoros, the Democratic Republic of Congo, Eritrea, Ethiopia, The Gambia, Ghana, Guinea, Guinea-Bissau, Haiti, Kenya, the Democratic People's Republic of Korea, the Kyrgyz Republic, the Lao People's Democratic Republic, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nepal, Niger, Rwanda, Sierra Leone, the Solomon Islands, Somalia, Tajikistan, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

ination countries” Mohapatra, Ratha and Silwal (2010). Three trends are identified for the medium-term, which could affect the outlook for remittances the first being high unemployment in the migrant-receiving countries, which has prompted restrictions on new immigration. Second, the application of mobile phone technology for domestic remittances has failed to spread to cross-border remittances. Finally, it is the view of Mohapatra, Ratha and Silwal (2010) that “developing countries are becoming more aware of the potential for leveraging remittances and diaspora wealth for raising development finance.”

Because money transfers do not always pass through the formal capitalist financial houses, the neoliberal view is that restrictions should be relaxed on money transfers, and pricing policy should be implemented to make it cheaper for migrants to remit money. If this were to happen it would stimulate the capitalist development process in the migrant-sending countries by making more money officially available in the financial system for investment in development projects. The migrant-receiving countries will also benefit because of the gains to be had by having more money passing through and held in their financial houses. The neoliberal idea is that if the state makes it easier and cheaper for migrants to remit money, then migrants would use the formal financial system to do so and not go underground. This would increase profits in the financial sector. Furthermore, the state should also look into the financial agencies already involved in money transfers to curtail any practices they may have that hinder remittance. Specifically, in this latter case, the concern is with the price of remittance, which requires state intervention through policy prescriptions to keep prices low.

Anti-terrorism and money laundering are central to the neoliberal theorist call for state intervention in the financialization of migration. But, their mission is clear – the generation of profit for the capitalist financial institutions engaged in money transfers, while stifling the development of alternative forms of money transfer outside of the capitalist financial system.



### *Diasporas in the Development of Migrant-Sending Countries*

A second plank in the neoliberal view on migration and development is the role being ascribed to Diasporas. The view is that the diaspora comprises “many of the best and brightest, as well as wealthiest, members of any country or community” living “outside their natal areas.” The neoliberal theorists are targeting the wealth of the diaspora as a source for raising development finance.

Migration of the highly skilled is regarded in negative terms for sending countries that lose their skilled professionals. Docquier and Marfouk (2006) argue, however, that in terms of absolute numbers the developed states and a relatively small number of middle-income countries in East and South Asia are the main sources from which highly skilled migrants come. Data on “the loss of skilled professionals as a proportion of the skilled workforce of any country” reveal however, that the brain drain is most profound in small-island and sub-Saharan states. Neoliberal theory has now renamed the brain drain as “brain circulation” (Skeldon, 2008a) to put a positive spin on it. The idea of “brain circulation” implies that skilled labor is not constrained by national borders, and that this is good for capitalist development. The “brain circulation” idea is a fall back to the neoclassical position on the allocation of labor based on supply and demand forces in the markets for skilled labor. Skilled labor is circulated according to both its demand and supply in different parts of the global capitalist system.

There is the view, however, that the specific place of origin of skilled labor is significant in the debate on the brain drain because if the skilled are concentrated in the largest urban areas, then their leaving will not significantly impact poor rural areas where the need for their skills may be greatest. But, if they were to leave from poor areas, then the impact will be more devastating. In Haiti, for example, it is estimated that about 90 percent of the doctors are located in the country’s capital Port-au-Prince, while in Ghana, the Greater Accra area accounts for 46 percent of the doctors in both the private and public sectors. When the figures for Great Accra and Kumasi, Ghana’s second city are added together they account for 69 percent of the doctors in the country (Nyonator and Dovlo, 2005: 229).

Skilled migrants are regarded as a resource to be tapped for the development of the sending country. It is believed that countries and the international organizations must promote international labor migration by encouraging international labor mobility and the freer movement of workers, which will increase the volume of remittances and brain circulation. The Global Commission on International Migration (2005) is of the view that the activities of diaspora associations and individual migrants, such as financial and other investments in their home country, not only strengthen their home economies and serve as “conduits for new ideas,” but also enrich the “understanding between countries of origin and destination” (GCIM Report, 2005: 23).

The GCIM believes that the global community of states and international organizations must encourage Diasporas to increase their saving and investment to promote development in their home countries, and to participate “in transnational knowledge networks” (GCIM Report, 2005: 29). The Mexican Home Town Associations (HTAs) in the US are identified as good examples in this connection. According to the GCIM (2005)

Mexican HTAs have a long history – the most prominent were established in the 1950s. There are currently over 600 Mexican HTAs in 30 cities in the USA. They support public works in their localities of origin, including funding the construction of public infrastructure (e.g. new roads and road repairs), donating equipment (e.g. ambulances and medical equipment) and promoting education (e.g. establishing scholarship programs, constructing schools and providing school supplies) (GCIM Report, 2005: 27).

Although the activities of HTAs are commendable, the fact should not be lost sight of that they are mere patchwork solutions to a wider problem of inequality caused by the class divisions in capitalist society. The HTAs are not engaged in a process of the revolutionary transformation of capitalist society. They do not challenge the status quo of capital accumulation and power configurations of capitalism. As a consequence, they are a problem so much so as they contribute towards the maintenance of the power structure of class oppressing by helping their com-

patriots to merely subsist within the framework of global capitalism. This same criticism is applicable to the pluralist approach, which present patchwork solutions to inequality that derive from class divisions.

Nonetheless, diaspora investment is a big part of the argument in favor of migration as an instrument for socio-economic development in the poor countries. According to GCIM (2005) “There are some 30 to 40 million overseas Chinese living in about 130 countries. The OECD estimates that in 2004, investments made by overseas Chinese in the People’s Republic of China comprised some 45 percent of the country’s total FDI” (GCIM Report, 2005: 30). It is also pointed out that the flow of foreign direct investment increases as the movement of service providers rises, such as in India. Due to the increasing role of Diasporas in investments in their home countries, the GCIM recommends that, “States and international organizations should formulate policies and programs that maximize the developmental impact of return and circular migration” (GCIM Report, 2005: 30).

In this connection an objective of the Global Forum on Migration and Development (GFDM) is to “Establish partnerships and cooperation between countries, and between countries and other stakeholders, such as international organizations, diaspora, migrants, academia etc., on migration and development.” Thus, at its forum in Brussels in July 2007, the GFDM focused among other things on maximizing opportunities and minimizing risks concerning human capital development and labor mobility; increasing the net volume and development value of remittances and other diaspora resources; and on enhancing policy and institutional coherence, and promoting partnerships. The GFDM held subsequent forums in Manila in 2008, Athens 2009, and Mexico in 2010, each making recommendations that contribute to its overall objectives. The Manila roundtables focused inter alia on measures concerning shared responsibilities in protecting the rights of migrants, and empowering migrants and diaspora to contribute to development.

Also, the International Organization for Migration (IOM) argues that the benefits of new technologies could be promoted through Diasporas due to the major role they play in the transfer of knowledge and technology between countries of origin and destination, and also be-

cause of their networks which could form the basis for business partnerships, trade, and flows of investment (IOM, 2005). The idea of the “digital Diasporas” has emerged because of the pivotal part played by some Diasporas in promoting the presence and use of information and communication technologies (ICTs) in the countries of origin, which helps to bridge the “digital divide” (IOM, 2006; IOM, 2005). The problem here is that bridging the “digital divide” increases the profits of the capitalist companies involved in ICTs, and do not necessarily lead the developing countries to experience self-sufficiency in ICTs through domestic research and production. However, it is also believed that the international initiatives and networks set up by global Diasporas contribute to the growth of global partnerships that work towards the success of the MDGs (IOM, 2005; UNFPA/IPEA, 2007).

Views on the positive role of Diasporas in development have been a central focus of the Lima Declaration of the South American Conference on Migration; the Puebla Process of the Regional Conference on Migration in North America in the Americas; the Regional Consultation on Migration, Remittances and Development in Latin America and the Caribbean (2006); and the Regional Consultation on Migration, Remittances and Development in Africa (UNDP/Government of Ghana, 2007). Also, the Migration Dialogue for Western Africa (MIDWA) and the Migration Dialogue for Southern Africa (MIDSA) seek to explore the potential of contributions by Diasporas to the development of their home countries, and the associations they may have with regional associations such as the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA) (IOM, 2005). The New Partnership for Africa’s Development (NEPAD) has also mapped out strategies to maximize the benefits of Diasporas for the development of Africa, in its Program of Action in 2001. The Africa Union (AU) supports the program of action by NEPAD on the Diasporas in Africa’s development. The AU itself is working towards strengthening the African diaspora’s involvement in the development of countries of origin.

In addition, the African, Caribbean and Pacific Group of States (ACP) have focused on the link between migration and development in the Cotonou Agreement with the European Union. Also, migration

and co-development, including the necessity to facilitate the involvement of migrants in the economic development of their region of origin, is a focus of the Western Mediterranean Cooperation Process known as the “5+5 dialogue.” The “5+5 dialogue” is an instrument with rotating presidency for informal political dialogue that brings together Algeria, France, Italy, Libya, Malta, Mauritania, Morocco, Portugal, Spain and Tunisia. The program of action of the Manila Process, which is no longer active, and other regional processes such as the Asia Europe Meeting (ASEM) and the Bali Conference have focused on the linkages between migration and development at their meetings and in their statements.

The World Bank (2004) argues that access to markets in migrant-receiving countries could be enhanced if the migrant-sending countries maintain ties to their diaspora. Through these ties the sending countries could promote programs to stimulate return migration of skilled workers thereby enhancing the flow of finance and knowledge. The Bank cooperates with research groups in developing countries through its research and country analysis programs as a means of improving the relative attractiveness for highly educated individuals of remaining in their home country. The Bank’s task force on low-income countries under stress for example, recommended that the Bank expand its diaspora initiative for Afghanistan to other countries. It also explored ways concerning the use of its financed technical assistance programs to encourage the return of nationals living abroad (World Bank, 2004).

The above information is evidence of the comprehensive approach neoliberal capitalism has to the issue of migration and development. The key point here is the manner in which neoliberal capitalism utilizes the international institutions in its control to bring its message of the development impact of migration. No part of the globe is excluded from its reach to profit from migration processes. The line of reasoning outlined above on the role of Diasporas in the development process is devoid of class analysis. The Diasporas are really being encouraged to become involved in the deepening of neoliberal capitalism, without challenging the structural asymmetries associated with the capitalist system, and the power dynamics of its class structure nationally, regionally and at globally level.

## *Migration and the Millennium Development Goals (MDGs)*

Migration is identified as a central avenue through which the Millennium Development Goals could be achieved. The World Bank (2004) takes the position that migration could help bring to fruition the MNGs “core goal” of “poverty reduction.” In this connection, the Bank believes that a major concern of the international community should be to facilitate an increase in migration. Thus it seeks to improve the development impact of migration by facilitating “research, policy-oriented analysis, communications and lending operations.” The Bank has identified the key issues concerning the development impact of migration, as remittances, the temporary movement of workers and the General Agreement on Trade in Services (GATS), ties to the diaspora, coping with the emigration of highly skilled persons, and the protection of migrants (World Bank, 2004), and the activities it is likely to undertake to address them.

The view is that migration policy must be fashioned as an instrument for the achievement of the MDG (Usher, 2005). Specifically, it is believed that migration could make a positive contribution to Goals 1, 3, 6, 7, and 8 of the MDGs. Goal 1 is to eradicate extreme poverty and hunger, and its inter-linkage with migration is based on the empirical evidence which “demonstrates that an increase in international migration can be positively linked to a decline of people living in poverty” (Usher, 2005). According to a study by the United Nations Population Fund (UNFPA)/Institute for Applied Economic Research (IPEA) (UNFPA/IPEA, 2007) there are a number of positive and negative impacts of remittances on poverty at the levels of the households, community, nationally and internationally (UNFPA/IPEA, 2007).

Goal 3 is the promotion of gender equality and the empowerment women. Usher (2005) states that migration and gender equality are interlinked in two important ways. The first is that migration can contribute to the empowerment of women and by so doing helping to promote gender equality, and second particular migration situations discriminate against women and pose a challenge to gender equality.

There are two major inter-linkages identified between migration and Goal 6, which is to combat HIV/AIDS, malaria and other diseases. The

first linkage is that migrants are vulnerable to health risks during their journey and on arrival in their destination countries. The result is that migration could lead to the spread of HIV/AIDS. The second inter-linkage involves the migration of health workers from the developing countries. This phenomenon could impede the functioning of some national healthcare systems. It is therefore advocated that public health programs should take into account the situation of migrants.

Goal 7 is to ensure environmental sustainability, which is linked to migration in terms of the challenges posed by internally displaced persons (IDPs), refugees, and slum dwellers. Goal 8 is to develop a global partnership for development, which the IOM believes is interlinked with migration in terms of the transfer costs for remittances, which is about 20 per cent of the transferred money. The IOM sees the need for government regulation to reduce the cost of remittances within the confines of a non-discriminatory and predictable financing system.

The Millennium Development Goals are noble and should be supported by all but it seems that they are promoting a global system of “welfare colonialism” (Reinert, 2005). Furthermore, they do not address the real causes of the global asymmetries that condemn the vast majority of humans to conditions of poverty and its attendant problems. The MDGs are currently at the apex of a long list of failed development policies and programs, such as the UN development decades, basic needs, etc. Although the resources are there to bring about the achievement of the MDGs, it is quite apparent that the MDGs will suffer the same fate as its predecessors that sought to bring piecemeal changes to the human condition in the Third World, within the embedded capitalist system rather than to transform the system.

### *Migration and Human Development*

The dominant perception about migration is that people only move from poor to rich countries in Europe, North America and Australasia (UNDP, 2009). In the analysis of the UNDP (2009), which embraces the idea of the link between migration and development, most movement of people in the world does not take place between developing and

developed countries or between countries. The overwhelming majority of people engaged in migration move inside their own country. It is estimated that about “740 million people are internal migrants—almost four times as many as those who have moved internationally” (UNDP, 2009: 1). Furthermore, the UNDP estimated that “only just over a third of people, fewer than 70 million, who moved across national borders go from a developing to a developed country” and that “most of the world’s 200 million international migrants moved from one developing country to another or between developed countries” (UNDP, 2009: 2). The data also revealed that poor people are the least mobile and that 14 million or 7 percent of the world’s migrants are refugees, the result of displacement by insecurity and conflict.

The point here is that capital accumulation does not at all times require the movement of people internationally. Internal migration is just as important to the imperialist-centered model of capital accumulation, as domestic and international capital flow into certain local districts or regions attracting migrant labor. This is very true for the mining enclaves in Africa, the Caribbean and Latin America, for example that usually attracts migrant labor and squatting communities in the vicinity of the mines. The Wassa West District in Ghana in which seven large-scale gold mines are operating (Agbesinyale, 2007), and the Omai Gold Mines in Guyana are examples of areas to which migrant labor flows in the direction of foreign investment capital.

The UNDP now analyses migration in terms of its definition of human development. According to the 2009 Human Development Report “Human mobility can be hugely effective in raising a person’s income, health and education prospects. But its value is more than that: being able to decide where to live is a key element of human freedom” (UNDP, 2009: 1). Sen (1999) in his work on *Development as Freedom*, advances two reasons why “freedom is central to the process of development” – *evaluative reason*, whether progress enhances freedom, and *effectiveness reason*, “development is thoroughly dependent on the free agency of people.” The 2009 HDR explores how better policies towards human mobility can enhance human development. It lays out the case for governments to reduce restrictions on movement within and across



their borders, so as to expand human choices and freedoms. It argues for practical measures that can improve prospects on arrival, which in turn will have large benefits both for destination communities and for places of origin (UNDP, 2009: 1).

The 2009 HDR states that a majority of internal and international migrants “reap gains in the form of higher incomes, better access to education and health, and improved prospects for their children.” Furthermore, the majority of migrants “are happy in their destination, despite the range of adjustments and obstacles typically involved in moving” and they “are often more likely than local residents to join unions or religious and other groups,” but that “the gains from mobility are unequally distributed” (UNDP, 2009: 2).

The UNDP (2009) takes the position that historical and contemporary evidence suggests that migration and development go hand-in-hand. It noted that, “the median emigration rate in a country with low human development is below 4 percent, compared to more than 8 percent from countries with high levels of human development” (UNDP, 2009: 2). According to the UNDP (2009), not only has the “share of international migrants in world’s population remained remarkably stable at around 3 percent over the past 50 years,” people move of their own volition to better-off places evidenced by the fact that “more than three quarters of international migrants go to a country with a higher level of human development than their country of origin.” However, the UNDP (2009) posits that migrants “are significantly constrained, both by policies that impose barriers to entry and by the resources they have available to enable their move.” Much of the controversy over migration is generated by “low-skilled migrant workers,” as there is “broad consensus about the value of skilled migration to destination countries.” Fear about low-skilled migrants has to do with exaggerated concerns about “heightened risk of crime, added burdens on local services and the fear of losing social and cultural cohesion” (UNDP, 2009).

## BUILDING SEPARATION FENCES TO KEEP OUT MIGRANTS

The major fault line in case for migration presented in the 2009 Human Development Report, and in the foregoing discussion on the new directions and thinking on the development impact of migration under neoliberal capitalism is the contradictory actions by the ruling classes in places like Israel, the United States and the EU to keep out migrants. Neoliberal capitalism is characterized by two contradictory tendencies towards migration – to increase migration and to restrict it. Three examples that magnify this contradiction are the actions by Israel, the United States, and the European Union to keep out migrants, while simultaneously a complex of international institutions, academics, research programs, reports, policy prescriptions, and policy makers dedicated to facilitate the unhindered flows of capital globally in the service of neoliberal capitalism, are advocating for an increase in managed migration. Why is it that neoliberal capitalism is promoting the development impact of migration while simultaneously the leading capitalist states and Israel are building fences to keep out migrants? What is driving the urges to increase managed migration and to restrict migration?

### *Israel's The Separation Wall to Keep out Palestinians*

Despite the Israeli/Palestinian conflict Palestinians in the Occupied Palestinian Territory (OPT) migrate into Israel in search of a better life. The economic conditions in the OPT are poor relative to those in Israel. The OPT suffers from high levels of poverty and unemployment and a low per capita income (Farsakh, 2006; Farsakh, 2005; and UNCTAD, 2010). The Palestinian economy depends almost totally on Israel to which it sells approximately 90 percent of its exports, even though the Palestinian Authority has free trade relations with the EU, European Free Trade Association (EFTA), the US, Canada and Turkey and the Arab League agreed to preferential treatment of Palestinian products in 2004. Furthermore, the OPT's imports from Israel represent an increasing share of total imports, reaching 80 percent in 2008 (Tillekens, 2010).

The Israeli gross national income per capita in current international dollars was \$27,110 in 2009, compared with \$1,978 in the OPT. Net flows of foreign direct investment in Israel were \$8,048 million in 2000, \$4,818 million in 2005, \$10,876 million in 2008 and \$3,894 million in 2009. Israel is indeed a major capitalist country in the Middle East, where capital accumulation is taking place at a rapid pace. Theorizing about capital accumulation and corporate concentration in Israel Nitzan and Bichler (2002 and 1999) argue that the large core firms at the centre of Israel's economy are the principal actors in the process of accumulation and concentration, which are two sides of the same process. The heavy concentration and accumulation of capital in Israel and the lack thereof in the OPT is understandably the driving force behind Palestinian migration to Israel.

The state of Israel nonetheless has decided to build a 640km (400-mile) Israeli West Bank separation barrier to keep the Palestinians out of Israel. The separation wall is on territory Israel occupied in 1967, rather than along the internationally recognized boundary between Israel and the West Bank. The International Court of Justice at the United Nations has ruled that the Israeli's West Bank barrier is illegal and construction of it should be stopped immediately. The ICJ stated that the barrier is "tantamount to annexation" and stood in the way of the Palestinian's right to self-determination. The US and UK, argued however, that the ICJ should stay out of the issue, warning that any opinion it gives could interfere with the Middle East peace process (BBC, 2004).

### *Israeli-Egyptian Wall to Keep out Black Africans*

In recent times thousands of African and other migrants fleeing conflict at home or searching for a better life migrate to Israel through its desert border with Egypt. It is believed that the deal made by Libya and Italy in 2009 cut off a popular sea route to Europe for illegal African migrants and helped to direct the flow towards Israel, which is seen as offering better work opportunities and more Western standards (Knell, 2010). It is reported that Sudanese, Ethiopians and Eritreans travel directly to the border after arriving in Egypt. Thus, the Egypt-Israel border represents

a major transit route for African migrants, both political refugees and job seekers, coming mainly from Sudan, Ethiopia and Eritrea (Morrow and Al-Omrani, 2010). The Israeli immigration authorities reported in early November 2010 that about 700 illegal immigrants a month are recorded as passing into Israel, an increase of about 300 percent since the start of 2010. The Israelis reported that 10,858 migrants entered the country over the January-November period, way above the figure of 4,341 migrants for 2009 (BBC, 2010).

Indeed, illegal labor immigration is considered by Israel as one of its “most worrying” issues. Israel says the arrival of almost 15,000 refugees and asylum-seekers has put a strain on its security and welfare systems (Knell, 2010). In response, Israel has decided to construct a new barrier on part of the some 266 km long Egyptian-Israeli border at a cost of an estimated \$270 – \$370 million. Indeed, 50 to 60 percent of Israel is cordoned off by fences along its border with Lebanon, Jordan, most of the West Bank, and all of Gaza. The wall along Israel’s southern border is separate from a 670km barrier that already cuts off Israel from large parts of the West Bank. Israeli Prime Minister Benjamin Netanyahu pointed out that the electric wall on the Egyptian-Israeli border will be equipped with advanced high-tech surveillance cameras and electronic sensors to keep out “infiltrators and terrorists” from entering Israel. Netanyahu said the barrier represents “a strategic decision to secure Israel’s Jewish and democratic character.” Netanyahu noted that Israel would continue to accept refugees from conflict zones but that he “cannot let tens of thousands of illegal workers infiltrate into Israel through the southern border and inundate our country with illegal aliens” (McCarthy, 2010)

It is reported that Israel had not informed the Egyptian authorities of its plan to build the wall, but the Egyptians are of the view that the wall is entirely an Israeli matter so long as it is built on Israeli soil. Morrow and Al-Omrani (2010) noted however that Egypt is giving its support to Israel in the erection of the wall. The Egyptian government appeared indifferent to news of Israel’s planned border fence, although a 1979 peace treaty between the two countries “strictly limits military and security deployments by either side, on or near the shared border” (Morrow and Al-Omrani, 2010). Egypt has also been building “an underground steel

barrier along its 14-kilometre border with the Gaza Strip with the ostensible aim of disrupting smuggling operations,” forcing Gaza’s roughly 1.5 million inhabitants to rely on cross-border tunnels for their most basic needs (Morrow and Al-Omrani, 2010).

Also, as a part of its border security with Egypt, the Israeli authorities have decided in November 2010 to construct a detention camp near its border with Egypt to temporarily accommodate undocumented African immigrants attempting to enter Israel illegally. Elements of the Israeli ruling class have expressed the views that it is difficult to evict illegal immigrants once they become embedded in the society, and that they create social problems in Israel. However, the ruling elites believe that while illegal immigrants is the number one problem on the Israeli-Egyptian border the number two and three problems respectively, are security and smuggling.

The Egyptian police have increased their current efforts at border patrol with Israel following a rise in human trafficking through Egypt. Since May 2009, the Egyptian police have killed at least 17 migrants attempting to cross into Israel from Egypt. Egyptian border authorities killed a Sudanese national attempting to cross into Israel in late October 2010. A recent report by Human Rights Watch noted that since 2007 Egyptian border authorities have killed at least 85 African migrants, recorded 24 fatalities in 2010 and 19 in 2009 (Morrow and Al-Omrani, 2010).

### *The US – Mexico Border Fence – The Great Wall of Mexico*

Just as its close ally Israel is doing in the Middle East, the US is building a border fence to keep out so-called terrorists and illegal immigrant workers from Mexico. The per capita income in the US is over \$30,000, while that of Mexico’s is \$4,000. This class divide between Mexico and the US evidenced by the per capita incomes in the two countries, is a principal cause of Mexican immigration in the US. Besides, the Mexicans take the jobs that US citizens do not want, such as working as farm laborers.

The Secure Border Initiative was launched by the US Department for Homeland Security in November 2005, as a “multiyear, multibillion-dollar program aimed at securing U.S. borders and reducing illegal immi-

gration” (USGAO, 2009). The US Customs and Border Protection (CBP) has responsibility for the Secure Border Initiative (SBI) program. The SBI program office manages the SBI program and is responsible for developing a comprehensive border protection system in the US. There are two components to the border protection system – SBInet that involves first the employment of “radars, sensors, and cameras to detect, identify, and classify the threat level associated with an illegal entry into the United States between the ports of entry” and second “SBI tactical infrastructure (TI), fencing, roads, and lighting intended to enhance U.S. Border Patrol agents’ ability to respond to the area of the illegal entry and bring the situation to a law enforcement resolution (i.e., arrest)” (USGAO, 2009) .

The anti-immigration forces in the US a land of immigrants have created so much fear of immigrants that a majority of Americans favor the construction of the 2,000-mile security fence. The number of illegal immigrants in the US is variously estimated between 8 and 20 million people. It is estimated that “each year between 400,000 and 1 million undocumented migrants try to slip across the rivers and deserts on the 2,000-mile (3,200-km) US-Mexico border” (GlobalSecurity.org). US officials believe that “the sea of illegal aliens provides a cover and an environment in which terrorists can hide, and the tide of in-coming illegal aliens provides terrorists with a reliable means of entry.” The US Border Patrol apprehended over 1.2 million illegal immigrants in 2005. They catch about 1 in every 4 – 1 in every 5 illegal border crossers. Arrests along the southern border make up about 97 – 98 percent of the total arrests, most of whom on the US’ southern border are Mexicans (GlobalSecurity.org).

It is estimated that a 2,000-mile state-of-the-art border fence would cost between four and eight billion dollars. Estimates also reveal that

Costs for a wall that would run the entire length of the border might be as low as \$851 million for a standard 10-foot prison chain link fence topped by razor wire. For another \$362 million, the fence could be electrified. A larger 12-foot tall, two-foot-thick concrete wall painted on both sides would run about \$2 billion. Initially it was estimated that the San Diego fence would cost \$14 million – about \$1 million a mile. The first 11 miles of the fence

eventually cost \$42 million – \$3.8 million per mile, and the last 3.5 miles may cost even more since they cover more difficult terrain. An additional \$35 million to complete the final 3.5 miles was approved in 2005 by the Department of Homeland Security – \$10 million per mile (GlobalSecurity.org).

### *The European Union and Libya Migration Cooperation Agreement*

Libya has emerged as a key location for illegal immigrants from sub-Saharan Africa to enter Italy and Malta, EU countries, via the Mediterranean Sea. In its attempt to curtail migrants from sub-Saharan Africa entering Europe the EU initiated migration cooperation with Libya (Hamood, 2008), involving among other things the EU's funding of Libya to patrol the Mediterranean Sea, and which has led Libya to dismantle the UN Center for Refugees in Tripoli (Kopp, 2010). This initial collaboration has emerged into a migration cooperation agreement signed by the European Commission and Libya (EUROPA Press Release, 2010).

The migration cooperation agenda between the EU and Libya involves inter alia the development in Libya of an efficient system to manage migratory flows, and enhancing Libya's capacity to address smuggling and trafficking in human beings. Also it involves border management requiring a "gap analysis on the current functioning modalities of the Libyan border and immigration services," the strengthening of "cooperation between Libya and the neighboring and other transit and origin countries" in border surveillance; support for "the development of Libyan patrolling, search and rescue capacities in its territorial waters and at high sea; the "establishment of an integrated surveillance system along the Libyan land borders, with focus on the areas prone to irregular migration flows;" and "exploring concrete possibilities of cooperation between Libyan police, border, migration authorities and agencies and those of the EU Member States as regards the return and readmission of irregular migrants" (EUROPA Press Release, 2010).

In 2008 the EU gave €2 000 000 to Libya for the prevention of irregular migration at Libya's southern borders with the aims to improve the overall capacity of the Libyan authorities, in particular by assisting them to

reform their system for preventing irregular migration. The EU contributed 1.5m Euros to strengthen border cooperation between Libya and Niger in 2006-2007. Then in 2008-2009 the EU contributed 1m Euros to strengthen border cooperation between Libya and Algeria. Also, the EU gave Libya €3 500 000 for the management of irregular migration pressures in Libya. The EU's aim is to assist the Libyan law enforcement authorities to ensure the appropriate registration, reception and treatment, in line with international standards, of irregular migrants apprehended at the southern borders of the country, and to promote the establishment of a system of assisted voluntary return for stranded migrants willing to return, and resettlement for asylum seekers and migrants in need of international protection. The Italian Ministry of Interior will manage both of these projects, which are currently being finalized with Libya, and with other UE member states as partners (EC, 2010).

By the end of May 2010, closer cooperation between Libya, Italy and the European agency for external border security (Frontex) had registered a decline of irregular migration from Libya to Malta and Italy by 83 percent. The number of boat people arriving at Malta had decreased from approximately 2,700 in 2008 to 1,470 in 2009, while in Italy the decline was from 36,000 to 8,700 in the same period (Kopp, 2010). Through its cooperation Libya the EU has been highly successful in keeping out African migrants from Europe.

The UNHCR, Commissioner for Human Rights of the Council of Europe and the Vatican expressed deep concerns regarding Italy's illegal record of deporting migrants to Libya. Also, the 2010 Amnesty International annual report criticized Italy's cooperation with Libya, on the basis that the forced return to Libya of refugees picked up at sea amounts to a violation of the international law principle of non-refoulement (Kopp, 2010).

## CONCLUSION

The main point to note in conclusion is that neoliberal capitalism is the major beneficiary of the development impact of migration, which in essence is about deepening capitalist production relations in both



migrant-sending and migrant-receiving countries. The neoliberal focus on migration and development is not about finding alternatives to the capitalist system of production. Thus, the benefits that accrue from migration in both sending and receiving countries go to strengthen the capitalist development model. Neoliberal capitalism in the migrant-receiving countries benefits from the managed migration of skilled personnel that enhances the overall quality of life in these states.

This points separately to the class divisions both between migrant-sending and migrant-receiving countries and within them. Thus, for example, it is the bankers and financial elites who stand to benefit from financialization involving remittances, whether remittances are held within the financial system in migrant-sending or migrant-receiving countries. Financial capital has established a global financial grid to which most countries are connected. The global financial capitalist therefore have access to finance capital wherever it is located in the globe. Bringing more remittances into the financial system in support of the development impact of migration would mean that the financial hawks would have full access to them. Thus, financialization and what follows from it in terms of the availability of funds for productive investment remains one of the principal motives on the part of neoliberal capitalism to increase managed migration.

The principal fault line in the neoliberal approach to migration and development is the urge to restrict migration due to economic considerations and concerns with matters such as culture and security. The very capitalist who would like to increase managed migration are fearful about the dilution of their national cultures, the weakening of their national security, and the stress that migrants are said to place on the national social safety nets in migrant-receiving countries. The cultural fear is very much present in Europe where anti-Islam, anti-immigrant, anti-African sentiments are running high. The US “war on terror” is also another driving factor in attempts to restrict immigration. In the final analysis however, profit is winning out over cultural dilution and security concerns, as there is a steady flow of skilled migrants globally.

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