

CAN MIGRATION WORK AS A TOOL FOR DEVELOPMENT IN SENDING COUNTRIES?

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Abstract

International labor migration is understood in terms of the so-called attraction and expulsion factors at play between developed and underdeveloped countries, a result of the contradictions and serious inequalities fostered by the capitalist system. Here we analyze what factors enabled three migrant-sending nations (Sweden, South Korea and Spain) to reverse this trend and why two other countries (Mexico and the Philippines) have continued to produce emigrants. From our point of view, migration can only be reversed through a deliberate governmental development policy given that the presumed potential of international migration to generate economic development in sending nations has failed to increase levels of development in either Mexico or the Philippines after four decades of sustained emigration.

Keywords: Economic development, international migration, attraction and expulsion factors, remittances, public policy.

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INTRODUCTION

The goal of this paper is to analyze what factors enabled three migrant-sending nations (Sweden, South Korea and Spain) to reverse this trend and why two other countries (Mexico and the Philippines) have continued to produce emigrants.

From our point of view, migration can only be reversed through a deliberate governmental development policy that entails a fair distribution of income, decent wages, and workers' access to housing, education and health, all within a democratic framework. In short, neither labor migration nor remittances can be considered a source of development.

As pointed out by Stephen Castles (2010), migration should not be construed as something "bad." Nevertheless, it is a fact that, within the framework of the capitalist system, most participants in this social phenomenon are "forced" to move given lack of opportunities in their own countries. We want to prove that, in this context, migration can be reversed and give way to the "right to not migrate." This is the purpose of comparing these two groups of countries and understanding why Mexico and Philippines have remained migrant-sending nations.

Our hypothesis is that development cannot be attained through migrant remittances because these are mostly spent on basic consumption and very little goes to productive projects. Besides, remittances themselves have generated contingents of workforce ready to migrate while the conditions that gave rise to migration flows in the first place remain unchanged. While some authors regard highly skilled migrants as a possible trigger of development because they can export acquired knowledge, this is an extremely reduced possibility because the countries that export said workforce do not offer the national scientific and technological infrastructure needed to utilize these skills, nor do their national states have specific and committed policies in this regard.

Migration happens for structural reasons and insofar as it is necessary for developed countries. Because these workers come from underdeveloped environments with enormous wage asymmetries, receiving countries can employ them at a lower cost than the native workforce while still giving them higher wages than those they had in their own countries.

This explains the functionality of migration. Our idea is that migration is linked to diverse models of accumulation and responds to the requirements of the international labor markets generated by such models. Labor migration in fact allows the host country to maintain a pace of sustained growth due to the advantages provided by the migrant labor contingent. This is added to the fact that the demographic contingents of receiving countries are insufficient to maintain production processes.

We understand international migration as a result of the so-called attraction and expulsion forces founded on the global labor surplus; the latter is a capitalist product and necessity and is based on exploitation and subordination. Focusing only on one pole distorts the reality of migration. Migration is a product of the contradictions and serious inequalities generated by the system; its flows decrease or increase depending on the needs of capitalism, which is always in search of the highest profits (Aragonés, 2000: 17-18). The development and expansion of capitalism cannot, therefore, lead to balances between countries; it is its absence that gives rise to migration and keeps the source problem unsolved. Differences in real wages remain and are reflected in the quality of the jobs available in sending nations, which do not cover all the needs of workers. In this sense, wage differentials cannot be balanced through migration but via economic projects that seek to overcome income inequality and provide adequate and decent employment.

Stephen Castles (2010) points out that it is a mistake to think that regional development stops migration; in fact, it fosters it, both because there are more economic resources, including better communication technologies that make it easier for people to find other places with better opportunities. Therefore, it is not a given that migration can be drastically reduced by attacking its roots. This idea, Castles warns, sends a harmful message because it assumes that international migration from the South to the North is a bad thing, one that should be stopped by keeping poor people in their place of origin.

While we agree with Castles on the fact that migration not should be seen as something bad that needs stopping, the fact is that it responds, as we have previously pointed out, to the need to survive (an expulsion

factor), and the need to incorporate a subordinate workforce (an attraction factor). This allows employers to lower wages with great benefits in the field of product competitiveness. In fact, the structural function of migration in the capitalist system has been to incorporate a workforce contingent in conditions of wage inequality in order to obtain greater competitiveness. It is therefore important to maintain the differences in cost between the native and foreign workforces.

This article posits that international migration has not increased development in sending countries because development is a multifarious process that combines an understanding of social systems combined with economic institutions and policies over time. Not all countries share the same base in terms of their development, which is related to various historical processes, different resources, and different patterns of development and industrialization (Adelman, 2002). High economic development can be achieved through governmental participation and active promotion. Economic development must be the priority of the state and the guidelines of the Washington Consensus must be reversed. These only focus on macroeconomic stability and have led to the abandonment of economic policies geared towards high economic growth, the creation of better jobs, and social assistance programs that can improve the living conditions of the working class.

In order to analyze whether migration has increased development in sending countries, we consulted statistics for development indicators in six countries: two of them, Mexico and the Philippines, are regarded as traditional suppliers of migrants; two others, South Korea and Spain, have managed to reverse emigration trends in recent decades; finally, we also look at Sweden and the United States, traditionally characterized as migrant receivers.

To observe differences in national development and its progress we must consider a series of indicators that reflect the economic and social conditions of the population. The evolution of GDP per capita is not enough to determine development; we must also incorporate indicators involving quality of life (e.g., the Human Development Index or HDI), as well as data that reflect infrastructure levels in these economies. The following section is a comparative analysis of development evolution for

all six countries and an assessment as to whether Mexico and the Philippines have managed to increase their development levels after decades of workforce emigration.

THE EVOLUTION OF DEVELOPMENT IN SELECTED COUNTRIES.

Sweden and its 1907 development strategy: a paradigmatic case.

Sweden merits some careful attention. After Ireland and Norway, the country was one of the world's most important labor exporters between 1850-1900, when emigrants amounted to nearly a fifth of its population. This situation highly alarmed the Swedish government, which considered these flows were depriving the country of the workforce needed for its economic development. In 1907, Parliament requested the creation of an Emigration Commission (Emigrationsutredningen) to analyze people's reasons for leaving and propose ways of reducing emigration. The commission published 21 volumes of data regarding the economic and social conditions of Swedish workers in Sweden and the United States in an attempt to understand why Swedes had left the country. Nationalist and conservative parties suggested curbing this flow with restrictions. However, both the liberals and the social democrats proposed economic and social reforms, and authoritarian policies were completely rejected by the Commission. The proposals of Gustav Sundbarg, leader of the Commission, were implemented in an attempt to establish, in Sweden, what was best about the United States. The first urgent reforms involved decent housing with all the necessary comforts (otherwise, the builders incurred penalties); the creation of decent employment via overall economic development; extending compulsory education to seven years of age; balancing incomes; expanding health services for the general population, and giving all men 21 years or older the right to vote. This last issue was very important, because the Commission had noted that one of the extant problems was the lack of democracy. Swedish society housed huge inequalities between social classes and was very hierarchical—that is, highly unequal. Swedes left the nation due to bleak rural poverty, little reward

for hard work, abysmal wages and demoralizing prospects (Barton, H. Arnold, 1994). While migration was heavily reduced during the First World War, it is a fact that, after 1920, the mass migration of Swedes had stopped. There is a debate regarding the causes for this reversal. Authors such as Franklin D. Scott point out that this was due to new U.S. laws implemented through the so-called Act of 1924. Barton, however, argues that it was due to the recommendations of the Commission. These led to industrialization and a very broad set of social reforms that reversed migration and turned Sweden into a leader in social welfare and a highly developed country.

Evolution of development in the United States, Sweden, Spain, South Korea, the Philippines and Mexico (1960-2010).

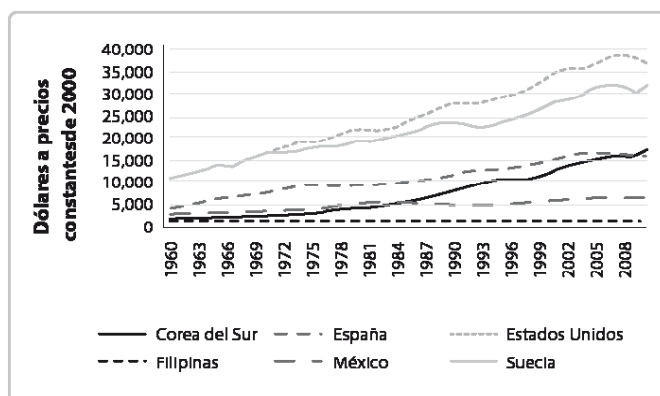
It is important to note that South Korea, the Philippines and Mexico are considered newly industrialized countries or emerging economies, while Spain is considered an economy in its late industrialization period. The United States and Sweden became industrialized between the second half of the 19th and early 20th centuries. Spain and South Korea attained this level much more recently. Both Mexico and the Philippines are still developing.

Emerging economies are characterized by an accelerated GDP growth since 1960, although this does not necessarily mean they have attained greater development. As Stiglitz (2006: 54) puts it, development is a process that involves all aspects of society. For starters, growth must be sustainable, equitable and democratic; positive effects on the population should include an improved standard of living, an increase in education levels, better infrastructure, better health services, etc.

Figure 1 shows GDP per capita in all six countries. As can be seen, the United States and Sweden have the highest amounts since 1960, while Spain and South Korea have begun to approach them. It is interesting to note that South Korea's GDP per capita is the most dynamic with the fastest growth over 50 years and a 5.45% annual average. While Mexico started with a higher GDP per capita, it had a slow growth of only 1.85% per year. The Philippines did not advance as

much as any of the previous countries; its GDP per capita over 50 years is still less than US\$1,500. Both Mexico and the Philippines remain far removed from the other countries.

GRÁFICO 1
PIB per cápita en países seleccionados (1960–2010)



Fuente: Elaboración propia con datos del Banco Mundial.

Poverty levels can be reduced through the creation of formal and quality employment, which allows for a distribution of income among the working class by incorporating more individuals into the productive sector of the economy. The category of “vulnerable employment” has been used to measure the amount of informal employment. The World Bank defines it as “unpaid family workers and own-account workers as a percentage of total employment.” According to Table 1, the Philippines has the highest percentage of vulnerable employment, and this only diminished by 1% between 2000 and 2009. It is followed by Mexico with a decrease of 2.3%, while the South Korea managed to reduce it 6.5% during the same period. In Sweden and Spain, the percentage is much lower, especially in the case of Sweden.

CUADRO 1
Empleo vulnerable como porcentaje del empleo total 2000–2009*

Years	Spain	Sweden	South Korea	Philippines	Mexico
2000	14.50	7.10	30.00	44.50	31.80
2001	14.50	7.00	29.50	45.20	32.00
2002	13.80	7.00	28.70	45.70	32.60
2003	12.90	6.60	27.60	44.60	32.70
2004	12.70	6.90	26.50	42.80	32.40
2005	13.00	6.60	26.30	44.80	31.00
2006	12.40	6.80	25.80	44.50	29.70
2007	12.10	6.70	25.20	43.60	29.50
2008	11.80	6.60	24.80	43.50	29.20
2009	11.20	6.90	23.50	...	29.50

* No hay información disponible para Estados Unidos.

Fuente: OIT, base de datos de indicadores clave sobre el mercado de trabajo.

Economic development is linked to levels of human capital among the population, which can be measured through improvements in education. Most developed economies have a highly educated population, which has allowed them to join the so-called “economies of knowledge,” where knowledge is fundamental to the generation of value and wealth. Table 2 shows that the average education time has been higher in the more developed countries (the United States and Sweden). Spain and South Korea have made a great effort to increase their population’s education, to the extent that they are now very close to the more developed economies. Mexico and Philippines are lagging behind, with three to three and half study years less than advanced economies.

CUADRO 2
Años de educación promedio

Years	Spain	Sweden	USA	South Korea	Philippines	Mexico
1960	..	..	..	..	..	..
1970	..	..	..	..	..	..
1980	5	9.1	10.8	7.3	4	6.1
1990	5.6	10	10.8	8.9	5.6	7.1
2000	9.1	11	13.2	10.6	7.1	8
2005	9.8	11.7	12.4	11.1	7.9	8.3
2006	9.9*	11.7*	12.4*	11.2*	8*	8.4*
2007	10*	11.7*	12.4*	11.3*	8.2*	8.5*
2008	10.1*	11.7*	12.4*	11.4*	8.4*	8.5*
2009	10.2*	11.6*	12.4*	11.5*	8.5*	8.6
2010	10.4	11.6	12.4	11.6	8.7	8.7

* Interpolados.

Fuente: Barro, R.J y J.-W.Lee. (2010).

Developed nations immersed in development economics invest in research and development, which lead to a highly educated population; Table 3 shows that, South Korea has increased the percentage of expenditure devoted to research and development since 1996, far more than Mexico or the Philippines. It has even surpassed the United States and is very close to Sweden. Spain also shows a significant increase in this regard.

CUADRO 3
Gasto en investigación y desarrollo (% del PIB)

Años	Spain	USA	Sweden	South Korea	Philippines	Mexico
1996	0.81	2.55	..	2.42	..	0.31
1997	0.80	2.58	3.48	2.48	..	0.34
1998	0.87	2.61	..	2.34	..	0.38
1999	0.86	2.66	3.61	2.25	..	0.43
2000	0.91	2.75	..	2.30	..	0.37
2001	0.91	2.76	4.17	2.47	..	0.39
2002	0.99	2.66	..	2.40	0.15	0.44
2003	1.05	2.66	3.85	2.49	0.14	0.40
2004	1.06	2.58	3.62	2.68	..	0.40
2005	1.12	2.61	3.60	2.79	0.12	0.41
2006	1.20	2.65	3.74	3.01	..	0.39
2007	1.27	2.72	3.61	3.21	..	0.37
2008	1.34	2.82	3.75			

Fuente: Elaboración propia con base en datos del Instituto de Estadística de la Organización de las Naciones Unidas para la Educación, la Ciencia y la Cultura (UNESCO).

The United Nations Development Programme (UNDP) has designed the Human Development Index (HDI) indicator, which includes aspects such as health, education and living standards. An increase in such index speaks of improved living standards among the population of a country. Table 4 shows that the United States and Sweden have the highest rates across the years, while Spain and South Korea are close behind. Mexico and the Philippines have lower rates.

CUADRO 4
Índice de Desarrollo Humano en países seleccionados

Years	Spain	Sweden	USA	South Korea	Philippines	Mexico
1960	..	..	..	..	..	..
1970	..	..	..	..	..	..
1980	0.680	0.810	0.773	0.616	0.523	0.581
1990	0.729	0.857	0.804	0.725	0.552	0.635
2000	0.828	0.893	0.889	0.815	0.597	0.698
2005	0.848	0.895	0.883	0.851	0.619	0.727
2006	0.852	0.897	0.885	0.858	0.623	0.735
2007	0.857	0.899	0.885	0.865	0.628	0.742
2008	0.861	0.900	0.885	0.870	0.633	0.745
2009	0.861	0.899	0.884	0.872	0.635	0.745
2010	0.863	0.902	0.885	0.877	0.877	0.750

Fuente: Programa de las Naciones Unidas para el Desarrollo.

The above information shows that the economies of South Korea and Spain have reached high levels of development close to those of Sweden and the United States. This has allowed them to reverse migration trends. Mexico and the Philippines that have not reached such high levels and continue to be migrant-sending nations.

In order to understand this behavior we must find what determined these nations' development from a historical perspective; then we can analyze the elements that allowed these economies to develop, and understand the role migration played in this process.

Economic determinants of development.

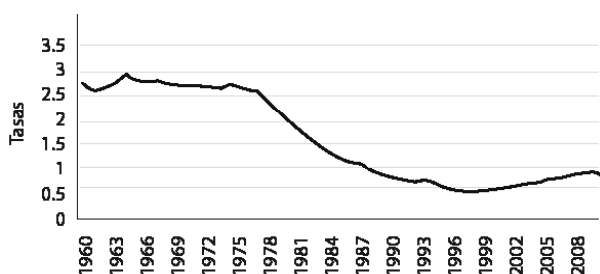
In order to understand the economic determinants of development for each country we must first consider their differences in accumulation patterns due to diverse historical processes. Development and industrialization are derived from these. We must therefore learn the economic/historical contexts of Spain and South Korea, the two countries that have achieved high levels of economic development in recent times. Similarly, we must briefly

address those of Mexico and Philippines to find out why they have not managed to develop their economies.

Spain

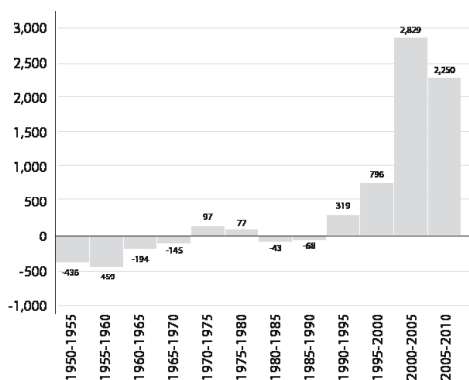
Spain is considered an economy in late industrialization and had a significant industrial growth during 1960-1975, the period known as “the Spanish miracle.” During this period, the Spanish economy grew an average of 7% per year thanks to the economic policies of Franco’s National Stabilization Plan of 1959; these focused on internal price balance and trade liberalization, but failed due to Spain’s heavy reliance on imports. Growth began to slow down in 1970, with the rate dropping to an annual average of 1.68% (Fuentes, 1993). During the Franco dictatorship, Spain was refused entry into the European Economic Community (EEC), which required member countries to be democratic. After Franco’s death in 1975, Spain negotiated for ten years with the EEC, demanding inclusion on conditions of equality so that their industry could compete. They finally joined the EEC in 1986 (Fuentes, 1993) and gained access to the funds of the EEC, which came close to 150 billion euro in the past 20 years and went into the agriculture, regional development, educational, and the Cohesion Fund. The amount spent on agriculture accounted for 24% of agricultural income; the regional development fund generated the infrastructure required to eliminate inequality between provinces, and the Cohesion Fund contributed 12 billion euro to get Spanish incomes on level with those across the European Union. This led to a reduction in the unemployment rate from 24% in 1994, when the rate increased due to the Spanish crisis, to 8.3% in 2007 (Rodríguez, 2006). Spain managed to reverse its migratory trend in the 1990s thanks to a dynamic surge in job creation driven by EEC funds targeted at economic development. In addition, Spanish demographic difficulties also led to a change in patterns. The nation’s fertility rate has been below the replacement level since the 1980s (2 births per woman), and has continued to drop, reaching 1.4 births per woman in 2009 (Figures 2 and 3).

GRÁFICO 2
Tasas de fertilidad 1960–2009 (nacimientos por mujer)



Fuente: Banco Mundial.

GRÁFICO 3
Migración neta 1950–2010 (migrantes por cada 1000 habitantes)



Fuente: ONU World Population Prospects.

South Korea.

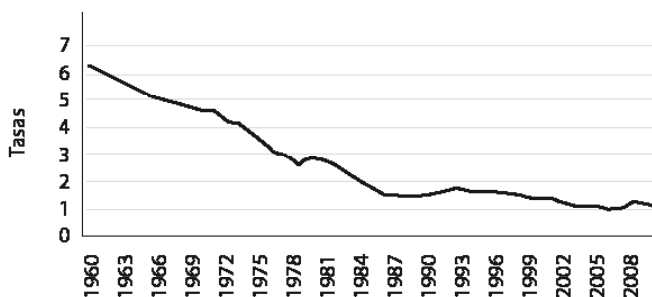
South Korea is regarded as one of the newly industrialized economies that have attained high levels of economic growth in the past four decades. This has led to high levels of development prompted by the state's active involvement in the economy. Economic development gained momentum during 1961-1988, when South Korea went from being an

agricultural nation to a modern industrial economy. This was achieved through the close relationship between the state and businesses and consolidated via the scheme known as “golden growth triangle,” which consisted of a series of five-year plans meant to create infrastructure and increase agricultural productivity, expand the construction and light industry, and ultimately develop the chemical, electronic and heavy industries (García-Blanch, 2003).

The development of South Korean industrial policy is divided into four periods. The first spans from 1961 to 1972, during which time the import of consumer goods was substituted by intermediate goods and capital. The state began to implement export-stimulating policies, which led to annual growth rates averaging 7.9%. The second period, which goes from 1972 to 1979, saw the consolidation of the chemical and heavy industries; there was an active intent to eliminate any obstacles that reduced the growth rate of these strategic sectors, which had an average growth of 8.8%. The third stage spans from 1980 to 1997, with a partial liberalization allowing foreign investment in certain, non-strategic industrial sectors, letting investment extend toward other sectors. Imports were partially liberalized, leading to an 8.11% average annual growth rate. The fourth period spans from 1998 to 2003, and was characterized by a higher degree of economic openness and a reduction of state participation in the economy (*Ibid.*). Under this scheme, the state reformed the legal system to facilitate the creation of new companies and foster human capital development. This had to be coupled with employment opportunities that led to the professional and academic development of the population, which was possible because unemployment rates in South Korea shrank considerably between 1980-1997, from 5.2% to 2.6% (*Ibid.*).

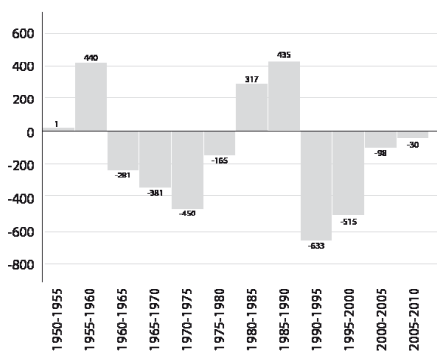
Along with high economic performance and a high rate of job creation, South Korea's incipient economic demographic difficulties explain how it is that the country has seen a reduction in labor emigration from the early 1990s to 2010 (Figures 4 and 5).

GRÁFICO 4
Tasas de fertilidad 1960–2009 (nacimientos por mujer)



Fuente: Banco Mundial.

GRÁFICO 5
Migración neta 1950–2010 (migrantes por cada 1000 habitantes)



Fuente: ONU World Population Prospects.

Mexico

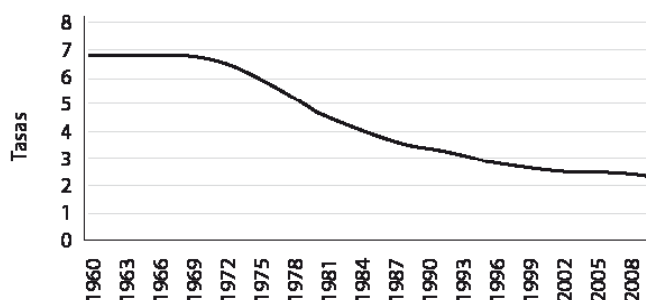
The basis for Mexican industrialization was carried out during the term of General Lázaro Cárdenas (1934-1940) via the six-year plan that sought to centralize the state, place more regulations on the economy

and opt for economic nationalism, promoting cooperatives and avoiding the concentration of capital. The Agrarian Reform was launched with the purpose of increasing the productivity of Mexican agriculture by investing in infrastructure and technical assistance. In this period, the industry became the national growth engine thanks to the expansion of the internal market, and the main push to strengthen the industrial sector came from the support of the state's credit bank, Nacional Financiera, in 1933. These policies resulted in a redistribution of income that benefited workers and peasants by increasing real wages (De la Peña and Aguirre, 2006). The domestic industry was subsequently consolidated and strengthened with the implementation of an import substitution model during the Second World War, which fostered the "Mexican miracle" and its average annual growth rates of 6.45% between 1950 and 1970. This economic policy would continue with the "stabilizing development" of the subsequent phase, which sought to meet domestic demand by establishing tariffs that would protect domestic production while controlling inflation. However, the model of import substitution could not be modified given that consumer goods were not successfully substituted by intermediate goods and capital, which led to the depletion of the model (De la Peña and Aguirre, 2006). In 1982, the model of Mexican development based on active state participation was substituted by the neoliberal free market model. The consequences were low economic growth, growing inequality in income distribution, increased poverty, reduced tax revenue, lack of basic infrastructure, productive disarticulation and low employment. From that year onward, the average growth rate has been 2.4% (*Ibid.*).

During the 1990s, unemployment rose slightly and then increased to 6.9% in 1995, a year marked by deep economic crisis; unemployment then fell between 1996 and 2000 due to a growth in exports and foreign investment, which established an assembly plant industry. Unemployment began rising again in 2001, from 2.5% to 3.5% in 2008 and reaching 5.2% in 2009, according to data from the World Bank. This indicates that the neoliberal model has not generated enough jobs to employ the nation's workforce and explains why Mexico is still a migrant-sending country; even though the fertility rate has been constantly decreasing since 1960,

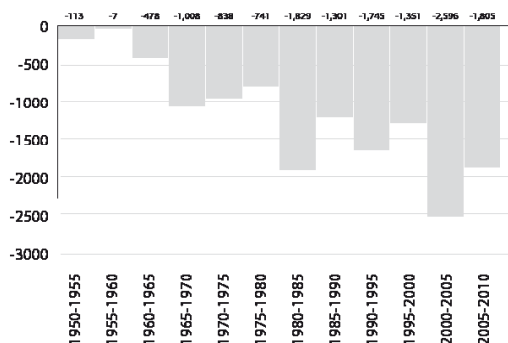
net migration has increased during the same period because Mexico's economic growth has not been dynamic enough to generate enough formal jobs to incorporate its labor surplus into the market (Figures 6 and 7).

GRÁFICO 6
Tasas de fertilidad 1960–2009 (nacimientos por mujer)



Fuente: Banco Mundial.

GRÁFICO 7
Migración neta 1950–2010 (migrantes por cada 1000 habitantes)



Fuente: ONU World Population Prospects.

It is for this reason that, in 2007, Mexico became one of the world's main remittance recipients (an estimated US\$25 billion), after India (US\$27 billion) and China (US\$25.7 billion). This has increased remittances' share in the GDP; in 1979 they amounted to 0.13% of GDP, while in 2010 they had risen to 2.12% (World Bank, 2008).

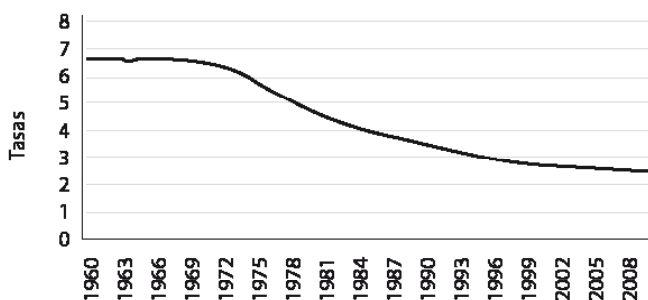
The Philippines

The Philippines has been colonized by Spain (1521 to 1898), the United States (1898-1942) and Japan (1942-1945). It gained its independence in 1946. In the 1960s it adopted a model of import substitution to protect its weak industrial structure and, during this period, the Filipino economy had an average annual growth rate of 5.32% (Falck, 2000). The small size of the Filipino domestic market prevented industrial development in the late 1970s. In addition to this, the rise in oil prices, on which the Philippines is highly dependent, had a negative impact on the economy, causing a reduction in growth after 1981. During the second half of the 1980s, the economy began growing again after the Corazon Aquino government began pursuing an open economy in 1986. During this period, exports, which accounted for 28% of GDP, increased up to 34% during the next presidential term (1992-1997). The Ramos government continued a policy of growing openness and the privatization of many companies previously controlled by the public sector, which resulted in exports increasing to 50% of GDP. However, it should be noted that many of the exported goods had a very high import content (*Ibid.*).

Economic conditions in the country led to large scale emigration in the 1970s, particularly after the 1973 oil crisis. The Persian Gulf oil states needed workers to carry out ambitious infrastructure programs and Filipino migration flowed to them. The Marcos Government made use of this and established an overseas working program and included it in the Filipino Labor Code of 1974 (*Ibid.*). The Philippine Overseas Employment Administration (POEA), a government agency which is responsible for processing contracts, permissions, and regulating and monitoring private recruitment agencies, was established. The continuous demand for workers in Persian Gulf nations and the opening of new markets in other regions are the cause for ongoing Filipino migration during the past 30 years (Asis, 2006), and government assisted migration has failed to eliminate the reasons behind this. Filipino authorities have not fostered sustained economic development and the country suffers from political instability, a high population, high unemployment rate and low real wages (Asis, 2006). The unemployment rate has in-

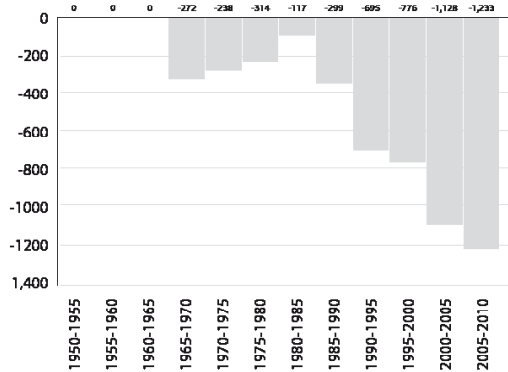
creased steadily between 1980 and 2004, from 4.8% to 11.9% according to World Bank data. There has been little in the way of job creation in the formal sector and, for this reason, total emigration has increased considerably since 1965-1970, even though the country's fertility rate has continuously declined since 1960 (Figure 8 and Figure 9).

GRÁFICO 8
Tasas de fertilidad 1960–2009 (nacimientos por mujer)



Fuente: Banco Mundial.

GRÁFICO 9
Migración neta 1950–2010 (migrantes por cada 1000 habitantes)



Fuente: ONU World Population Prospects.

World Bank data shows that the Philippines receives a significant amount of remittances, to the point that, in 1977, these accounted for 1.7% of the GDP. In 2010 they amounted to 10.7% of the GDP. Another

interesting issue is the fact that Filipino migrants are increasing their skill levels: in 1990, 12.75% of the emigrant population older than 25 had at least one year of tertiary education; by the year 2000, this rate had increased to 13.55%.

Conclusions

Economic development data suggest that both South Korea and Spain managed to become developed economies thanks to economic policies implemented with the active participation of the state, while economies such as Mexico and the Philippines systematically applied the guidelines of the Washington Consensus in the 1980s, causing the state to abandon development projects to make way for free market policies. The latter guaranteed macroeconomic stability at the expense of high growth rates and economic development.

Mexico and the Philippines have not seen a substantial improvement in their development levels after 40 years of labor emigration, which indicates that the substantial remittance amounts received by the two countries are largely spent on basic consumption. In addition, the knowledge acquired abroad by migrants cannot be applied in their countries of origin because of deficient infrastructure.

We believe that migration is the result of the attraction and expulsion effects that take place between developed and non-developed economies, but it cannot be a tool of development. This is only achieved through the implementation of economic policies aimed at improving the quality of life of the population via greater state involvement in economic activity. South Korea and Spain have managed to reverse migratory trends with higher levels of economic development; the high dynamism of their economies has allowed them to import foreign workers in order to maintain sustainable growth, employing lower cost labor to maintain their pattern of accumulation.

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