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AN UNACKNOWLEDGED VIEW OF NEOCLASSICAL THEORETICAL CONTRIBUTIONS TO THE STUDY OF LABOR MIGRATION

GENOVEVA ROLDÁN DAVILA*

Abstract

The rearticulation of migration processes and labor markets as a result of the global systemic crisis—a crisis of unclear duration and depth—demand that we review heterogeneous theories and renew the debate on the various potential causes and triggers of international migration. At the same time, we must address the various classifications, content and criticisms regarding each theory, particularly the one held to be the oldest and best known, and the doctrinal referent for contemporary immigration policies. I think the recovery of fundamental contributions made by neoclassical structuralists (those commonly identified as representatives of macro and micro neoclassical theory) has only been partial, ignoring a set of important contributions to the study of international labor migration as well as their structural specificity.

Keywords: international labor migration, labor market, migration theories, neoclassical structuralists, development, underdevelopment.

* Head researcher at the Institute of Economic Research, UNAM.

INTRODUCTION

International labor migration is undergoing a controversial reconfiguration that highlights the weaknesses of the theoretical syncretistic foundations that claim to have achieved an accurate theoretical approach to this issue. Since 2006 there has been a decrease in migration flows, both those with a historical tradition (e.g., Mexicans toward the United States) as well as more recent ones, just about a decade old (e.g., Latin Americans toward Spain). To this we must add the return of migrants to countries of origin: Bangladesh, Sudan, Niger, Chad, Mali, Philippines, Eritrea and Mexico, among others, as well as the decrease in remittance flow and the upsurge in xenophobic, anti-immigrant restrictive laws. These processes have led to transformations in internal labor markets and had an economic and social impact on households now receiving less or no remittances. In addition, there are new scenarios and migration patterns across different regions. Apparently, the global systemic crisis (the duration and depth of which is not clear) is leading to a reconfiguration of migration processes and labor markets.

This scenario urgently calls for a theoretical explanation on the causes that contain and detonate international migrations; it is also necessary to renew the debate on this topic, because there are those who assume that the various extant theoretical explanations are not necessarily contradictory. The truth is that we cannot put this debate to rest because all interpretations are essential and, according to this analytical construction, each of them plays some role in the understanding of contemporary migration. The most important task for social scientists is to "sort the empirical evidence that supports each theoretical scheme and integrate it in the light of said evaluation" (Massey, Arango, Graeme, Kouaouci, Pellegrino, Taylor, 2000:45).

Without ignoring the importance of empirical research, I believe controversy between contradictory conceptions should not be put aside. Rather, we should delve into the classification, content and criticism of the various extant theories, particularly that considered the oldest and apparently best known, and the doctrinal referent of contemporary immigration policies: that is, neoclassical economics (macro and micro).

The goal of this paper is to address this issue. The first section discusses the main classifications of migration theories; I then address the fundamental contributions of neoclassical structuralists representing neoclassical theory; finally, I present my conclusions.

THEORY CLASSIFICATION

The 1980s were key years for the study of migration. The conditions of the international labor movement, the issue of development and regional integration, and political and social reactions warned of the analytical limitations of circumscribing ourselves to a collection of facts and statistics or, as Mills would say, "the blindness of data" (1953: 83). As Massey, Graeme, Arango, Kouaouci, Pellegrino, Taylor, Blanco, Ribas and Castles, among other authors, argue, it is paradoxical that the enormous wealth of material on the subject is not based on theoretical constructs strung together by a better explanation of the substantial features that characterize the diverse international labor migration experiences. There is a predominance of empirical research that ranges from microscopic level studies to general empirical proposals that, in addition to being based on multiple conceptual shortcomings, contribute little to theoretical construction. These conditions have prompted us to rebuild the history and current state of migration studies from a theoretical perspective.

Some of the most significant efforts to rescue migration theories are: 1) Portes and Bach (1985), who classified interpretations of the economic effects of migration arising from global economic paradigms; 2) Massey (1993), who, along with Arango, Graeme, Kouaouci, Pellegrino and Taylor, explained, integrated and reconciled the most important contemporary theories on international migration, even though they left out some Marxist contributions; 3) Castles and Miller (2004), who clarified the differences between the fundamental theoretical perspectives used in contemporary discussions on migration and proposed a debate in this regard; 4) Blanco (2000), who carried out a comparative study between the proposals of Portes et al. and Massey et al., and also incorporated classical economics as represented by Ravenstein's laws and the push-pull concept, from which she developed a comprehensive scheme to present the main migration theories (Figure 1); and 5) Ribas (2004), who proposed a classification to search for the origin of the concepts and a theoretical elaboration that tried to account for the phenomenon of migration.

Figure 1:
Main migration theories

19th century: Ravenstein's laws

First half of the 20th century: push-pull theory

Second half of the 20th century

Dimension	**Classification according to massey et al. (1993)**	**Classification according to portes and bach (1985)**
Sources/causes of migration	Neoclassical economics	Labor market theory (todaro and borjas)
	Macro level (todaro)	
	Micro level (borjas)	
	New economy (stark)	
	Theory of the dual market (piore)	Theory of the dual market (piore)
		Marxist-based theory (castles and kosack)
	World system theory (wallerstein)	Theory of global interdependence (wallerstein)
Durability of flows	Theory of social networks (massey)	Theory of social networks (massey)
	Institutional theory	
	Theory of cumulative causation (massey)	
	Theory of migratory systems (zlotnik)	

	Theory of the migration project
Function of migrations (effects on the economy)	Consensus theories
	Conflict theories
	Sustained conflict theories
Integration of immigrants (models)	Assimilation
	Melting pot
	Pluralism

In recent times, there have been inquiries regarding the contributions made by economic sociology to the study of international migration along the lines suggested by Portes; these include the work of María de los Angeles Pozas (2007), as well as that of Fernando Herrera and Ludger Pries (2006), who have studied migration flows and migrants from the point of view of a sociology of labor in Latin America, particularly in Mexico and Argentina.

An important meeting was carried out by the Committee on International Migration of the Social Science Research Council (SSRC) in Sanibel Island (Florida) in 1996; this brought together a number of U.S. researchers in the field and sought to explain and integrate the most important contemporary theories. The meeting aimed to "contribute to the intellectual coherence of international migration studies as an interdisciplinary field within the social sciences." This meeting led to *The Handbook of International Migration: The American Experience* (1996), coordinated by Hirschman, Kasinitz and DeWind; this manual places particular importance on the main theoretical contributions made by the social sciences to the immigration issue.

In 2003, Portes and DeWind, sponsored by Princeton University's Center for Migration and Development, the SSRC International Migration Program, and the International Migration Review, held the Conceptual and Methodological Developments in the Study of International Migration meeting with the purpose of re-examining and updating the main concepts, research lines and methodological problems in the study of international migration so as to assess the progress in this field since the 1996 Conference. This last meeting, say its organizers, was thematically more selective and focused on a few key issues; it was also the first important event of its kind and deliberately sought an equitable academic representation from immigration researchers on both sides of the Atlantic (Portes and DeWind, 2006: 7).

All these efforts provide a valuable starting point for this research and have proven that economic theory is neither one nor homogeneous. In spite of the sparse theoretical reflection, it is difficult to move forward in the organization and classification of the various analytical approaches to migration and their links to development issues, especially in the field of neoclassical economics. This complexity results from the multiplicity of approaches and nuances within them, scant debate regarding the source of contrasts, intersections and divergences, and a trend toward syncretism that does not discriminate the depth and magnitude of the disagreements, nor the time or historical context in which they arise. Because of this, differentiations are still limited. I therefore propose we address the following economic theories: classical, orthodox neoclassical, Keynesian, neo-institutionalist and neoclassical structuralist.

According to the economic theory classification here presented, one of the approaches that pose the greatest difficulty is the "neoclassical" one since, as with so many other economic concepts, it has no unequivocal definition. Furthermore, it is heavily associated with ideological and political content. Jones Hywel (1988: 83-85) has already proffered three approaches that contribute to the modern definition of this term:

> 1) The first neoclassical economists (e.g., the last third of the 19th century), taking their cue from the "marginalist revolution," focused on the analysis of price formation. Nowadays, this includes the set of theories that incorporate some of these core ideas, either through a general, "rational," or microeconomic approach, or through the use of concepts and theories that explain wages

via marginal productivity or entail notions of perfect competition and price flexibility.
2) The theories which, although they do not necessarily refute Keynes, do ignore Keynesian "difficulties" by assuming the existence of a government that uses available instruments of economic policy persistently and successfully to maintain a level of aggregate demand that corresponds to full employment.
3) The interpretations that, on the basis of the above, subordinate short-term problems to long-term considerations.

Hywel's distinctions are only a lightweight approach to the complexity posited by the term "neoclassical." It has also been suggested (and I agree with this) that, despite all their nuances, what binds the various "neo-classical" approaches is the general goal of justifying and guaranteeing the foundations of the capitalist economy.

To address the contributions of what has become known as "neoclassical theory" in migration (and that I suggest we identify as the "neoclassical structuralists") we must first address another classification known by many as that of the "economists of development." Since the late 1940s, these had an impact on several fields, including labor migration, and their contributions had important implications for economic policy.

These economists gave shape to neoclassical models of structural change, or "neoclassical structuralism," which was a response to claims that neoclassical marginalist thought was unable to explain the economic reality of the so-called developing or Third World, among other topics. Hirschman, a key player in this process, reminds us that an important impetus for the creation of this theoretical framework was the academic experience and application of public policies resulting from the break with orthodoxy proposed by Keynes, a path that was retaken by an influential group of economists who eventually broke with Keynesianism.

The break with what Hirschman calls the "monoeconomy" (i.e., neoclassical orthodox or marginalist thought), and the need to rethink its traditional economic analysis came from an "intellectual movement" originated in the very entrails of the Anglo-Saxon environment (Hirschman, 1981). Economists at the newly created World Bank, as well as academic and research institutions were asked to formulate development strategies that contemplated so-called structural changes by rethinking the role of governments in the planning or programming of development (Meier, 2002: xiii).

Neoclassical structuralism unfolded amid great controversy. This trend of neoclassical thought emphasized the following concepts: a) Rostow's "stages of growth"; b) Rosenstein-Rodan's "big push model"; c) Chenery's "two-gap model"; d) Hirschman's idea of change as an obstacle to change; e) Nurkse's low rate of savings due to a high consumption propensity; f) Kuznets distribution of income and "inverted-U curve"; and g) Lewis "dual economy" (Meier and Seers, 2002). These proposals did not occur evenly, since, as Todaro affirms, their proponents did not contemplate a conceptual apparatus to analyze economic growth in essentially agricultural societies, which were unknown to them outside of UN data or "one or another chapter in anthropology books" (Todaro, 1988: 95).

Pablo Bustelo (1999) points out two nuances particular to these economists: a) those who were influenced by the debate on Soviet industrialization and Marxist analysis, at least regarding the importance given to intersectoral bonds (e.g., Rosenstein-Rodan, Mandelbaum, Kaldor, Kalecki, Balogh, Hirschman); and b) those who returned to the classical tradition of Smith, Mill or Ricardo (e.g., Lewis and Mahalanobis).

This quick overview attempts to clarify some of the nuances and ruptures in neoclassical thinking and the historical moment in which neoclassical structuralism emerged. The way this questioned neoclassical marginalist thought is important, both in terms of analysis content and characteristics as well as the set of economic policy proposals which took shape across various countries of Asia and Latin America. The research undertaken for this paper suggests that the recovery of neoclassical thought has been partial and skipped through a series of contributions that explain why it is not enough to classify them as "neoclassical economics" given their structuralist perspective, particularly regarding the issue of international migration.

NEOCLASSICAL STRUCTURALISM IN THE STUDY OF LABOR MIGRATION

Some of the classifications around theories of international labor migration are inaccurate inasmuch as they insist on the fact that neoclassical theory at the macro level (e.g., Lewis, Ranis and Frei, Harris, Todaro) focuses on geographical differences of labor supply and demand, differentials in wages and conditions of employment, and the induction and active regulation of international flows via labor markets and public policies. These classifications also indicate that the macro vision is accompanied by a micro vision (Todaro, Sjaastad, Maruzko, Borjas) that generally explains movement as a personal and rational decision to maximize income, positing migration is an investment in human capital.

The most oft cited authors are Lewis and Todaro, so I will focus on them. Lewis is often introduced via his famous 1954 article, "Economic development with unlimited supplies of labor," which allowed him to share the 1979 Nobel prize with Theodore W. Shultz, who strive question and prove the inefficiencies of Lewis' theory. Todaro is usually associated with his 1969 piece, "A model of labor migration and urban unemployment in less-developed countries." Many interpretations of international migration have been derived from these studies, even though they actually primarily refer to internal migration.

Lewis' analysis on international migration, *The Theory of Economic Growth* (1955), is often ignored, even though it contains a direct and structured reflection on the subject and, therefore, provides a better perspective on his contributions. Likewise, we can mention Todaro's *Economic Development in the Third World* (1988). Unlike the 1954 and 1969 articles, the books allows us to establish clear distinctions between Lewis and Todaro and authors such as Stark and Borjas, who are closely identified as neoclassical marginalists belonging to another school of thought and another historical moment.

The contributions of Lewis and Todaro must be contextualized within two processes: the first was the need to construct a theoretical explanation for a set of transformations that proposed, in the mid-1930s, modes of still undirected industrialization; the task was to locate and validate proposals in order to eliminate certain countries' perceived obstacles to development. The second process is related to decolonization and the creation of independent states (e.g., Burma, Ceylon, Philippines) where the problem was not industrialization but a need to stabilize the prices of raw materials in international trade (Iglesias, 1992: 18), a task for which orthodox neoclassical thought was not suited.

In *The Theory of Economic Growth*,[1] Lewis sought to address the issue of economic development, which had not been comprehensively addressed for over a century (1955: 7). Here he pondered the extent to which the changes that have occurred in richer countries could be expected to take place in poorer ones (18). I will only mention one of the immediate conditions that, according to him, are required for growth; this explains occupational or geographical mobility as an attempt to economize, either by reducing the cost of any given product or increasing the performance of any resource input. Lewis' key ideas are:

1) One of the determinants of economic growth is the creation of a landless class. High per capita income is associated to the fact that only a small part of the population works the land. This is achieved, to a certain extent, by depriving farmers of land, as happened during the time of land enclosures in Great Britain. Those who have new ideas should be free to put them into practice, even if, in doing, they damage their competitors. The workforce is mobile only insofar as it depends on wage labor and immobile as soon as it acquires a special skill; i.e., it can stay mobile with respect to various industries and lose mobility regarding occupations.

2) Access to workforce is limited not only because land ownership is restricted, but also because institutions bind individuals to specific occupations or employers (e.g., slavery, serfdom, castes, racial prejudice or religious discrimination) and because they deprive the individual of any incentive to search for remunerative employment, which reduces the mobility of the workforce.

1. Unless otherwise indicated, all quotes below belong to Arthur Lewis' *The Theory of Economic Growth* (1955).

3) Emigration is linked to the theory of economic development through the thesis of "inevitable" overpopulation. Any country that has been lucky enough to find some means of raising its living standards and reducing their mortality coefficient will later enter a decadence phase because of the growth of its population. Economic development makes it necessary to search for new land for its inhabitants. The inevitable end of economic success is overpopulation and migration, even though there is no evidence that the birth rate increases with economic growth; rather, the evidence suggests otherwise.

4) The demographic problem of some of the poorest countries is very serious, but it is not true that the growth of the population, actual or potential, is the main reason for their stagnant living standards. The United States had a higher population growth rate than underdeveloped countries without this being an obstacle to the growth of the product per capita.

5) Migrations associated to economic development are simply meant to escape hunger. In addition to hunger, people migrate to find safer or better opportunities in another place. The large migration flows that began in the mid-19th century and peaked right before World War I were based on the hope of finding better opportunities elsewhere.

6) Some industrialists believe migrants are a source of cheap labor. They assume that the young man who abandons his town for a year does so partially motivated by a spirit of adventure. He will therefore be willing to work for a reduced wage and is satisfied with uncomfortable bachelors' lodgings since his stay will be brief. On the other hand, the high rate of mobility bars the creation of strong trade unions; if a workforce reduction is needed, migrants are returned to their villages without anyone having to pay them unemployment fees.

7) Emigration is not the only remedy for overpopulation, understood as maintaining a population the size of which exceeds the nation's soil productivity; the alternative is to participate in world trade.

8) Emigration poses problems and costs to the country losing its population; the latter must be protected against fraud on the part of employers, unhealthy or insecure transport, ill-treatment, and racial or religious persecution. In terms of costs, the country of origin breeds and educates citizens it then loses when they reach working age, which unbalances gender populational composition and sends emigrant skilled labor to serve competing industries. This is compensated by remittances meant for those who have been left behind; these also represent a significant and gratifying portion of the sending nation's balance of payments.

9) Periods of industrial growth in developed countries have been characterized by the promotion of qualified labor immigration and careful protection. Britain did not adopt free trade until it was more advanced than other industrial countries; Germany, France and United States followed the same protective policy during their early industrialization stages, as did all other industrialized nations. Once a country has reached the stage in which enjoys large scale economies, protectionism ceases to be valid.

10) Massive immigration of unqualified labor is only well received in very special circumstances; sooner or later, nationals will resist mass immigration and, if they vote, will manage to suppress it sooner or later. Mass immigration will be welcome if there is a lot of uncultivated land and if it is assumed that a larger population will be able to enjoy large scale economies. It will not be well received if it is seen as a tool to maintain low wages close to those of sending countries, or if rents and utilities increase. Landlords and capitalists will be willing to import slaves or Asian labor as far as their interests are concerned; they will not be fazed by the perceived problems of a mixed society, but the society itself will feel threatened by this reality. Thus and according to this author, the assimilation of minorities poses the most difficult challenge.

This brief and perhaps incomplete overview of Lewis's reflections on international migration offers a broader perspective on his analytical proposal. Even limiting ourselves to the 1954 article, his take on the need for structural transformations in underdeveloped economies is often ignored. In his opinion, this would be produced with the economic movement from traditional agriculture to the modern industry; to achieve this, it was necessary to channel migrant labor surplus from the traditional agricultural sector into the modern industry. An "unlimited workforce" in the subsistence sector decreases real wages throughout the whole economy, and prices give misleading signals for resource allocation in general and the international division of labor in particular.

Although emigration reduces and contains the increase in labor surplus, its effect would be to keep wages close to the subsistence level in poor countries. This validates the law of comparative costs for underdeveloped countries, which, in this case, was used as the basis for protectionist arguments. Lewis' proposal is geared towards a type of development that favors emigration to boost industrialization on the basis of protectionism and necessary State intervention. This model of development focused on underdeveloped economies is based on the assumption that the rural sector is an unlimited source of labor (see Figure 2).

Figure 2. The Lewis model for growth and employment in a dual economy with surplus labor.

This model is relatively simple. The underdeveloped economy consists of two sectors: 1) an overpopulated, traditional and subsistence-based agricultural sector characterized by zero marginal labor productivity (i.e., "surplus" labor, since a reduction of the workforce in this sector does not reduce production); 2) a modern, highly productive, urban and industrial sector.

The model focuses on the workforce transfer from the rural to the industrial sector. Expansion in industrial production leads to increased employment and the transfer of the workforce. This gradual transfer takes place in a framework of increased labor productivity in the urban sector. This increase in productivity is determined by the rate of capital investment and subsequent accumulation in the industrial sector, which occurs because capitalists earn revenues that exceed the volume of wages they pay and are always reinvested. The assumption behind this ongoing mobility of workers is a perfectly elastic job offer moving from the rural sector to the modern sector. The wages of the modern sector are constant under the assumption of perfect competition, and higher than those in the rural sector. Figure 2 illustrates the workforce transfer between the two sectors.

The previous growth process of production and employment in the modern sector will continue until all surplus rural labor is absorbed by the industrial sector. When this happens, the rural workforce will be employed industrially at the cost of decreased food production; the marginal product of labor in the rural sector will no longer be zero.

Labor supply is perfectly elastic in W since this wage is greater than A, which represents the average real wage in the rural sector. The amount of work in the traditional sector is unlimited. The figure represents the dynamic considered by Lewis: under the real wage W in the urban sector and a capital stock K1, the amount of labor demand and, therefore, mobility from the traditional to the modern sector will be L1. In this situation, companies will achieve the benefits represented by the triangle forming above W and below the demand for manpower with a capital stock K1. In the situation described by Lewis, these benefits will be converted into capital by increasing the marginal productivity of labor and forming a new demand for labor with a capital stock K2, increasing the transfer of labor to L2.

Lewis' idea that internal mobility of labor is a positive phenomenon for development given it provides the necessary workforce for industrialization is contested by Harris and Todaro (1970) and pinpointed as one of the main errors in the purported achievement of development. This is also the opinion of Jolly (1988: 302), former head of the Institute of Development Studies at the University of Sussex (IDS), who claims that:

> Instead of worrying about finding measures to stop migration flow, the main interest of these economists (those who stressed the importance of labor transfer) was on policies that released workforce to increase migration flow. Actually, one of the reasons given for the attempted increase in agricultural productivity was to free enough workforce for urban industrialization. How misguided does this concern appear today!

This, in any case, confirms that the idea that Lewis' macroeconomic model is accompanied by Todaro's microeconomic one is quite misguided, because the differences between them are hardly superficial: for Todaro, migration increases workforce imbalance, which is expressed in a chronic and increasing worker surplus in the cities. In his opinion, the importance of migration is not in the process itself, or even in its impact on the sectoral allocation of human resources, but in its implications for general economic growth and its nature, particularly for the forms its distribution takes (1988: 302). He thinks that three of the key assumptions of Lewis' model do not adapt to economic and institutional reality in most countries of the Third World (see Figure 3).

Figure 3. The accumulation of work-saving capital changes the implications of Lewis' model for employment.

The model implicitly assumes that the rate at which work is transferred and employment is created in the modern sector is proportional to the rate of capital accumulation in this same sector. The faster capital accumulation is, the higher the rate of employment generation. However, it can happen that the profits reinvested in capital save work rather than require more manpower; we could even have "capital flight" due to external profitability and internal risk.

The second assumption to be questioned is that of a labor surplus in rural areas (a marginal product of agricultural work equal to zero) and *full employment* in urban areas. Experience shows quite the opposite: there is a significant degree of underemployment in the cities and little excess workforce in the field.

The third and unrealistic assumption is that there is a competitive labor market in the urban sector that translates into a constant real industrial wage to the point of consuming all surplus rural labor. Data show real wages have a tendency to grow in absolute terms and with regard to average rural wages. This has even happened in the presence of high unemployment in the urban sector and marginal labor productivity in agriculture. There are institutional factors that tend to cancel all the competitive forces that might exist in urban labor markets in underdeveloped economies.

My goal is not to undertake a comprehensive analysis of Todaro's various theoretical formulations; I will only posit that his work, like Bustelo says, is part of a 1960s-1970s turn in economic development thinking toward social and basic needs. Concern for the social aspects of development formally began in 1969 with the 11th Conference of the World Society for International Development and the then head of the IDS, Dudley Seers, introduced an approach with a high social content (employment, distribution and poverty), which would then lead to the basic needs strategy. In that year, the International Labour Organization (ILO), in collaboration with the IDS, began its program on Global Employment, placing it in the hands of prominent specialists such as Singer, Jolly and Seers himself.

This dynamic is part of a break that, since the mid-1960s, can be seen in neoclassical structuralist thought: the analysis of the conditions in which the wealth produced by economic growth is distributed acquires prominence. Todaro recovers Chenery's proposal (1974); as part of the Development Research Center, the World Bank (WB), and in collaboration with the IDS, the latter dealt with the problem of redistribution of growth income; he also shares in Kuznets' reflections on the characteristics of inequality and the role of "non-economic" factors in the development process.

In Chapter 1 of *Economic Development in the Third World*,[2] Todaro points out that the economy of development is an autonomous discipline within economics and makes a comparison between this and traditional Western economic theory. While the latter deals with the efficient allocation of limited productive resources so that costs are minimized and optimum growth can achieve an increased production of goods and services over time, the first deals with the political and economic requirements to quickly trigger certain structural and institutional transformations of entire societies, so that the majority of the population can benefit from economic progress. The role of the State, coordinated economic planning, and national and international economic policies are important elements for development economics.

2. Unless otherwise indicated, all quotes below are from Todaro's *Economic Development in the Third World* (1988).

Todaro sees economics as a social science that cannot proclaim universal truths and questions those "general economic models" that have little or nothing to do with the reality of developing countries, where evaluative, ethical or normative principles can be just as controversial as the purported sacredness of private property, the right to accumulate unlimited riches, preserve traditional social institutions and unequal class structures, or the "natural right" of some to reign while others obey. Todaro argues in favor of economic and social equality, poverty eradication, education for all, improvements in living standards, national independence, the modernization of institutions, political and economic participation, democracy, non-dependency, and personal satisfaction (38-39). This set of arguments is at the root of the proposal to "democratize" capitalism in the economic, political and social realms.

On the other hand, he thinks it essential that the economic realities of the various countries and regions should be explained, and quotes Streeten, from Boston University, in regards to how "the whole paraphernalia of contemporary neoclassical economics seems to have become suddenly obsolete" (41). He criticizes traditional neoclassical theory given the limitations of macroeconomic theory (whether "Keynesian" or "monetarist"), given it addresses the economy and its institutions through the lens of a competitive equilibrium between supply and demand. Regarding the theory of international trade, he sees it as a fairly limited guide to understanding the mechanisms of economic relations between rich and poor countries in the 1980s, or who benefits more from trade, how profits are distributed and how the international prices of goods are fixed, all of which tends to have little to no resemblance with precise traditional models of trade and growth (43-44).

Given these shortcomings, he suggests that excluding non-economic factors because they are not quantifiable has led to failures in development policies. Intentionally or not, this excludes attitudes to life, work and authority, both public and private administrative and bureaucratic structures, relations of kinship and religious dictums, cultural traditions, regimes of property and land use, the authority and integrity of public institutions, the degree of popular participation in decisions and activities related to development, and the rigidity or flexibility of the social and economic classes (44).

What is, in his opinion, the historical importance of international migration? This phenomenon is one of the eight differences that, in regards economic growth, put Third World countries in economic, social and political conditions that are unfavorable and very different from those of industrialized countries. He thinks the analysis of international migration must be modified and proposes a historical approach. He argues that in the 19th and early 20th century international migrations were the main escape valve for surplus rural population (158). The causes were periods of great famine and demographic pressure in rural areas, along with limited economic opportunities in the urban industry. Until World War I, international migration covered long distances and was permanent; however, after the World War II there was a resurgence of international migration within Europe, essentially over short distances and of a temporary nature. The economic forces that gave rise to these migrations are basically the same: labor shortage in countries like West Germany and Switzerland, and a surplus of rural laborers in southern Italy, Greece and Turkey. Permissive immigration policies, as well as improvements in transportation and international communications were developed after World War II. This allowed workers in developing countries to migrate to nations in the industrialized world looking for better jobs and a new life.

Nowadays, the legal international migration of unskilled workers in order to provide an "escape valve" to Third World population surplus is no longer possible. Todaro explains this as a combination of geographical distance and, above all, very restrictive immigration measures in developed countries. International migrations mean that the sending country depends on the receiving one. And the benefits for developing sending countries are illusory because they can lead to the emigration of skilled workers, as well as an excessive consumer demand and a reduction in agricultural production. Migrations can result in more harm than good for labor-exporting countries; this is why neoclassical models of international mobility, which state labor migration benefits or at least fails to worsen things for both sending and receiving countries, are so controversial. Emigration has become an important feature of the economy of labor-exporting nations. However, the idea of migrant remittances as a source of long term economic growth based on capital formation has been met with increasing skepticism.

It is likely that, given the costs involved, the most significant migration flows are not comprised of the poorest segments of the population but of middle-income families. There is also a risk that emigrants, rather than acquire new qualifications, could lose the ones they have.

Todaro posits that, during the 1980s, there were six major regions targeted by temporary and permanent migrant flows from underdeveloped countries: Western Europe, North America, Oceania, the Middle East, South Africa and some South American countries. The most significant element of these processes was the growth of "illegal" immigration into the United States.

In Chapter 9 of *Internal Migration in Developing Countries*, Todaro states that "Understanding the causes, determinants, and consequences of internal migration is thus central to a better understanding of the nature and character of the development process. It is also essential for formulating appropriate policies to influence this process in socially desirable ways" (304). In his opinion, emigration is a symptom of underdevelopment in the Third World and a contributing factor to this problem, in such a way that all economic and social policies that have direct or indirect effects on real incomes (urban and rural) will have an impact on the migration process. Hence, for him, it is important to recognize that internal and, in some cases, external migrations are of great importance and that their analysis should take place within a broader framework that aim to improve development policies (304).

On the other hand and from a micro perspective, he posits it is also necessary to know why people migrate and what factors influence the decision-making process. Without ignoring the presence of social, demographic, cultural and communicational factors as well as natural disasters, he thinks that the main cause behind migration are economic factors and, for the emigrant, this may be the result of a perfectly rational decision. The fundamental premise of this model is that emigrants consider the various opportunities available in the labor market, both rural and urban, and choose the one that maximizes the "expected" profits of emigration. The synthesis of Todaro's analysis on international labor mobility presented in Figure 4 deeply questions the way his contributions are usually presented.

CONCLUSIONS

Lewis' and Todaro's proposals contain interesting approaches to the understanding of labor mobility, its characteristics and conditions. These approaches have been diluted by studies that only consider their models for internal migration, which has led to them being identified with neoclassical thought regardless of their structural peculiarities.

We can say that Lewis moves away from the static vision of marginalism and returns to the classic concern of economic growth from the point of view of the growth of the product and not the growth of consumption. There are two major factors in his analysis: the first (his theoretical framework) is built on a macroeconomic basis and is guided by a historical perspective on labor mobility in the capitalist system. He does not only ignore the perfectibility of markets—which do not lead to equilibrium at all times and, therefore, neither to full employment; unlike the neoclassical marginalists, he takes into account the macroeconomic and institutional reality of underdeveloped countries. His analysis of migration is associated to the structural change pursued by development. In conclusion, we should not ignore his theoretical reflection on the relationship between capitalist economic development and international labor mobility.

The second factor in his analysis (when he proposes the elaboration of the model) reveals how the differences with marginalist thought are diluted: his model follows the classical tradition, accepts its assumptions and raises its questions, starting off with the existence of unlimited labor in the agricultural sector and full employment in urban areas given that it is inscribed in the orthodox economic tradition and was not based on the reality of underdeveloped countries at that time. In fact, it takes into account unlimited allocations of labor as a factor and not as a result of processes of capital accumulation in conditions of underdevelopment.

Perhaps the greatest criticism one can wield against Lewis is that he considered this model was applicable to the conditions in which capitalism unfolded in industrialized countries in relation to migration; he forgot both the inability displayed by capital accumulation dynamics to absorb the workforce in those years, as well as the international labor mobility that accompanied economic growth in the West and had already been recognized by some classical authors. His Malthusian take on overpopulation is also questionable; it focuses on the relationship between development and migration from a perspective of surplus labor without dwelling on the fact that economic development in other regions and countries requires the mobility of certain sectors of the workforce. He thus provided an extremely simplistic solution: birth control will solve overpopulation problems and, thus, international migration.

According to him, history would repeat itself: the surplus workforce generated by industrialization in developed countries and turned into an international labor flow would now be avoided through birth control. International labor migration during the second half of the 20th century was only a result of the growth and development of the Third World.

Todaro, an undoubtedly interesting author, already sought to distinguish himself from more traditional neoclassical thought and approached what he considers the "theory of development" by establishing distinctions between neoclassical analytical options. He distances himself both from theories involving stages of economic growth and what he calls international dependence models, identifying more closely with Hollis Chenery's "structuralist model." He has also been influenced by theories that challenge traditional orthodoxy, such as those of institutionalists Kuznets and Myrdal.

His institutional vision, along with a structuralist perspective of migration, allows him to recover the phenomenon's historical aspect and address some of the contradictions that exceed the framework of neoclassical micro economics as expressed in individual decisions. His distance from directly or indirectly Marxist sources is consistent with his neoclassical (even if structural) perspective, which leads him to note that migration is motivated by economic rationality, an analysis of financial and psychic benefits and costs. He arrives at a mathematical formulation that obviates a set of structural factors he had detected at another point of his analysis and that he, no doubt, recovered given their fundamental role. When he tries to look at the implications his proposed model would have on economic policy, this contradiction does not go unnoticed:

> Although at first it may seem that the above theory decreases the crucial importance of migrations by presenting them as an adjustment mechanism through which workers assign themselves to the rural or urban markets, it evidently has important political implications for development strategy in regards to wages, income, rural development and industrialization (1988:311).

This paper shows that neoclassical structuralist theories can serve as a source, albeit not an exclusive one, through which to address a theoretical construct that seeks to explain international labor migration. A solid theory must include a number of sources; these must be tested against a historical perspective and the events of the past three decades. We must move away from attempts to reconcile disarticulated reflections, build the links that are missing, and eliminate discrepancies. In the case of neoclassical structuralism, we must recover worthwhile precise explanations while taking distance from those inaccuracies that lead to neoclassical dogmatism having understood that, to this day, no theory has analytically solved all the issues and areas involving international migration.

Todaro suggests that the economic forces that lead to migration are, on the one hand, a need for cheap labor in industrialized countries and, on the other, the inability of the labor market in sending countries to absorb its workforce. This is crucial. The task of explaining how these economic forces are intertwined with social, legal, historical and cultural aspects, as well as individual decisions, remains an urgent task.

The fusion of heterogeneous theories, a tendency toward cursory reviews and reluctance to enter a debate have not provided opportunities to build accurate explanations; analytical mistakes are reinforced and several questions remain unanswered. We can find significant contributions among the classics (Smith, Ricardo, Marx), the neoclassical structuralists, neoclassical institutionalists and heterodox reflections, all of which have sought to reconstruct and recognize, from a historical perspective, the central features of current international labor migration. These sources can provide answers to questions brought about by the current systemic crisis (which became evident between 2007-2008) and its impact on migration.

CONCLUSIONS

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