STRENGTHENING TRANSATLANTIC COOPERATION



# Policy Brief

Wider Atlantic Program

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Summary: In the 21st century, international migration is experiencing a remarkable evolution. In 2013, the number of migrants going from one developing country to another was roughly equal to those going from developing countries to the world's advanced economies. Meanwhile, many European countries are experiencing significant emigration for the first time in more than a generation. As old dividing lines between countries of origin and countries of destination blur, states are realizing that they face a common set of challenges in reducing the human, social, and economic costs of migration.

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The South Atlantic region — the focus of a forthcoming OCP Foun-

## Latin America and Africa: Insights into the Evolving Story of 21st Century Migration

by Peter D. Sutherland

In the popular imagination, international migration is largely a story of desperate men and women fleeing conflicts and poverty in the global South in search of a better life in the North. This prevailing narrative was reinforced last autumn by heartbreaking images as hundreds of migrants drowned in the Mediterranean and scores more perished in the Sahel. Yet the 21st century reality of international migration is hardly so monolithic — and is, in fact, experiencing a remarkable evolution.

Consider this: In 2013, the number of migrants going from one developing country to another was roughly equal to those going from developing countries to the world's advanced economies. Meanwhile, many European countries are experiencing significant emigration for the first time in more than a generation. From 2007 to 2011, the outflow of citizens from Greece and Spain to European and other OECD destination countries more than doubled, while the number of citizens leaving Ireland increased by 80 percent. Some young professionals from southern Europe are moving to Brazil and Mexico in a migration that mirrors colonial-era patterns.

dation and German Marshall Fund study by Susan Martin and Phil Martin<sup>1</sup> — was once primarily a source of mostly impoverished international migrants heading to Europe and North America. Today, countries in the South Atlantic are attracting large numbers of migrants of all skill levels. Perhaps nowhere are these trends more apparent than with intra-African and intra-Latin American migration. Millions of sub-Saharan Africans have migrated to South Africa, the continent's most prosperous state. Africans are also migrating northward, settling in countries such as Morocco and Tunisia. In Latin America, thriving economies in Mexico, Brazil, Chile, and elsewhere are attracting migrants from poorer corners of the continent who might have gone to the United States in an earlier era. Some Central Americans who were initially headed for the United States end up staying in Mexico.

The emergent new migration corridors, while primarily intra-regional, are diverse and global. Governments that act to harness the economic potential of these new migration trends, as outlined by Martin

<sup>1 &</sup>quot;Migration in the South Atlantic Basin: Patterns, Governance, and Development," by Susan Martin and Philip Martin, German Marshall Fund/OCP Foundation, 2014.

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and Martin, can reap significant development gains. By contrast, policy failures not only risk squandering these gains but might also jeopardize social cohesion and the human rights of migrants. The 2008 riots in South Africa that killed over 60 migrants and displaced 40,000 more are just one example of what can go wrong; the tens of thousands of migrants who have died in transit in Central America and Mexico are another.

Most South Atlantic states have little experience of immigration and thus have a steep learning curve; equally, their policies for engaging diasporas are mostly in their infancy (with notable exceptions such as Mexico and Morocco, which are at the vanguard of diaspora engagement). It is thus essential, as the GMF/OCP study underscores, for South Atlantic governments to improve human-rights legislation, develop corridor-specific migration policies, thicken their participation in regional and international policy dialogues, and design more flexible free-movement regimes.

Remittance flows tell the evolving story of 21<sup>st</sup> century migration well. Portugal, only recently a magnet for migrants from Africa and Latin America, was a net *recipient* of migrant remittances last year as Portuguese émigrés alighted in Brazil, Angola, and other destinations in the southern hemisphere. By contrast, in Chile — which a decade ago was a net recipient of remittances —saw outbound transfers exceed inbound transfers by a ratio of 3:2 last year. In Brazil, outbound transfers today are 40 percent of total remittances into or out of the country, as opposed to 10 percent in 2002. A similar story has unfolded in Panama.<sup>2</sup>

The overall scale of remittances worldwide, meanwhile, underscores how crucial migration is to advancing development goals. Annual global remittances by migrants totaled nearly \$600 billion last year, with \$400 billion sent to developing countries — triple the amount of Official Development Assistance. Migrants' annual savings are of similar magnitude and represent one of the largest potential sources of financing for development, if coupled with attractive earnings opportunities for the owners of those savings.<sup>3</sup>

Beyond remittances, diaspora networks facilitate knowledge transfers, trade, tourism, investment, and business creation.

Remittance flows constitute a significant share of GDP and constitute the largest source of foreign currency earnings in numerous countries, allowing them to pay for critical imports, gain access to private capital markets, and pay lower interest rates on sovereign debt. Beyond remittances, diaspora networks facilitate knowledge transfers, trade, tourism, investment, and business creation. Migration boosts foreign direct investment, not only because diaspora members themselves invest in their countries of origin, but also because they encourage others to do so — including the companies that employ them in countries of destination.

Many countries are becoming more proactive in working with their diasporas to tap their knowledge, networks, and investments. Today, there are 77 offices, bodies, and posts that governments in 56 countries have created specifically to formalize engagement with their diasporas. These initiatives encourage migrants to deepen ties to their countries of origin through investments, human capital transfers, philanthropic contributions, capital market investments, and tourism. In each of these areas, there is a growing wealth of ideas about how to mobilize migrant communities.

Yet, there also could be darker under-currents in shifting migration flows. Global political support for the human rights of migrants could weaken. Some states that historically have been the fiercest advocates of migrant rights — in large part because they were principally countries of emigration — are now experiencing large inflows of migrants. They thus might be less inclined to champion rights protections that could place a larger burden on them and complicate their own domestic politics. Similarly, many new destination countries are wrestling with the social, political, and financial challenges of managing

<sup>2 &</sup>quot;Latin Migrants Shift Sights From U.S. to Neighbors," *The Wall Street Journal*, November 18, 2013; http://online.wsj.com/news/articles/SB10001424052702303531204579203861742570436.

<sup>3 &</sup>quot;Migrants from developing countries to send home \$414 billion in earnings in 2013," World Bank, October 2, 2013; http://www.worldbank.org/en/news/feature/2013/10/02/Migrants-from-developing-countries-to-send-home-414-billion-inearnings-in-2013.

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diversity and integration for the first time; as a result, xenophobia and discrimination are flaring up.

But as old dividing lines between countries of origin and countries of destination blur, states are realizing that they face a common set of challenges in reducing the human, social, and economic costs of migration, in addition to maximizing the benefits of human mobility. This convergence of views can enable intensified international cooperation that would produce mostly winners (the losers generally are bad actors: smugglers, traffickers, and abusive recruiters and employers).

There is no shortage of problems to confront and opportunities to seize. It is in everyone's interest to rein in the bad actors, eliminate discrimination against migrants, sharply reduce human trafficking, increase the share of migrants working at their highest skill level, decriminalize migration violations, end the detention of migrant children, and lower the proportion of migrants lacking residency rights. Recasting refugees as productive members of our communities should be a shared goal.

States need not agree on all aspects of migration in order to settle on an agenda for common action. Smarter policies can play a critical role in lowering the social and financial costs of migration and remittances as well as in safeguarding the human rights of migrants and increasing the benefits of migration for the countries that migrants move from, to, and through. By improving the quality of mobility — making sure that migrants can move safely across borders and can keep the wages they earn, for instance — we can profoundly improve human development outcomes for migrants, their families, local communities, and countries.

#### **About the Author**

Peter Sutherland is the UN special representative on migration. He has also held positions as EU commissioner and director general of the General Agreement on Tariffs and Trade (now the World Trade Organization).

### **About GMF**

The German Marshall Fund of the United States (GMF) strengthens transatlantic cooperation on regional, national, and global challenges and opportunities in the spirit of the Marshall Plan. GMF does this by supporting individuals and institutions working in the transatlantic sphere, by convening leaders and members of the policy and business communities, by contributing research and analysis on transatlantic topics, and by providing exchange opportunities to foster renewed commitment to the transatlantic relationship. In addition, GMF supports a number of initiatives to strengthen democracies. Founded in 1972 as a non-partisan, non-profit organization through a gift from Germany as a permanent memorial to Marshall Plan assistance, GMF maintains a strong presence on both sides of the Atlantic. In addition to its headquarters in Washington, DC, GMF has offices in Berlin, Paris, Brussels, Belgrade, Ankara, Bucharest, Warsaw, and Tunis. GMF also has smaller representations in Bratislava, Turin, and Stockholm.

#### About the OCP Policy Center

The OCP Policy Center's overarching objective is to enhance corporate and national capacities for objective policy analysis to foster economic and social development, particularly in Morocco and emerging economies through independent policy research and knowledge. It is creating an environment of informed and fact-based public policy debate, especially on agriculture, environment, and food security; macroeconomic policy, economic and social development, and regional economics; commodity economics; and understanding key regional and global evolutions shaping the future of Morocco. The Policy Center also emphasizes developing a new generation of leaders in the public, corporate, and civil society sector in Morocco; and more broadly in Africa.

### **About the Wider Atlantic Program**

GMF's Wider Atlantic program is a research and convening partnership of GMF and Morocco's OCP Policy Center. The program explores the north-south and south-south dimensions of transatlantic relations, including the role of Africa and Latin America, and issues affecting the Atlantic Basin as a whole.