



# Circular Migration: What Gains for Development ?

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**IOM International Dialogue on  
Migration**

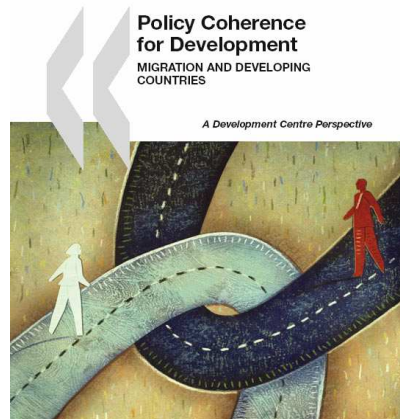
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ORGANISATION FOR ECONOMIC  
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# Recent work by the OECD Development Centre

## *Gaining from Migration: Towards a New Mobility System*



2007

## *Migration and Developing Countries*

# Circular migration: what do we mean?

- **Seasonal** migration: stays of less than a year's duration
- **Temporary** migration: stays exceeding a year
- **Repetitive** migration: the same individual crosses borders more than once over time

Repetitive migration, whether seasonal or temporary, is called *circular*.

# Circular migration: What gains?

- What benefits (and costs) for...
  - Migrants
  - Migrants' families
  - Migrants' communities
  - Sending countries' economies
- General hypotheses based on a review of the evidence

# What gains for development?

**1** **Benefits (and costs) of circularity**

**2** **Policy recommendations**

# The Migration Cycle

## Migration's Effect on Growth and Poverty Reduction

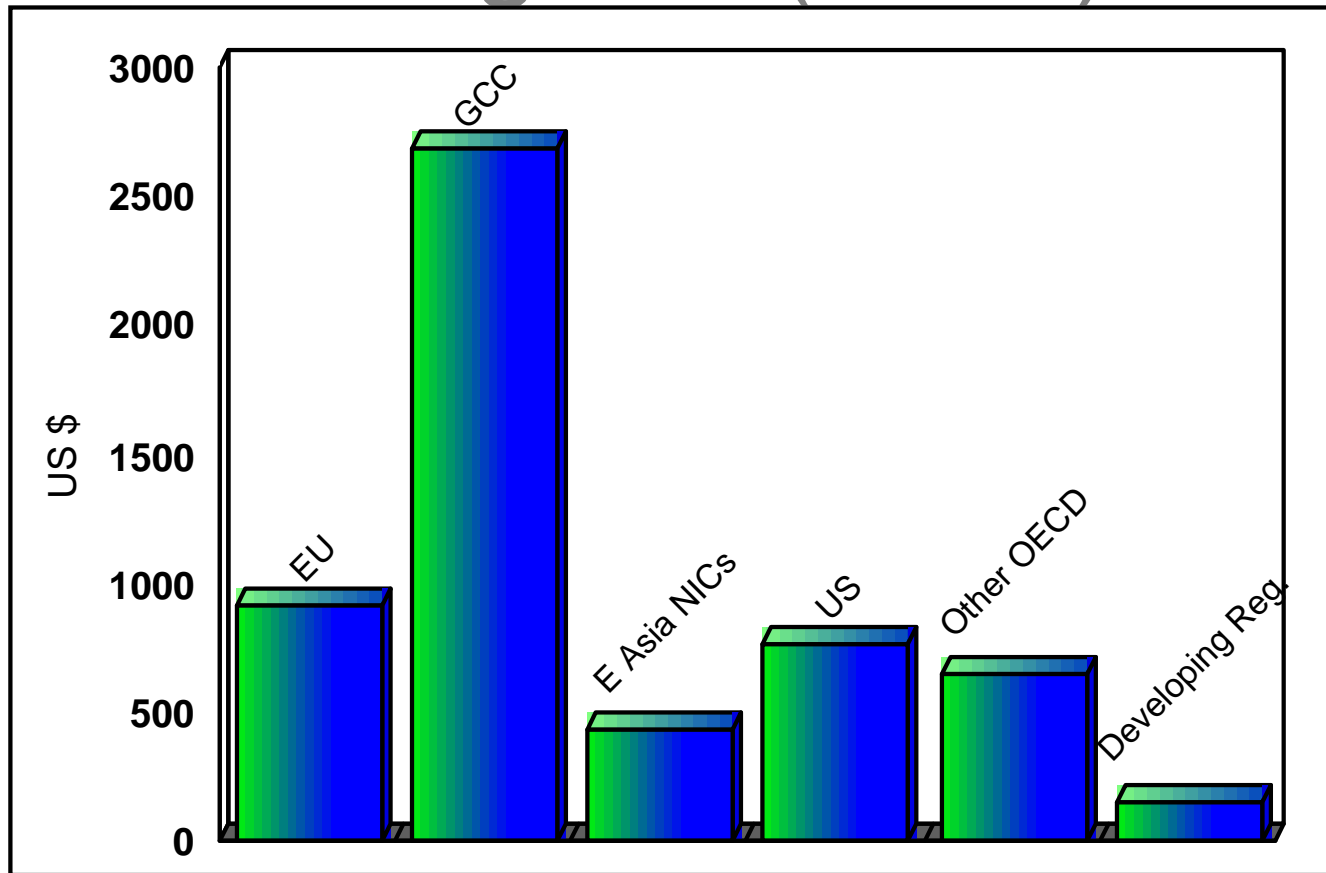
<i>Phase</i>	Labour supply	Productivity	Remittances	Growth	Poverty Reduction
Exit	-	-	0/-	0/-	-
Adjustment	0/-	?	0/+	0/-	0/-
Consolidation	0	+	+	+	+
Networking	0	+	0/+	+	+
Return	+	?	-	?	?

Source: OECD (2007)

# What gains for migrants?

- Widens menu of options; flexibility
  - Many migrants themselves not committed to definitive return
- Reduces incentives for irregular migration
  - Possibility of circularity
  - Possibility for legal movement
- What incentives for acquiring, retaining, applying skills?

# Reported Remittances Sent per Migrant (2000)



Source: IMF Balance of Payments Statistics and UN Trends in Migrant Stock.



# What gains for migrants' families?

- Circular migration associated with higher remittances
- More mobility might increase strains on those left behind...
- ...but circular movement might be preferable to longer-term absences

# What gains for migrants' communities?

- Larger remittance volumes can be mobilised for community development
- Establishment of networks for future migration by community members
- Realising gains would depend on infrastructure, good governance, institutions... transmission of ideas?

# What gains for sending countries' economies?

- Circulation of skills (not just among the highly skilled)
- Trade and investment networks
- What consequences for informal economy?
- What consequences for inequality?

# What gains for development?

**1** Benefits (and costs) of circularity

**2** Policy recommendations

# What policy recommendations for destination countries?

- Issue multi-use, multi-annual work permits
- Lower the cost of re-entry and offer flexible procedures for readmission of workers
- Transfer pension and social-security contributions to the home country
- Entitle foreign students enrolled in universities to remain for a fixed time to seek work in the destination country

# What policy recommendations for mobility partnerships?

- Strategic partnerships
- Innovative circularity schemes to manage flows without crippling social services in sending countries:
  - link recruitment to capacity building
  - establish guidelines for recruitment
- Support regional initiatives among developing countries
- Deepen co-development initiatives to harness the resources of transnational diaspora networks

# What policy recommendations for sending countries?

- National development strategies must take account of migration and remittances
- Human resource policies
- Training and education
- What consequences for informal sector?

**For more info:  
[www.oecd.org/dev/migration](http://www.oecd.org/dev/migration)**



Merci de votre attention !  
Thank you for your attention!  
¡Gracias por su atención!