

# Migration and development, global South/Mexico-Morocco

Natasha N. Iskander

In recent years, the relationship between migration and development has received renewed attention, and analysts, policy-makers, and development experts have returned to the question of how to use emigration to foster economic growth in countries and communities of origin. The main thrust of this inquiry has focused on how to use remittances – the monies that migrants send back home – to support economic activity (de la Garza & Orozco 2002; Orozco 2002; Munzele Maimbo & Ratha 2005; Ratha 2005). However, among countries with high emigration rates, a handful of governments have expanded their emphasis past remittances to create policies that link emigration and development in a more comprehensive way (Castles & Delgado Wise 2008). Morocco and Mexico feature prominently among them. Both countries have policies to link emigration with local and national economic transformation that reach beyond a narrow focus on remittances, and that, more importantly, are creative, participatory, and dynamic (Iskander 2010). At their outset, however, the policies were as single-minded in their focus on remittances as any of the more mercenary examples of today.

## Development and migration, Morocco and Mexico

Despite their current holistic attention to multiple facets of development, the policies of both countries initially displayed a determined and exclusive focus on money. The governments of Morocco and Mexico first launched policies directed at migrants in order to capi-

talize on the funds that they sent home. Their evolution into policy instruments that were innovative and participatory was unintentional, and arguably unforeseeable to two governments that were keen on using migrants' money but otherwise uninterested in migrants themselves – that is, when they were not actively marginalizing them and their communities. As both countries courted migrants to secure their remittances, migrants acquired the leverage to challenge their governments and to amend the policies to better address their needs and those of their communities. Migrants also improvised and used the policies in transgressive ways that were unplanned and often anathema to their governments, further transforming the policies in the process. As a result of migrant involvement, at times with government encouragement but at many others in the face of significant government resistance, both Morocco and Mexico's policies evolved and deepened into real bridges linking emigration with national development. The policy changes produced through the engagement between migrants and their government occurred over extended spans of time, and it sometimes took several decades for the initiatives to mature into robust migration and development interventions.

## Trends in remittances

Migrant remittances for both countries have been significant since the mid 1960s, making remittances an attractive policy area for both countries to enter. By the early 2000s, when notoriously vague tracking systems for the remittances became more reliable, both countries ranked firmly among the top remittances recipients, just as they had in previous decades. By 2005, only India surpassed Mexico in remittance receipts and Morocco came in fourth just after the Philippines, a large island nation with a massive state-sanctioned overseas worker program (World Bank 2010). For Morocco,

remittances represented a national lifeline: the close to US\$6 billion sent home by migrants each year represented over 10 percent of national income in the 2000s (Office des Changes 1963–2006). In Mexico, remittances made a smaller contribution to the overall economy, which was buoyed to some extent by petroleum extraction; the \$20 billion migrants sent home accounted for somewhat less than 2 percent of GDP in the 2000s (Banco de Mexico 2009). However, in Mexican states with strong migration traditions, remittances represented an equivalent, if not larger, share of economic production; for 9 out of Mexico's 32 states, remittances represented 10 percent of their annual income (Woodruff & Zenteño 2001).

### **Emigration and government pressures**

The sheer magnitude of Moroccan and Mexican emigration, however, made it an unwieldy phenomenon for both governments to engage with. Morocco and Mexico bordered the economies to which the vast majority of migrants had gone: a mere 14 kilometers across the Strait of Gibraltar separated Morocco from Europe, and Mexico shared a 2000-mile border with its neighbor to the north. Although both Europe and the United States were steadily militarizing their borders, and penalizing immigrants who did make it across, the proximity of Morocco and Mexico to favored destination countries made migration an accessible and popular project for its citizens. By 2005, more than a tenth of Moroccans and Mexicans lived abroad, and most of those were workers who had left with modest means and even more modest skill. Nevertheless, both governments crafted policies to draw in the large and diffuse population of migrants abroad order to capture their funds.

Morocco's migration and development policies began in the late 1960s with aggressive efforts to direct migrant remittances toward development schemes, most of which initially bypassed migrants' communities of origin. Under a program called "Operation Moroccan Workers Abroad," formally launched in 1969, the Moroccan government began to establish

financial institutions and services to serve large numbers of its migrants abroad, many of whom had never previously used a bank (Charef 1981; Banque Centrale Populaire 1991). The financial tools it created, administered through a state-controlled bank, La Banque Centrale Populaire, enabled migrants to send money home cheaply and easily. Instead of focusing exclusively on the transfer of money, as most policies targeted at remittances still continue to do, and instead of only facilitating the movement of money from person to person, the Moroccan government brought migrants into the financial system and helped them deposit their money in bank accounts in Morocco. As a result, migrants were able not only to transfer their wages, but also to save them and collect interest, and eventually to get loans from the government bank to augment their investment in personal projects ranging from housing to education to small business improvement.

### **Remittances and finance, Morocco and Mexico**

Within one short decade, the Moroccan bank had reached over half of its migrant population abroad and the deposits migrants held in the bank represented almost one-quarter of total deposits in the entire Moroccan financial system (Iskander 2010). And, since it had channeled migrant monies into current accounts, the bank, functioning much like any other large bank, was able to lend on remittances to the government for national development projects ranging from dams to industrial parks to power plants, even as it continued to make them available to migrants for their daily and family use.

Due to the success of the financial instruments the Moroccan government deployed to capture remittances, Moroccan migrants, and the wages they sent home, became increasingly important to national industrial investment. Aware of the role their remittances had begun to play in national development planning, migrants began calling on their government to provide services to their villages of origin,

which their government had long sidelined in a development strategy that favored a handful of Morocco's larger cities on the coast and completely ignored vast stretches of the country's rural interior. Since the 1970s, Moroccan migrants had financed independent systems for infrastructure provision to make up for the government's oversight, but by the early 1990s, they began to call on the government to join their efforts, even threatening to stop sending remittances if their demands were not met (Daoud 2005). In response, the government, somewhat reluctantly at first, worked with migrants to design better and cheaper systems to deliver basic infrastructure, including electricity, potable water, roads, and schools, in rural areas. By the mid 1990s, the government had begun to scale up those initiatives and dramatically expanded its service delivery to rural areas: rural electricity provision rose from 25 percent in 1995 to almost 90 percent a mere decade later, and similar improvements occurred in potable water delivery, road provision, and schooling. As a result, the previously marginalized areas from which most migrants were from were integrated into the national economy. Alert to migrants' growing assertiveness, the Moroccan government created institutions to guide migrants' participation in the cultural and political life of their country of origin. It established several agencies, including a royal foundation and a ministerial office for emigrants, to cement migrants' attachment to their homeland (Brand 2002; Belguendouz 2003).

Likewise, in Mexico, innovative government programs to involve migrants in development began with a focus on migrant earnings. After a few false starts, the government started a program in the mid 1980s at a state level to encourage emigrant investment in their communities of origin. The program used government funds to match donations that migrants had made towards community development projects in their home towns. With Mexican government assistance, migrants in the United States organized themselves into clubs – sometimes called home town associations (HTAs) – to raise funds, using everything from cake sales

to dances to straightforward donations, for specific projects in the towns and villages from which they came. The projects were as varied as the communities that migrants came from, and reflected local needs as well as migrant aspirations. Migrant projects ranged from the provision of basic infrastructure to creation of drug rehabilitation centers and health clinics, and the beautification of village squares and churches. The program, which began in Zacatecas, spread from state to state, and by 2002 was a national program. Likewise, the government's contribution to the migrant projects rose over time, increasing from a one-dollar allocation for every dollar migrants donated to a three-for-one ratio by the time the program went national – hence the program's nickname: the three-for-one initiative (Fernández de Castro et al. 2006).

### **Migrant home town associations**

The migrant home town associations created through the three-for-one program became important vehicles through which migrants were able to exercise political pressure on both sides of the border. This was especially true when home town associations from a given state began to join forces and merge into large and powerful federations. In the United States, home town associations often acted as informal labor groups. Because migrants traveled to join friends and relatives, and to take jobs they had been told were available, migrants from the same community often clustered in the same area and the same industry, and the clubs they formed to fund development projects in their communities of origin became forums through which they could share work grievances and mobilize to press their employers for change. In Mexico, the clubs acted as informal lobbying groups through which migrants could pressure local, state, and eventually national governments to address their specific concerns as migrants, such as harassment by authorities in Mexico, as well as the specific needs of their villages and towns. While reviews of the impact of this program on infrastructure provision have been mixed, the program has

supported participatory planning processes and has fostered political mobilization. If development is also a process of increasing political inclusion, then the program, despite its uneven results in terms of infrastructure supply, has made an important contribution to this endeavor.

In response to migrants' mobilization, the Mexican government expanded and refined its consular services, and they quickly evolved into some of the most responsive and creative worldwide. By the early 2000s, Mexico boasted the most expansive network of consular offices in the world, with a strong concentration in the United States. The services offered spanned everything from health counseling to legal advocacy to training and skills certification to cultural and language programs for children. The Mexican government then opened up new channels for migrants to exercise political influence in both Mexico and in the United States: in 2003, it created an organization, called the Institute of Mexicans Abroad, to initiate programs for migrants and their communities on both sides of the border, and created a Consultative Council, a representative group of migrants to act as a board of directors, shaping and guiding the Institute's actions (Délano 2009). Two years later, the Mexican congress ratified a measure that made it possible for Mexicans abroad to vote in Mexican elections.

### Discussion and conclusion

Admittedly, the Moroccan and Mexican governments' overtures to their migrants began with a focus on money. However, the policies they have since deployed to harvest migrants' wages created an opening through which migrants were able to engage with their governments and cultivate political power that they used to challenge policy in the countries they had left and the countries they adopted as their new home. The result was an intense, if often difficult and combative, exchange between migrants and their governments. And yet, it was through this tense back-and-forth that migrants and their governments, together,

unwittingly, transformed early attempts at remittance-capture into sophisticated migration and development tools. The policies they jointly fashioned ensured that the impact of emigration for both countries would have less to do with the volume of financial flows, or the flows of knowledge and networks that accompanied them, than with the ways that both migrants and their governments engaged with those resources. Migrants and their governments created policies that turned migrants' money, ingenuity, and political mobilization into catalysts for development, but it took time – sometimes several decades – for migrants and their government to transform efforts that began with paving a road, opening a bank account, or renovating a village chapel into transformative policies that are today regarded as models of excellence.

SEE ALSO: Central America, migration patterns and remittances; Labor migration and worker organization, global North and global South; Neoliberal globalization and migration; Remittances and poverty alleviation in poor countries; Remittances and poverty alleviation, Ecuador and Bangladesh

### References and further reading

- Banco de Mexico (2009) *Remesas Familiares* [Family remittances]. Mexico City: Banco de Mexico.
- Banque Centrale Populaire (1991) 30 ans: 1961–1991 [30th anniversary of the Credit Populaire du Maroc 1961–1991]. Casablanca: Banque Centrale Populaire.
- Belguendouz, A. (2003) *Marocains des ailleurs et Marocains de l'interieur* [Moroccans from here and elsewhere]. Rabat: Imprimerie Beni Snassen Impression.
- Brand, L. A. (2002) States and their expatriates: explaining the development of Tunisian and Moroccan emigration-related institutions. Working Papers. University of California at San Diego: Center for Comparative Immigration Studies.
- Castaneda, J. (2007) *Ex-Mex: From Migrants to Immigrants*. New York: The New Press.
- Castles, S. & Delgado Wise, R. (2008) *Migration and Development: Perspectives from the South*.

- Geneva: International Organization of Migration (IOM).
- Charef, M. (1981) Les transferts d'épargne des émigrés marocains en France: évaluation de leur importance et de leurs effets [The transfer of savings of Moroccan emigrants in France: evaluation of the importance and effects]. In L. Talha (ed.) *Maghrébins en France: émigrés ou immigrés?* [North Africans in France: emigrants or immigrants]. Aix-en-Provence, France: University of Provence, pp. 217–228.
- Daoud, Z. (2004) *Travailleurs marocains en France: Mémoire restituée* [Moroccan workers in France: reconstructed memories]. Casablanca: Tarik éditions.
- Daoud, Z. (2005) *Marocains de l'autre rive* [Moroccans from the other shore]. Casablanca: Editions Maghrébines.
- de Haas, H. (2003) *Migration and Development in Southern Morocco: The Disparante Socio-Economic Impacts of Out-Migration on the Todgha Oasis Valley*. Amsterdam: CERES.
- de la Garza, R. & Orozco, M. (2002) Binational impact of Latino remittances. In B. L. Lowell & R. de la Garza (eds.), *Sending Money Home: Hispanic Remittances and Community Development*. Lanham, MD: Rowman & Littlefield Publishers.
- Délano, A. (2009) From limited to active engagement: Mexico's emigration policies from a foreign policy perspective (2000–2006). *International Migration Review* 43, 764–814.
- Fernández de Castro, R., García Zamora, R., & Vila Freyer, A. (2006) *El Programa 3x1 para migrantes: Primera política transnacional en México?* [The 3x1 program for migrants: transnational first policy in Mexico?]. Mexico City: Instituto Tecnológico Autónomo de México.
- FitzGerald, D. (2006) Inside the sending state: the politics of Mexican emigration control. *International Migration Review* 40, 34.
- Fox, J. (2005) Unpacking transnational citizenship. *Annual Review of Political Science* 8, 171–201.
- García Zamora, R. (2005) Migración internacional y remesas colectivas en Zacatecas [International migration and collective remittances in Zacatecas]. *Foreign Affairs en Español* 5, 11.
- Iskander, N. (2010) *Creative State: Forty Years of Migration and Development Policy in Morocco and Mexico*. Ithaca, NY: Cornell University Press.
- Mohamed, M. (2000) *Les Marocains Resident à L'Etranger: Une enquête socio-économique* [Moroccans living abroad: a socio-economic survey]. Rabat: Institut National de Statistique et d'Economie Appliquée.
- Munzele Maimbo, S. & Ratha, D. (2005) *Remittances: Development Impact and Future Prospects*. Washington: The World Bank.
- Office des Changes (1963–2006) Data on Remittances – Sources and Types. Government of Morocco, Rabat.
- Orozco, M. (2002) Globalization and migration: the impact of family remittances in Latin America. *Latin American Politics and Society* 44, 26.
- Ratha, D. (2005) Workers' remittances: an important and stable source of external development finance. In S. Munzele Maimbo & D. Ratha (eds.), *Remittances: Development Impact and Future Prospects*. Washington: The World Bank.
- Woodruff, C. & Zenteno, R. (2001) Remittances and micro-enterprises in Mexico. University of California, San Diego, Working Paper.
- World Bank (2010) *Migration and Remittances Factbook 2011*. Washington: The World Bank.