

Reference Paper  
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COOPERATION IN MANAGING  
LABOUR MIGRATION IN A  
GLOBALIZING WORLD

By

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# Cooperation in Managing Labour Migration in a Globalizing World

ILO

## Growth of labour migration

The migration of workers from developing countries to the developed countries has been on the rise for the last few decades but in 1998 migrants still represented no more than 4.2 percent of the latter's total workforce. From the foreign labour force statistics of the Organization for Economic Cooperation and Development (OECD)<sup>1</sup>, we estimate that the number of migrant workers from developing countries in its member states more than doubled from 8.4 million in 1988 to 17.3 million in 1998. However, the increase in the migrant worker population was heavily concentrated in only a few countries. The United States absorbed the bulk of the increase (more than 81 percent of the new migrants from developing countries) while Canada and Australia accounted for another 11 percent. In the European Union, migrants were also heavily concentrated in four countries – France, Germany, Italy and the United Kingdom. Over the decade of the 1990s the number of those coming from developing countries grew significantly faster than those originating from other OECD countries, so that by 1998 they had become the bigger group, representing some 57.8 percent of all migrant workers in the organization's member countries.

Close to half of all reported migrants move from one developing country to another. Indeed, considerable migration for employment takes place between and among countries where differentials in wages are not as large. For example there have been large movements of workers from Haiti to the Dominican Republic, from Burkina Faso to Cote d'Ivoire, from Egypt to Jordan, from Indonesia to Malaysia, or to Argentina from neighboring countries. Some two million Asian workers leave their countries every year to work in other countries within and outside the region under short-term employment contracts.<sup>2</sup>

The full global magnitude of these flows is hard to ascertain because not all countries monitor and fewer still report on labour migration flows, but the phenomenon is undoubtedly significant and growing.<sup>3</sup> It is estimated that there are today over 80 million

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<sup>1</sup>These statistics cover 19 OECD countries. Recent members - the Republic of Korea, Czech Republic, Iceland, Hungary, Mexico, Poland and Turkey - were not included.

<sup>2</sup> See Abella, M. "Driving forces of labour migration in Asia" in *World Migration 2003*, IOM Geneva.

<sup>3</sup> Most countries have different systems for compiling statistics to suit their particular needs. This makes comparisons across countries difficult. When estimating migrant numbers, some countries gather statistics only on foreign citizens and thus do not count those immigrants who have naturalized; others gather

economically active migrants the world over, of whom some 28 million are in the developing regions. Even this figure is likely to be an under-estimate since there are considerable difficulties with migrant population data in almost every country and particularly in some regions.

**Table 1 ILO Estimates of International Migrant Workers by Region, 2000\***

Region	Migrants		Migrant Workers			
	Including Refugees		Excluding Refugees		Including Refugees	
	Millions	% Dist	Millions	% Dist	Millions	% Dist
<b>Africa</b>	16.3	9	5.4	7	7.1	8
<b>Asia</b>	49.9	29	22.1	27	25.0	29
<b>Europe</b>	56.1	32	27.5	34	28.2	33
<b>Latin America and the Caribbean</b>	5.9	3	2.5	3	2.5	3
<b>North America</b>	40.8	23	20.5	25	20.5	24
<b>Oceania</b>	5.8	3	2.9	4	2.9	3
<b>Total</b>	174.9	100	80.9	100	86.3	100

\*Applying ILO estimates of national economic activity rate to UN estimates of migrant stocks.

**Source:** UN Population Division. 2002. *International Migration 2002*, New York, United Nations. ILO, Bureau of Statistics. 1996. *Economically Active Population*, STAT Working Papers 1996-1, 2, 3, 4, and 5. Geneva, ILO.

**Note:** Gulf Countries' economic activity rates are adjusted according to the foreign-born/migrant economic activity rates observed for selected countries (Bahrain, Kuwait, Saudi Arabia and UAE).

Estimates based on migrant workers stocks were replaced with published data of economically active foreigners and/or foreign-borns in the following countries: Australia, Belgium, Germany, Italy, Luxembourg, and United States. For Australia and the US, OECD data are available for economically active foreign-borns (2000). For Belgium, Germany, Italy, and Luxembourg, OECD gives higher number for economically active foreign citizens than for economically active foreign-born estimates and thus they were used.

The effects of adding economic activity refugees were too small to appear in the estimates presented for Latin America and the Caribbean, North America and Oceania.

Today's migrant workforce includes workers with a variety of skills. At the upper end are the professionals and managers who move within the internal labour markets of transnational corporations in the course of expanding trade or direct foreign investments. These so-called "intra-company transferees" have become an ubiquitous presence in the more dynamic regions of the world, where they are the purveyors of new production techniques and managerial know-how. Three out of every four transferees move from one rich country to another, especially across the Atlantic, while the rest are largely moving to and from one of the more successful newly industrializing countries in East Asia and South America. Outside of movements within these internal markets, there are larger movements of professionals and highly-skilled labour in multiple occupations such as ICT, medicine, teaching, sea and air navigation, journalism and communications, and entertainment. Some of these movements of individuals may fall within the so-called "Mode 4" of the negotiations in trade in services.

Nonetheless, contemporary migration flows are still dominated by workers moving to fill unskilled jobs in those segments of the labour market vacated by native workers who move on to better jobs. However the significance of migrant labour in these segments is not uniform across regions, especially in the OECD countries where recent flows are

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statistics on the 'foreign born'. There are also differences in administrative capacity. Countries with better statistical systems would have better coverage of migration statistics. In many parts of the world, migrants frequently cross borders without being included in any migration records.

increasingly becoming more skilled. Labour and immigration policies influence the absorption of migrant workers in different economic sectors, so that migrant farm workers are more important in the US than in Western Europe.

## **Driving forces**

The forces driving migration are many and complex, and global explanations may not apply to individuals. Poverty, wars, famine and repression are certainly among the important causes of migration, but there are other factors as well. Reasons individuals cite for crossing national borders include population pressures on scarce natural resources, wage or income inequality between the poor and rich countries, growing urbanization, reduction in the cost of transport and communications and increasing interactions among societies, civil conflict and absence of human rights, and establishment of migration networks by earlier migrants. It is generally recognized, however, that both increasing differences between countries and lack of gainful employment and decent work, human security and individual freedoms help explain much contemporary international migration<sup>4</sup>.

### *Civil Conflicts*

Civil conflicts in many parts of the world have dislocated many from their homes and forced them to seek temporary protection, often in neighbouring countries. During the last decade the number of asylum seekers globally peaked at an estimated 20 million but has since declined to about 12 million. The growth in the number of asylum claimants nevertheless has raised anxieties among the signatories to the 1951 Geneva Convention and the 1967 Protocol on the Status of Refugees about their capacity to host more refugees, since many refugees and asylees work in host countries. Other factors –in particular political instability and population displacement due to consequences of global warming—promise more migration pressures. While the focus of this report is not on refugees, those refugees that actually work in destination countries are considered migrant workers (though often in the capacity of irregular workers). The world's population of 6.3 billion is growing by about 84 million every year, 97 percent in developing countries. Some 100 million new entrants join the world's labour market every year, most of them in developing countries, aggravating the already serious problem of unemployment estimated at no less than a billion unemployed or underemployed.

### *Economic Disparities*

For a variety of demographic, political, and other reasons, the economic gains from the progressive integration of the global economy have yet to materialize for many of the world's poor countries. Despite the gains made by the more populous developing countries, China and India, in raising incomes over the past two decades, the gap in per

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<sup>4</sup> Martin, P. and J. Widgren. 2002. *International Migration: Facing the Challenge*. Washington D.C: Population Reference Bureau. Population Bulletin Vol 57, No 1. March.  
<http://www.prb.org/Template.cfm?Section=PRB&template=/ContentManagement/ContentDisplay.cfm&ContentID=7022>

capita incomes between the rich and the poor countries has remained large, and a recent ILO study shows that inter-country inequality as measured in GDP per capita has increased.<sup>5</sup> In the words of the ILO Director General Juan Somavia “...*If you look at the global economy from the perspective of people, its biggest structural failure is the inability to create enough jobs where people live.*”<sup>6</sup>

Globalization may yet narrow the income gaps between nation states. History shows that the movement of goods rather than the movement of people was the key factor in the success of some developing countries to catch up with the more advanced countries. The East Asian economic miracle was based on a comparative advantage in low cost labour to manufacture goods that were exported, and has since spread to China, where per capita incomes doubled in less than a decade. However, the general replicability of this model has been in dispute in other developing countries with weaker capacities to produce manufactures or where other conditions for successful management of the development process are not present.

Some low-income countries dependent on a few agricultural exports like cotton and maize have suffered from increased competition with subsidized exports of the same commodities by the more developed countries. A recent general equilibrium analysis of trade policies for low income countries like those in sub-Saharan Africa indicates that trade liberalization by the low income country only generated increased emigration because liberalization led to a sharp fall in the real exchange rate.<sup>7</sup>

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<sup>5</sup> Ajit K. Ghose, Trade and international labour mobility, ILO Employment Papers, 2002/33, International Labour Office. <http://mirror/public/english/employment/strat/download/ep33.pdf>

<sup>6</sup> Statement to the International Co-operative Alliance General Assembly (Oslo, 3 September 2003).

<sup>7</sup> See Faini, Ricardo, Grether, J.M. and Jaime de Melo “Globalization and migratory pressures from developing countries: A simulation analysis” in R. Faini, de Melo, J. and Zimmermann, K. F (eds) *Migration: The Controversies and the Evidence*, Cambridge University Press, 1999.

**Table 2 – Global incomes, population and migration, 1975-2000**

Year	Migrants	World Population	Migrants as a proportion of world population	Average annual increase in number of migrants	Income group by GDP (\$)			Ratios	
	millions	billions	Percent	millions	Low	Middle	High	High-low	High-middle
1975	85	4.1	2.1%	1	150	750	6,200	41	8
1985	105	4.8	2.2%	2	270	1,290	11,810	44	9
1990	154	5.3	2.9%	10	350	2,220	19,590	56	9
1995	164	5.7	2.9%	2	430	2,390	24,930	58	10
2000	175	6.1	2.9%	2	420	1,970	27,510	66	14

Sources: UN Population Division and World Bank Development Indicators; 1975 income data are those for 1976

Notes: Migrants are defined as persons outside their country of birth or citizenship for 12 months or more. The estimate for 1990 was raised from 120 million to 154 million, largely to reflect the break-up of the USSR, though many of these additional migrants did not move; they were, for example, Russians considered foreigners in Estonia

### *Population Density*

The population of the more developed regions of the world is rising at an annual rate of 0.25 per cent, while that of the less developed regions is increasing nearly six times as fast, at 1.5 percent annually — differences that will largely persist until around 2050<sup>8</sup>. Population density is already higher in developing than in developed countries — 51 persons per square kilometer in low- and middle-income countries, compared with 29 in the high-income countries. So in broad terms it might be expected that just as the nineteenth century was marked by migration from densely populated Europe to more lightly populated America and Oceania, so the first half of this century might similarly respond to differences in population density.

### *The Demographic Deficit*

There is a contrast between the ageing populations of the more developed countries and the more youthful populations of developing countries. Although populations are ageing to some extent almost everywhere, the process has gone much further in Europe and Japan, with fertility so low that deaths exceed births. On present trends, between 2000 and 2050 the population of Italy, for example, is projected to drop by 22 percent, and 52 per cent in Estonia and 44 per cent in Latvia<sup>9</sup>. Low fertility and rising life expectancy mean that, for Europe as a whole the proportion of the population older than 65 will rise from 15 to 28 per cent between 2000 and 2050, and in Japan from 17 to 36 per cent.

The UN Population Division concluded that, if immigration were the only means of maintaining current labor forces, immigration would need to be much higher. The big four EU countries — France, Germany, Italy and the UK — account for two-thirds of the EU population and 88 per cent of its immigrants. If their 1995 populations were to remain

<sup>8</sup> United Nations Population Division, (2003): *World Population Prospects: The 2002 Revision*.

<sup>9</sup> Ibid. *Vol. II: Sex and Age*. (Medium variants.)

constant, given current fertility rates, immigration levels would have to triple, from 237,000 to 677,000 a year. However, if the objective were not just to maintain the 1995 population but also the 1995 workforce, and to maintain the dependence ratio, the big four alone would have to accept 1.1 million immigrants a year. Immigration on this scale is unlikely, but there is no doubt that immigration at some level will make an important contribution.

### **The decline of bilateral migration management**

Most migration reflects individual or family initiatives, as people leave home to take advantage of opportunities overseas. This is in marked contrast to earlier eras when a significant proportion of migration took place under the aegis of bilateral agreements between governments.

One of the earliest bilateral recruitment programs was the Bracero programme, which from 1942 to 1966 admitted around five million workers from Mexico to the United States. It was eventually halted because unions, churches, Mexican-American leaders and others concluded that having Bracero workers in the fields slowed the upward mobility of Mexican-Americans<sup>10</sup>.

During the 1950s and 1960s, a number of European countries also established programmes that actively recruited workers overseas and ratified the ILO Migration for Employment Convention No. 97 (1949) which aimed to regulate such flows. In the 1950s, France, for example, encouraged the arrival for long-term settlement of workers first from Southern Europe then from North Africa. In the 1960s, the West German Government followed France's lead and set up recruitment offices in the major source countries – Italy, Greece, Turkey and Yugoslavia – initially looking for seasonal workers and then *Gastarbeiter* to work on short-term contracts. There were similar schemes in other countries such as Belgium and the Netherlands.

What distinguished these movements was the role played by states in organizing and closely supervising recruitment, employment, and return. Employers seeking foreign workers sent their request to local public employment offices, which then relayed it to public employment authorities abroad, where workers were recruited, tested, and selected. Between 1960 and 1966 the *Gastarbeiter* programme brought some 3.6 million foreign workers to West Germany, and 3 million returned as expected.<sup>11</sup>

By the mid-1970s this bilateral system collapsed. The global recession that followed the oil shock of 1973 reduced the demand for immigrant workers, and governments applied more restrictions to guest workers to encourage their departure, although only 10 percent

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<sup>10</sup> Martin, P. (2003). *Managing Labor Migration, op. cit.*

<sup>11</sup> Werner, H. (2001). *From Guests to Permanent Visitors? A review of the German experience*, International Migration Papers No 42, Geneva, International Migration Programme, International Labour Office

left<sup>12</sup>. Large-scale organized labour migration to Europe through bilateral agreements came to an end in the late 1970s, and the labor migration that occurred as growth resumed involved migrants entering via family reunification channels, or as tourists, asylum-seekers or students — or clandestinely with the help of smugglers and traffickers.

Most labor migration policies today are unilateral, in the sense that destination countries normally announce programs to admit migrants without seeking bilateral agreements with source countries. There is growing recognition that cooperative migration management can better achieve goals for both sending and receiving countries, and there has been an upsurge in bilateral MOUs and agreements, but most programs to admit foreign workers are unilateral. For the source countries, unilateral action means trying to manage the process of emigration. Some of the major Asian source countries, including Indonesia, the Philippines, and Sri Lanka, closely regulate and supervise the recruitment of their nationals for employment in foreign countries.

Multilateral action has been most successful in establishing international norms. The ILO pioneered two Conventions – Migration for Employment No. 97 (1949) and the Migrant Workers (Supplementary provisions) No. 143 (1975)., and in 1990 the UN General Assembly adopted a new Convention on the Protection of the Rights of All Migrant Workers and Members of their Families, that entered into force in 2003. At the initiative of Sweden and Switzerland, a Global Commission on Migration was launched in December 2003 and two international commissions, on Human Security and on the Social Dimensions of Globalization, are also considering ways to improve migration management. On a more informal basis there are regular consultations between international agencies concerned with migration such as ILO, IOM, UNCTAD, UNHCHR, UNHCR and UNODC and in what has been called the Geneva Migration Group.

### **Limits to unilateral action against irregular migration**

In order to assert state sovereignty governments have often taken unilateral actions on irregular migration flows. These include:

- *Stricter border enforcement* – This is often the first measure taken to repel immigration but it can have a number of adverse effects. One is that it creates dangers for determined migrants who, forced to take riskier routes, can lose their lives during border crossings. Strict border enforcement can also keep migrants abroad permanently when they might otherwise have moved back and forth between source and destination countries, stimulating an underground economy that exposes migrants to the possibility of forced labour. Much of today's border enforcement does not actually repel migration but simply diverts it into illegal channels.

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<sup>12</sup> Garson, J.-P. and A. Loizillon (2002). Changes and Challenges: Europe and Migration 1950 to Present. Paper for the European Commission/OECD Conference on the Economic and Social Aspects of Migration, Brussels, 21-22 January 2003. <http://www.oecd.org/dataoecd/15/3/15516948.pdf>.



- *Expulsion* – Governments have frequently expressed their determination to return migrants to their country of origin or of last abode. But for a variety of reasons they generally fail. Migrants may be protected by social and family ties, their identity may be uncertain, there may not be a country willing to accept them back, or there may be no feasible means of transportation. Even after they are expelled, determined migrants typically try again.
- *Employer sanctions* – It should also be possible to deter employers who knowingly employ irregular workers or make no effort to determine their status by imposing fines or other sanctions. In practice, even when such sanctions exist, enforcement is weak and there are relatively few inspections of those premises likely to employ irregular workers.
- *Formalizing the labour market* – Since many migrants are absorbed by the informal economy, governments can also steadily try to extend the reach of labour regulations so as to reduce the number of informal workplaces.

Although each of these measures can address migration that is already underway, they do not generally prevent people leaving home in the first place. A more viable option is to work with the source countries, looking at the causes of migration and seeing how it can best be managed.

### **Advantages of inter-country cooperation**

Destination countries are increasingly realizing that they have few ways of influencing ‘unwanted’ migration unilaterally. This insight, though often unacknowledged, has now resulted in a host of cooperative efforts at migration management, most of them at the bilateral level, many at the regional level, and some at the global level. This cooperation deserves to be strengthened as it has significant potential.

International cooperation can consist of a variety of measures; some preventive, others remedial. As part of regional economic integration, along with reducing barriers to free trade, countries can make agreements for the free movement of labour. Destination and source countries can also make bilateral agreements on recruitment and employment, and cooperate in the management of return programmes.

The European Commission recently expressed its faith in the benefits to be gained from managing migration thus: “...*If carefully managed, migration can be a positive factor for growth and success in developing countries. One of the basic principles of improving the management of migration is that it requires joint effort. Dialogue between the country of origin and the countries of destination needs to be intensified and cooperation needs to be developed in a spirit of partnership...*”<sup>13</sup> The emphasis here is clearly on cooperative management.

Governments can take some steps at cooperation through treaties and international conventions that extend national sovereignty beyond geographic boundaries. The framers

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<sup>13</sup> European Commission, “Governance and Development” Communication to the Council, the European Parliament and the European Economic and Social Committee, COM (2003) 615 final, 20.10.2003.

of the ILO Conventions on Migrant Workers — 97 and 143 — envisaged such cooperation and made provision for the reciprocal exchange of information on national policies, laws and regulations, migration for employment, the conditions of work and livelihood of migrants for employment, and on misleading propaganda. Convention No. 143 also provides for cooperation between States — to suppress clandestine movements of migrants for employment, to act against organizers of the illicit movement of migrants and those who employ workers who have immigrated in illegal conditions, and to ensure that the authors of labour trafficking can be prosecuted whatever the country from which they exercise their activities. But these agreements are seldom enough. Conventions 97 and 143 have been ratified by only a small number of states, and the 1990 UN Convention on Migrant Workers and Members of their Families has yet to be ratified by a single significant destination country.

### **Multilateral processes**

States voluntarily limit their sovereignty by making binding commitments in international law to regulate trade and migration, as with:

- *Regional integration agreements* – The framework of the European Union, MERCOSUR, the Andean Community and NAFTA, make provision for free circulation, establishment and access to the labour market of nationals from member countries. In this type of multilateral agreement, migration is treated as just another variable of an integration process.
- *General Agreement on Trade in Services* – Mode 4 of GATS for natural persons supplying services relates to conducting negotiations on the rights of natural persons to remain temporarily in a country in order to provide a service, be it qualified or not qualified. The principle of the most-favoured-nation treatment is applied, but it is not applicable to persons who try to obtain a permanent job, or to the conditions of obtaining nationality, residency or permanent employment.<sup>14</sup> Unlike regional integration agreements, this agreement is aimed at the Member States of the WTO.
- *Unilateral measures* – These are autonomous measures, such as voluntary promises, that lead to international obligations.
- *Supplementary clauses on migration* – These can be included in bilateral or multilateral treaties whose principal objective is partially or entirely separate from the question of migration. On the basis of the conclusions of the Seville European Council (2002), for example, every cooperation and association agreement concluded by the EU must contain a clause for the readmission of irregular migrant workers.

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<sup>14</sup> As was indicated at the *Expert Meeting on Market Access Issues in Mode 4* (UNCTAD, Geneva, July 2003), most countries deal with Mode 4 in the same way as migration [temporary], there being few countries which establish specific mechanisms or methods for the temporary movement of persons under the GATS (summary by the Chairperson). In the ILO *International Labour Migration Survey, 2003* only a few countries referred to their commitments under Mode 4 (for example *Austria, New Zealand* and *United States*).

### *Bilateral migration agreements*

In the 1960s a number of European states facing serious scarcity of workers entered into bilateral agreements for the recruitment of labour. Most of these agreements ended during the 1970s as a result of economic crises — to be replaced by much looser framework agreements, memoranda of understanding and declarations of mutual cooperation on the contracting and protection of foreign workers<sup>15</sup>. The 1990s, however, saw an upsurge in bilateral agreements. For example, of the 168 bilateral agreements concluded in Latin America in the second half of the twentieth century, half were concluded in the past decade<sup>16</sup>.

In the OECD countries, there are currently 173 bilateral agreements with countries from all regions of the world. As a result of the opening up of the borders of Central and Eastern Europe, the number of bilateral treaties had increased fivefold by the beginning of the 1990s<sup>17</sup>. The ILO Labour Migration Survey, 2003, also indicates considerable use of bilateral agreements by Central and Eastern European States and by the Commonwealth of Independent States, not only between States in the region or with neighbouring States of the European Union, but with countries of southern Europe (such as Spain and Portugal) and even with countries on other continents.

Since the beginning of the current decade there has been a further increase in the number of agreements, including particularly agreements entered into by Italy, Portugal and Spain, which previously had been migrant origin countries but are now destination countries.

These bilateral agreements have had a wide range of objectives. Some were clearly aimed at avoiding a rise in illegal migration, like the agreements that Germany concluded with many of her eastern neighbours. Others seek to address broader economic and social issues, like the agreements that Argentina has concluded with Bolivia (1999), Peru (1999) and Paraguay (not yet in force). These agreements provide, for example, for equality of treatment and non-discrimination, social security, the transfer of remittances, the regularization of immigrants and labour mobility. Argentina has also concluded an agreement with Ukraine (1999) for the recognition of qualifications and certificates of study, and for social integration.

Other examples of successful bilateral agreements are those concluded by Canada for seasonal work in agriculture with Barbados, Jamaica, Trinidad and Tobago, Mexico and

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<sup>15</sup> Abella, M.I.: *Sending workers abroad*, ILO, Geneva, 1997

<sup>16</sup> Between 1991 and 2000, 35 bilateral agreements were signed between Latin American countries (five for regularization, five labour conventions, 13 for free circulation, and 12 for return). During the same period 49 bilateral agreements were signed between Latin American countries and other countries (nine for readmission, one for regularization, five labour agreements, 18 for free circulation, 11 for return and three for migrant protection). The agreements for return include extradition treaties. See OIM, *World Migration 2003*, p. 178.

<sup>17</sup> OECD: *Bilateral labour agreements: Evaluation and prospects*, Seminar on Bilateral Labour Agreements jointly organized by the OECD and the Swiss Government, Montreux, June 2003.

the Organization of Eastern Caribbean States. These agreements clearly spell out the responsibilities of Canadian employers, which include assuming part of the transport costs and providing free accommodation; and those of the origin country for recruiting and representing the workers. The employers must pay the prevailing wages for agriculture in Canada and the workers must enjoy pension rights and be covered at all times by private or provincial healthcare schemes, including maternity coverage.

The ILO considers that bilateral agreements are an effective way to manage migratory flows. In fact, Recommendation No. 86 includes in its Annex a model agreement on temporary and permanent migration of workers, which includes clauses on the regulation of migratory flows, working and living conditions, and social security for all. The ILO International Migration Survey found that Recommendation No. 86 has been widely used by States as a model<sup>18</sup> — or will be used as a model<sup>19</sup> — even by countries that have not ratified the ILO instruments,

### *Bilateral agreements in Spain*

As part of its migration policy,\* Spain in 2001 adopted a global programme to regulate and coordinate foreign residents' affairs and immigration (the GRECO programme). The programme has five measures: (a) approving criteria for the admission of immigrants; (b) calculating the need for temporary or permanent workers; (c) determining the countries with which to negotiate agreements; (d) managing all aspects of migration; and (e) establishing mechanisms to select and, as necessary, training foreign workers in the source countries, with the contribution of the social agents and NGOs.

Spain has subsequently concluded eight bilateral agreements — with Morocco (1999), Colombia, the Dominican Republic and Ecuador (2001), Poland and Romania (2002) and Guinea-Bissau and Bulgaria (2003). In addition, more than 40 other States have asked to sign bilateral migration agreements with Spain. Some of these countries, such as Argentina and Mexico, have a high number of Spaniards in their territories.

The agreement concluded with Ecuador, for example, is intended to cover the whole of the migration process: the pre-selection of workers, the system of communicating job offers, the selection and recruitment of workers in the sending country, special provisions for temporary workers, the organization of travel, guarantees of labour conditions and rights at the destination, the possibility of family reunification, and provisions for return. To coordinate requests by its nationals who wish to go to work in Spain the Ecuadorian authorities have set up, with the collaboration of the OIM, the Technical Unit for the Selection of Migrant Workers.

\* In 2000 Spain adopted the organic act on the rights and freedoms of foreigners (Act 4/2000), which was amended the same year (Act 8/2000) and, in 2001, it approved the executive regulations. Recently the Act was further amended by Acts 11/2003 and 14/2003. The modifications include the introduction of a visa to seek employment, intended for immigrants of Spanish descent.

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<sup>18</sup> For example, *Argentina, Austria, Colombia, Cyprus, Ecuador, Kenya, Republic of Korea, Lebanon, Portugal, Myanmar, Tajikistan, United Arab Emirates, Uruguay, Mauritius, Barbados, France, Guatemala, Uruguay and Rwanda.*

<sup>19</sup> *Albania, Eritrea, Honduras, Madagascar, Kazakhstan, Slovakia, Togo and Poland.*

## **Regional economic integration and the free movement of labour**

The last decade has also seen more initiatives to promote cooperation in checking clandestine or illegal migration and people smuggling and trafficking. These include the 'Puebla Process' in the Americas, the 'Barcelona Process' in the Mediterranean, and the 'Manila Process' in Southeast Asia. In each case, participating states take part in wide-ranging discussions and negotiations over their respective roles in insuring more orderly and beneficial movements of people.

The Puebla Process Plan of Action outlines five major subjects: national migration policies; the link between migration and development; the need to combat migrant trafficking; international cooperation for the return of extra-regional migrants; and the human rights of migrants. A number of seminars have been held — on migration and development, for example, migrant trafficking, the return of migrants, and the human rights of migrants. The Puebla process has had a number of concrete outcomes. It has for example, paved the way for the US to legalize the status of many Central Americans who fled to the US during civil wars in the 1980s. The US also granted Temporary Protected Status to Central Americans in the US in 1998 following Hurricane Mitch and in 2001 following severe earthquakes in El Salvador. The Puebla process has also resulted in cooperation to improve border safety at the Mexico-US and Mexico-Guatemala borders. These regional processes have also brought more general benefits — providing opportunities for government-to-government consultations on migration issues that have contributed to reducing the tensions between states.

Though international migration flows are becoming increasingly intercontinental, probably the largest flows are still between countries in the same region. In the United States, a high proportion of migrants still come from Mexico and Central America. In Europe, migrants from non-EU countries tend to come from Eastern Europe, Turkey the Balkans and the Maghreb. In Asia, some of the largest flows are from Afghanistan to Pakistan and Iran, from Myanmar to Thailand, and from Indonesia to Malaysia. And in Africa the most active migration systems are those between South Africa and her neighbours, between the countries of Central Africa, and between the countries of West Africa where there are some 3 million migrant workers.

For this reason, regional agreements on migration probably have a greater impact than international treaties or conventions. Improving the management of migration and the conditions of migrants must therefore start with ensuring more orderly movements between neighbouring states.

The European Union forms the most extensive area with free movement of labour, but there are also agreements in many other regions: between members of the Nordic Community for both skilled and unskilled labour; between Australia and New Zealand under CERTA; between Canada and the United States for skilled labour under NAFTA (and Mexico beginning in 2004); between 16 West African states for skilled and unskilled labour among under ECOWAS; and between the Caribbean countries for skilled and unskilled labour under CARICOM. These agreements provide for progressive

harmonization of labour policies with a view to eventually giving full equal treatment to each other's nationals.

What has been agreed to in principle may, however, fail to be observed in practice. In some cases there are political pressures for expulsion. There have, for example, been expulsions from Nigeria in 1983 and 1985 and more recently from Côte d'Ivoire — in violation of the ECOWAS agreements. Another common problem in regional agreements is the lack of a common system for recognizing professional qualifications. The European Union has systems of mutual recognition so that a person recognized as a doctor in Germany, say, is likewise recognized as a doctor in France, though these do not yet extend to nationals of third countries, and such arrangements are not widespread in the other regional agreements. In addition, some countries retain barriers to entry into certain professions, requiring the passing of tests to obtain needed licenses if applicants were not educated in the country in which they work.

If governments are to make these agreements work, they have to harmonize policies and standards. But they also have to ensure that 'gate-keepers' and administrators on the ground do not use their discretionary powers to defeat the objective of the policy. According to an ECOWAS Executive Secretariat Report, nearly all member states maintain numerous checkpoints and subject citizens to administrative harassment<sup>20</sup>.

Regional economic integration through trade liberalization should eventually bring about a greater convergence of wages and prices and other factors of production — which in itself will reduce the incentive for migration. This has clearly happened in the European Union, which guarantees freedom of movement and equal treatment, and the portability of social welfare benefits.<sup>21</sup> Despite this, foreign workers make up only 2 percent of workers in the national labour markets of the EU countries. Hence, regional economic integration ultimately brings about an apparent paradox, that while it may open up greater possibilities for the free movement of labour it also generates the kind of economic convergence that would reduce the need for such movements.

### **Towards liberalizing trade in services**

If services are to be traded internationally some workers will need to move temporarily to consumers' countries. The General Agreement on Trade in Services that came out of the Uruguay Round in 1994 has already helped to facilitate such trade through agreements on the temporary admission of people who are engaged in rendering certain kinds of specialized service like financial management and legal services.

This was a breakthrough for the promotion of international trade in services and augurs well for the fastest growing and most dynamic sector in post-industrial societies. It is also a sector in which some developing countries have a comparative advantage since

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<sup>20</sup> ECOWAS Executive Secretariat 2000b, "Achievements of ECOWAS", in 25th Anniversary Report <http://www.ecowas.int/sitecedaao/english/achievements-1.htm>.

<sup>21</sup> See Molle, W. (1994) *The Economics of European Integration: Theory, Practice, and Policy* Aldershot, Dartmouth Publishing Co. Chapter 9.

although they are short of capital they are rich in human resources. The negotiations over the movement of natural, as opposed to legal, persons or the so-called Mode 4 of GATS, have, however, been slow and difficult, reflecting the worries of the more developed regions over the temporary admission of people who may subsequently stay permanently.

The negotiations currently centre on:

- *Qualifications* – Accelerating mutual recognition of qualifications
- *Sub-contracting schemes* – To include lower skilled service workers
- *Service personnel categories* – Achieving uniform definition and coverage of these categories and expanding them to include middle and lower skilled workers and professionals
- *Social security* – Separating short from long-run social security contributions

On the question of mutual recognition of qualifications, developing countries would prefer that the WTO develop and administer a global system, so that an architect, doctor, or nurse would have his or her credentials recognized in all WTO member countries. As a second-level demand, they would like the employer to be allowed to assess the qualifications, so that if an employer abroad deemed a foreigner qualified, so would his or her government. This already happens in some high-tech fields, where job titles are constantly evolving and there are few formal systems for vetting credentials.

In the absence of such agreements, educational institutions in developing countries have dealt with this problem by incorporating into their curricula the requirements of the countries where graduates want to work, so that nurses in the Philippines, for example, are trained to pass nursing tests in Canada, the United Kingdom or the United States. The migration of professional labour would be eased if there were a worldwide reference source with accurate and up-to-date information on educational and occupational credentials. In an ILO regional conference on hotel and tourism in Bangkok in 2003 one of the recommendations was for the ILO to develop a certification for skilled workers in the industry who underwent specialized training [Check title & wording].

The trade in services will also require more streamlined procedures for obtaining visas and work permits. At present, this process can take many months. Even when the authorities in the destination country have given an employer permission to use a foreign service provider they will still interview the workers involved to check that they are eligible for residence and work visas. They can also complicate the process by involving several different branches of government: in some countries work and residence visas are issued by separate agencies and disagreements between them can increase costs and uncertainties. Instead, developing countries would prefer 'one-stop shops' in industrial country consulates that could issue multiple-entry visas that are easy to obtain and renew. And in the event of the issue of visas being slowed by conflicts between agencies they would also like migrants or their employers to be able to file trade complaints.

## **Conclusions**

Economic, political, and demographic factors suggest that we are in an age of growing migration pressures. Every year many millions of young men and women enter the labour force in developing countries where jobs creation is not fast enough to absorb them, while populations are ageing in the more developed regions, where scarcities of labour are emerging in many sectors. Other developments that add to migration pressure include rising differences that motivate or cause people to move over borders, and new technologies that allow more people to get the information they need to access the global labour market.

Migration has historically been beneficial to most migrants as well as countries of destination and origin. However, efforts to build an acceptable multilateral framework for regulating movements so as to insure that labour migration yields mutual benefits have so far not seen much evidence of success. The number of migrant workers in an irregular situation is rising rapidly, helped to some extent by the growing commercialisation of migration processes, including smuggling and trafficking, but also to the growth of informal forms of employment in destination countries. Unless the international community acts, this situation is likely to worsen, with worrisome implications for protecting the rights of migrant workers until migration pressures are reduced through faster economic development.