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Migration, remittances and regional development in Southern Morocco ☆

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Abstract

Although Morocco has evolved into one of the world's leading emigration countries, the systematic study of the developmental impact of migration in migrant-sending regions in Morocco and the Maghreb has been relatively neglected after a temporary surge of pessimistic studies in the 1970s. Empirical work from this region has therefore been largely absent from the lively theoretical debate on migration and development. This study attempts to re-establish this link through qualitative research and a survey among 507 non-migrant, internal and international migrant households in the Moroccan Todgha oasis. The study shows that international migration and remittances have significantly contributed to economic development, improved standards of living and enabled the partial emancipation of subaltern ethnic groups. International migrant households invest more than others in housing, agriculture and other enterprises. Risk spreading and income stabilisation rather than increasing incomes seem to be the prime rationale behind internal migration, although internal migration tends to facilitate the education and international migration of younger household members. Remittance expenditure and investments have stimulated the diversifying and urbanising regional economy and have triggered a counter-flow of "reverse" internal migration. However, several structural constraints prevent the high development potential of migration from being fully realised.

Keywords: Wage-labour migration; Remittances; Investments; Rural development; Social change; Middle East and North Africa

1. Introduction: The migration and development debate

Since the 1960s, Morocco has acquired a central place in the Euro-Mediterranean migration system and witnessed increasing diversification in migration destinations outside its former coloniser, France. Out of a population of 30 million, over 2 million Moroccans currently live in European countries like France, The Netherlands, Belgium, Germany, Italy and Spain. Receiving over US$3.3 billion in official remittances in 2001, Morocco is the developing world's fourth largest remittance receiver. The relatively stable remittance flow is five times higher than official development aid and also exceeds FDI and revenues from tourism and the export of agricultural produce and phosphates. The inflow of remittances is not only crucial to the balance of payments, but also seems to have an immediate poverty decreasing effect (cf. Teto, 2001).

The surge in remittances sent by migrants to developing countries has recently drawn substantial attention among scholars and policy makers (cf. Ratha, 2003). Remittances sent back to migrant-sending regions are often said to play a vital role in alleviating poverty and improving livelihoods. Remittances seem to be a safety net for relatively poor areas, as they are freer from political barriers and controls than either product or other capital flows (Jones, 1998a, p. 4). It has been argued that this "private" foreign aid flows directly to the people who really need it and does not require a costly government bureaucracy on the sending side, while far less of it is likely to be siphoned off into the

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pockets of corrupt government officials (Kapur, 2003, p. 10).

Nevertheless, it remains doubtful whether such optimism is wholly justified. Firstly, as with the process of migration itself, most of the *direct* benefits of remittances are selective and tend neither to flow to the poorest members of communities (cf. CDR, 2002, p. 2), nor to the poorest countries (Kapur, 2003, pp. 7–8). Secondly, although few would deny the direct positive contribution of remittances to the living standards of families left behind, the extent to which migration and remittances can bring about sustained development and economic growth in migrant-sending regions and countries is quite a different question.

This very issue has been the subject of heated debate over the past decades (see Nyberg-Sørensen et al., 2002; Papademetriou and Martin, 1991; Taylor et al., 1996a,b). On the one hand, developmentalist "migration optimists" argue that migration leads to a North–South transfer of capital and accelerates the exposure of traditional communities to rational ideas, modern knowledge and education. International migration was perceived especially in the 1950s and 1960s as a major contributor to development in poor countries. The general expectation was that remittances—as well as the experience, skills and knowledge that migrants would acquire abroad before returning—would greatly help developing countries in their economic take-off (Penninx, 1982, pp. 782–783; cf. Beijer, 1970). In recent years, this developmentalist view of migration and development is experiencing a renaissance (cf. Kapur, 2003).

On the other hand, "migration pessimists"—inspired by the structuralist paradigm and dependency theory—have argued that migration and concomitant changes, such as growing inequality and individualism, lead to the withdrawal of human capital and the breakdown of traditional, stable village communities and regional economies, provoking the development of passive, non-productive communities, which become increasingly dependent on remittances. Moreover, they argue that remittances are spent mainly on luxury goods and "consumptive" investments and are rarely invested in productive enterprises. In this perspective, South–North migration is perceived as discouraging the "autonomous" economic growth of migrant-sending countries (cf. Lipton, 1980; Rubenstein, 1992). Instead of encouraging development, migration is rather seen as one of the very *causes* of further underdevelopment.

In general, the more pessimistic views have tended to dominate, a trend that is also found in the Moroccan literature on migration and development. Migrant remittances would be used mainly to pay for luxury goods and "non-productive" investments like construction, real estate speculations and commerce (cf. Seddon, 1981). "Productive" investment in agriculture or industry would, by contrast, be very limited. In many instances, it is argued, migrant households even withdraw from productive activities in or outside agriculture (cf. Berrada et al., 1978; Fadloullah et al., 2000; Heinemeijer et al., 1977; Lazaar, 1987; Kagermeier, 1997; Mezdour, 1993). In the case where traditional agriculture persists or investments occur, it mainly takes an 'economically non-viable' form, often described as 'sentimental' (Bencherifa, 1991). Therefore, the impact of migration on development in the regions of departure can even be negative in contributing to the 'development of underdevelopment' (cf. Berrada et al., 1978).

In the 1980s and 1990s, the new economics of labour migration (NELM) emerged mainly within the American research context as a response to both developmentalist theory (the "migration optimists") and structuralist theory (the "migration pessimists"). Both approaches seemed too rigid and determinist to deal with the complex realities of migration and development interactions. NELM offered a more subtle view, in which both positive and negative development responses were possible (cf. Taylor, 1999). Stark (1978, 1991) revitalised academic thinking on migration from the developing world, by placing the behaviour of individual migrants within a wider societal context and considering the *household*—rather than the individual—as the most appropriate decision-making unit. This approach perceives migration as the risk-sharing behaviour of households. Households are better able than individuals to diversify resources like labour in order to minimise income risks. This approach integrates motives other than individual income maximisation that play a role in migration decision-making. Migration is perceived as a household response to income risks, since remittances serve as income insurance for households in the country of origin (Lucas and Stark, 1985, p. 902).

In addition, NELM scholars argue that migration plays a vital role in providing a potential source of investment capital, which is especially important in the context of the imperfect credit (capital) and risk (insurance) markets that prevail in most developing countries (Stark, 1991; Taylor, 1999). Such markets are often weakly developed and inaccessible to non-elite groups. Hence, migration can also be considered as a strategy to overcome various market constraints, enabling households to invest in productive activities.

NELM has striking (though as yet unobserved) conceptual parallels with the "livelihood" approaches which have evolved among geographers, anthropologists and sociologists conducting micro-level research in developing countries. A growing body of empirical work has raised awareness that the poor are not only passive victims of global macro-forces, but actively try to improve their livelihoods within the constraining conditions in which they live. Growing awareness of the tremendous diversity of the ways in which people in poor countries organise their daily lives and the creativity they demonstrate there, has pointed to the fundamental role of human agency.

Bebbington (1999) stressed the need to broaden our understanding of rural livelihoods in the developing world, without restricting the analysis to agriculture or natural resources, since many households are diversifying their livelihoods. In this context, migration is one of the main elements of the strategies to diversify, secure and, potentially,