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Apuntes 84, 141-163
ISSN: 0252-1865
eISSN: 2223-1757
doi: https://doi.org/10.21678/apuntes.84.1017

Article received on July 2, 2018
Final version approved for publication on February 18, 2019

Return or Remittances? Diaspora Economic Policies of Latin American and Caribbean States

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Abstract. Explanations of why migrants return to their countries of origin tend to focus on micro and macro level factors: from viewing the move as an individual choice (e.g. neoclassical economics) or a household strategy (e.g. new economics of labor migration), to seeing it as determined by the structural conditions of receiving or sending countries (e.g. economic cycles, wage differentials, etc.). Yet we know very little about how states of origin combine their policies towards emigrants to establish economic links with them, from remittances to return. Using an original dataset for LAC countries, we provide an initial descriptive panorama that highlights the choices that states make in this regard. We compare return policies to other economic policies geared to emigrants. This allows detecting of return policies, which are often neglected in comparative diaspora policy studies, and are one of several developed by states as part of their economic strategies. Furthermore, this first attempt at descriptive analysis provides further paths to explore the causal links behind diaspora policy development within the realm of economic policy.

Keywords: Latin America; diaspora; emigrants; return; remittances; development.

> The recent 'remittance euphoria' is not justified, because unattractive investment environments and restrictive immigration policies which interrupt circular migration patterns prevent the high development potential of migration from being fully realized.
>
> (Haas 2005)

Introduction

The return to and reinsertion of migrants in their countries of origin has become a priority on the agendas of international and regional migration policy conferences. After all, return is a necessary condition for circular and temporary migration, which have been the most favored kind of cross-border migration policy schemes in recent decades. As such, it is among the first issues negotiated between states trying to manage migration flows bilaterally or multilaterally (Agunias & Newland, 2007). In addition to return, remittance sending is another aspect of the relationship between migrants and their places of origin that has captured the attention of scholars, policymakers, international organizations, and international cooperation agencies. For instance, two key institutions in the United Nations system, the United Nations Development Program (UNDP) and the International Organization for Migration (IOM), have long counted both remittances and return as central strategies in the link between migration and development – a link that has given great impetus to the study of migration worldwide over the last two decades. In its mandate, the IOM states that one of its goals is:

> the fulfilment of initiatives that mobilize the financial resources and competencies of […] expatriate communities to invest and participate in the development of their […] [home communities], in as much as possible, and in close collaboration with the receiving countries; support for national processes of development or rehabilitation and reconstruction of developing countries, whose economies are in transition or emerging from situations of conflict, through the return and socioeconomic reintegration of competent and qualified nationals who are currently living abroad; and the implementation of policies and development mechanisms that promote migrant remittance transfer services, thus increasing the effects of these on development.[1] (IOM 2019)

1 Translation by *Apuntes*.

Notwithstanding this “blessing” by international organizations, there is a lively and broad debate among practitioners, scholars, and migrant associations about the desirability and fairness of such policies from individual, democratic, human rights, and global justice perspectives. For various political reasons, states may favor different kinds of economic policies to connect to their diasporas. The implications of these policy options suddenly become palpable if we think about the predatory practices of the contemporary Eritrean government in chasing down its emigrants in order to extract taxes to sustain its autocratic regime (Hirt & Mohammad, 2017). But it is not just such extreme cases that are of interest to us. As we will show here, there are intense scholarly and political debates in fairly well-functioning democracies about how appropriate it is for the state to use remittances for development. Some remittance and diaspora experts seriously question the state’s drawing upon privately earned resources for such public purposes, from the point of view of both efficiency and ethics. In this paper, we investigate how 22 Latin American and Caribbean states (representing almost the entire LAC region) approach economic policies concerning emigrants, placing special attention on the way they combine policies aimed at fostering investment or return, in contrast to the most common and most studied economic policy deployed by states towards their emigrants: the facilitation of remittances. We demonstrate that there is considerable variation in economic policies concerning emigrants within this sample of countries.

1. The return of emigrants or the return of their earnings?

There is a common assumption in migration studies that emigrants are not typically the poorest members of a society, since they at least have the resources to migrate. Other commonly held beliefs are that most emigrants are in their most productive stages of their lives, or about to enter these stages, and that emigrants are often among the most entrepreneurial and courageous of their cohorts. If these statements are true, then emigration presupposes a serious loss of resources for the country of origin, especially if it has invested significantly in the population that leaves and/or where negative migration flows constitute a sustained demographic trend over time. Brain drain will ensue unless states develop an approach that arranges for some corresponding gains from individual emigration of professionals (as is the case with some professional emigrants from Cuba, for example), or develop emigration policies linked to particular development approaches (as in the Philippines). More commonly, though, states of origin try to mitigate the adverse effects of the loss of people not through direct regulation of emigration but by developing **emigrant policies**; that is, by designing policies that target people who already reside abroad[2]. Often, emigrant policies seek to promote the establishment of ties between the state of origin and its diaspora in order to encourage emigrants to make economic decisions that will benefit the home country, whether by providing incentives to send remittances, by offsetting "brain drain" with compensation schemes, or by creating incentives for the return of emigrants.

States of origin that seek to foster economic ties with their non-resident citizens have a wide repertoire of policies options to choose from (Pedroza & Palop-García, 2017; Gamlen, 2006). They may promote and facilitate the transfer of remittances by establishing special banking channels to evade the high fees that cash-to-cash companies usually charge, or by directly controlling the fees that money transfer agencies may charge. They can create a transfer system that is quick, reliable, and easy for migrants and their families back home to manage. But they may instead look to foster something more than remittances, for example, by implementing policies that provide incentives for emigrant investments or co-investment schemes (e.g. different levels of government in the home country encourage emigrants to donate money for infrastructure or community development projects in their local communities, while government counterparts contribute an equal or greater amount).

Of all these policies, it is the schemes directed at sending and using remittances for co-development schemes (such as the "3x1" in Mexico) that have attracted the most attention in the literature. There is a vast literature on the use of remittances by households, as well as their effects on development, political behavior, and social and gender relations. Together, these studies provide an inconclusive picture regarding the desirability of policies that aim to encourage remittances. On the positive side, remittances can reduce poverty (Adams Jr. & Page, 2005); elevate the social status of households that include emigrants, furnishing them with basic nutrition and education to break cycles of poverty and political dependence; provide financial security and allow households with emigrants to invest more than those with no migrants; and create a multiplier effect locally, thereby stim-

2 Emigrant policies are also referred to as "diaspora engagement policies." Together with immigrant (integration) policies, they are one of the two subsets of migration policies; the other is emigration/immigration policies. In contrast to immigration/emigration policies, which regulate entry and exits (flows), immigrant or emigrant policies regulate the rights and obligations of migrants already resident in a receiving country or absent from their country of origin. This is part of the conceptualization we have developed in our current research project "Every Immigrant is an Emigrant

ulating economic activity and leading in turn to higher employment and investment (Durand, Parrado, & Massey, 1996; Terry, 2005). Moreover, migrant remittances are an important pillar of the economies of sending countries, sometimes exceeding other sources of capital such as foreign direct investment or bank lending. They also tend to be resilient to crises (Joseph et al., 2010) and even move in a countercyclical manner relative to the country of origin's economy, serving as an international risk-sharing mechanism for developing countries (Singer, 2010). However, the effects of remittances on gender and parental relations, inequality in the local context, and broader sustainable development have been a matter of debate. Studies have shown their effect in these areas to be modest at best, or even negative in the short term (Taylor, 1992; Olivié, Ponce, & Onofa, 2008). More and more questions are being asked about the extent to which remittances can be trusted as a means of fostering development (Kapur, 2004).

In an effort to multiply the effects of remittances beyond the consumption of receiving families, several states of origin have devised programs to stimulate the transfer of remittances specifically for investment purposes. Paramount among these are co-development programs that tap into emigrants' donations for community development projects in their places of origin. In these schemes, emigrants from the same places of origin organize through hometown associations and make donations for infrastructure projects at home. At times, these can amount to as much as seven times the local government budgets for public works (Orozco, 2012) and do in fact lead to improvements looked for the basic utilities in local communities of origin (Adida & Girod, 2011). Mexico has been a forerunner of such economic policies, which initiated when local governments cooperated with hometown associations of Mexicans in the U.S. (Soto Priante & Velázquez Holguín, 2006). For the most part, the literature on economic policies regarding diasporas has been dominated by perspectives – theories, assumptions and hypotheses, but also data and methods – that are well-rooted in economics and political economy. Although we find the conversation on the drivers and effects of remittances very interesting to follow, in this article we adopt a different approach that we hope will contribute to expanding and enriching perspectives on the full extent of the economic policies employed by states to strengthen their links with their emigrants, beyond remittances.

There is a need for a broader perspective on the economic policies devised by states of origin for their emigrants, because, among other reasons, the policy tide has slowly turned against the "development mantra" of remittances given the many methodological caveats that must be taken into account before remittances can be considered as a strategy for poverty reduction, development or community well-being (Fajnzylber & López, 2008), not to speak of the socioeconomic and political disruptions that tend to go ignored in the more optimistic literature on remittances (Márquez, Covarrubias 2006).

In the last 15 years, more and more actors, such as the Inter-American Dialogue's Task Force on Remittances, have cautioned that any constructive policy intervention aiming to "capture" remittances for development purposes should first acknowledge the "private nature of these flows" (Newland, 2004, 28-30). In the Latin American and Caribbean region, by way of the Brasilia Declaration of 2011, South American countries (Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, and Venezuela) pledged to avoid co-investment programs that tap into remittances (Red Internacional de Migración y Desarrollo, 2011), deeming these a private resource for individuals and families that should not be used by the state. This marked a clear divergence from the co-development programs of the innovator in the field: Mexico.

However, Mexico is a relative latecomer in Latin America when it comes to another aspect of economic emigrant policies: return. Mexico has only recently started to create programs for its returnees, even though their numbers had already reached the hundreds of thousands in the last decade. Few studies deal with the policies of the Mexican state towards returnees, and those that do exist are in the fields of demography, sociology, and mostly economics (Corona-Jiménez & Corona-Jiménez, 2018; Rivera Sánchez, 2013, 2015). This reveals the inertia of a literature centered on remittances from economic perspectives. Beyond Mexico, the issue is relevant for countries with different diasporic profiles: how do countries of origin conceive of economic policies for emigrants in countries less reliant on them as a source of foreign exchange? The present study contributes to correcting this problem by comparing state strategies aimed at increasing remittances with those aimed at fostering return.

The right to return is a principle linked to citizenship, as well as a goal that migrants across the world hold dear. From the perspective of the state of origin, the facilitation of return has been key to strategies of rehabilitation and reconciliation by regimes transitioning to democracy – especially in cases in which migrants emigrated for political reasons (as exiles) or were expelled by acute crises. Thus, return is a legal right, a legitimate individual strategy, as well as a political project. More than that, and as Cassarino (2004) rightly notes, return is a "multifaceted and heterogeneous phenomenon." However, in this paper we would like to consider to what extent states may also consider return as an economic strategy. Certainly, migrants returning to apply/share their know-how and resources with others can be projected as a policy for the economic advantage of the states of origin, and one with the potential to change the socio-economic fabric of these places of origin. This is the promise of bilateral schemes by which receiving states cooperate with states of origin to cooperate in adapting migration to the (apparent) needs and advantages of all parties concerned, as exemplified by the European Commission's (EC) Global Approach to Migration, which supports the exploration of "diaspora investment vehicles" (European Commission 2005, 2011). This is also why circular or temporary migration – that is, migration with a view of returning to the place of origin – is the preferred strategy of "well-managed migration" agencies and "migration governance" arrangements, as exemplified by the mobility partnerships between the EU and countries such as Armenia, Cape Verde, or Senegal (Sinatti, 2014, 5).

In order for return to have productive effects, states of origin cannot remain idle; they must act in certain ways to create an environment for return in which social and occupational reinsertion can provide the benefits they promise for returnees and their societies of origin. The challenges begin with the decision to return itself (in cases where the return is voluntary, that is); many states of origin invest in trying to convince their emigrants into deciding to return. Instead of coaxing emigrants into physically returning, many states prefer to tap into their skills through so called "brain-circulation" programs that call for the return of skills rather than people.

Return policies come display different main differences: they can be universal or selective, and unfortunately, most states have return policies that fall into the latter category. For instance, in the case of Argentina, the only communication campaigns aimed at convincing emigrants to return are so-called "brain gain" policies, suggesting that the emigrants whom the state wants back – those missed the most – are young, internationally educated, and highly qualified. Indeed, the Organization of Ibero-American States regards the repatriation of scientists as "Argentine state policy." However, the existence of a general policy to assist in the decision to return may be considered a key component of a broad policy of voluntary return. Usually, a general policy of return consists at the very least in making it easy for emigrants to return by exempting their belongings from import taxes. Moreover, general policies for the recognition of qualifications obtained abroad, based on a clear and expedited process, are a key condition for successful reinsertion into the educational system, labor market, and entrepreneurial activities. Meanwhile, schemes such as job placement programs allow returning migrants to quickly apply skills through economic activities. However, a suitable environment for receiving returnees is important for voluntary and involuntary returnees alike. There is an undeniable psychological dimension to return that cannot be underestimated: the success of return programs depends not only on reforms in the home market to reintegrate migrants, but also on the social or cultural psychology of the emigrant community (Dawson, 2007, 10). Are workers welcome to come home after they retire? Is return perceived as failure? A large part of this psychosocial dimension is shaped by policies. Countries that focus on incentivizing return through exclusively campaigns directed at all emigrants (as opposed to programs directed at those who are highly skilled, entrepreneurial, or members of certain professions) help to rehabilitate emigrants as potential returnees in the eyes of the non-mobile population – an important symbolic measure that facilitates reinsertion into the society of origin.

Now, if some states reject policies fostering remittances on the basis that they are a private resource that should not be tapped into by the state, we cannot help but ask whether there is a trade-off in the economic strategies of states of origin, with states prioritizing either remittances or return.

Our research is based on publically available data provided by the EMIX project, which collected cross-sectional data on the policies of 22 Latin American and Caribbean countries (henceforth LAC) for 2015. Our research question is: what economic strategies are chosen by LAC states of origin in terms of policies targeting their emigrant communities? Is there a trade-off between policies intended to attract remittances/investments and policies to foster return?

As our exploratory analysis will show, there is a widespread general disposition on the part of Latin American countries of origin towards mobility, which is manifested in the establishment of legal and labor conditions to attract migrants back. Our study challenges the prevailing notion in the literature that the main motive for government emigrant policies is to tap into the resources of migrants (Gamlen et al., 2013; Gamlen, 2006, 10). In the case of the LAC states, general emigrant policies are not developed with the ultimate intention of capturing remittances, despite the undeniable importance of these transfers for many economies in the region. Remittances are only one part of the story of formulating emigrant policies (Délano & Gamlen, 2014, 44). In addition, our study reveals that different strategies lay behind return policies: in some countries, the focus is on the return of migrants with certain skills that are seen as strategically important; elsewhere, there are more general schemes that incentivize return for all emigrants. The different economic strategies chosen by states of origin materialize in different policy combinations, which likely correspond to different aims and even to different philosophies and approaches to migration and development.

2. Data & Definitions

Policies to encourage remittances and, to a greater extent, return programs usually have different constellations of actors, including international organizations (IOM, EU), NGOs, receiving states, and states of origin. Here we focus solely on the policies of states of origin and on those that foster the most classic remittances – personal transfers and capital transfers between households – even though the IMF and World Bank have recently taken into account employee compensations and social benefits (World Bank Data Help Desk, 2018; Statistical Office of the European Communities and International Monetary Fund, 2009).

The distinction between voluntary and forced return is not always clear, which is why some researchers use the term "decided return" (Cassarino, 2008). For our purposes, this distinction is not of great importance because we focus on policies related to the return (or not) of migrants. Thus, volition is only relevant if it affects the decision of the state of origin to target one type of returnee and not others. But since this is rarely the case, at least explicitly, we are more interested in demonstrating when return programs are selective in relation to skills or formal qualification levels. What really matters for the purposes of our study is whether the circumstances of return (voluntary or not) are important in activating support mechanisms for returning migrants. We find that return policies do vary in terms of the recipients targeted (based on skill level) and the type of involvement that authorities in the state of origin have in the repatriation process. This suggests that the type of return does matter, since some return policies apply to anyone regardless of how they returned, while others are clearly aimed at voluntary and self-determined return. This is why we follow Parella Rubio, Petroff and Serradell Pumareda's definition of policies for voluntary return (2014, 174) as those measures aimed at assisting *the decision to return* (be it temporary or definitive) and at *facilitating the preparation of the return and the subsequent adaptation* (logistically, psychologically, financially, or materially) of individuals coming back to their state of origin.

In this analysis, we use data provided by the EMIX-GIGA dataset.[3] This dataset contains information about emigrant policies adopted by 22 Latin American states, including economic and return policies. EMIX-GIGA only provides information on the existence of the policy programs – that

3 This dataset was published in 2017 and is fully available at the GESIS data repository. The dataset was developed by researchers of the GIGA German Institute of Global and Area Studies (Hamburg, Germany) and includes information on emigrant policies adopted by 22 states in Latin America and the Caribbean.

is, policy outputs rather than implementation.[4] Moreover, the dataset only covers policies in place in 2015. The indicators that we use are split into two groups: those that refer to programs that foster or ease remittances and investments; and those that describe the return schemes adopted by the countries of origin (if any). The following indicators are included in the first group: improvements to banking channels used to send remittances; controls on remittance fees; programs for the use of remittances in co-development; and investment schemes tailored for emigrants. The indicators in the second group are: recognition of academic/professional qualifications obtained abroad and the timeframe for the process (basic signal of the readiness of the state to facilitate reinsertion); communication campaigns aimed at convincing emigrants to return (of symbolic importance); tax exemptions on bringing household goods into the country of origin (a common but minimal policy); and programs to facilitate the integration of returnees in their home societies.

Table 1
Summary of economic emigrant policies included in the analysis

Dimension	Program
Remittances and investment	Improvement of banking channels used to send remittances
	Controls on remittance fees
	Programs to use remittances for co-development
	Investment schemes tailored for emigrants
Return	Recognition of academic/professional qualifications obtained abroad
	Communication campaigns aimed at convincing emigrants to return (of symbolic importance)
	Tax exemptions to bring household goods into the country of origin (common policy, but minimal)
	Programs to facilitate the re-integration of returnees in their home societies

Source: compiled by authors based on GIGA-EMIX.

4 For studies about implementation, see (Schramm, 2011; Parella, Petroff, &, Serradell, 2013). For a longer treatment of the differences between policy output, policy implementation, and policy outcomes (i.e. the results of both implementation and other factors affecting the target population simultaneously) and the importance of clarifying the researchers' focus when analyzing any policy related to migration, see (Helbling et al., 2013).

3. Analysis

a. Policies focused on remittances and investment

Table 2 shows the economic policies that LAC countries have adopted to foster remittances or investment. On the aggregate level, the development of investment schemes for emigrants in the states of origin and the improvement of banking channels for remittances are the two policies most broadly adopted, while controls on remittance fees and state-led programs to foster co-development through remittances only exist in two countries: Mexico and Guatemala. In turn, it is remarkable that some countries, such as Ecuador, have large emigrant populations and high levels of remittances, but no policies to facilitate them.

Furthermore, it seems apparent that there is no clear pattern of adoption of these policies across the countries in our sample. Only one country, Mexico, has adopted all four of the policies included in our analysis, while the others have different combinations in place.

For instance, Uruguay, Brazil, Chile, and El Salvador have only developed investment schemes for emigrants and reinforced banking channels for sending remittances; Argentina and Cuba have only improved their banking channels for remittances; and Colombia, Paraguay, and Peru only offer investment schemes to their emigrants. Finally, another group of countries, Belize, Bolivia, Costa Rica, Dominican Republic, Ecuador, Nicaragua, Panama, and Venezuela, have no such policies in place.

Table 2
Policies focused on remittances and investment

Country	Investment Schemes	Remittances for co-development	Controls on remittance fees	Improvement remittance channels
Argentina	No	No	No	Yes
Belize	No	No	No	No
Bolivia	No	No	No	No
Brazil	Yes	No	No	Yes
Chile	Yes	No	No	Yes
Colombia	Yes	No	No	No
Costa Rica	No	No	No	No
Cuba	No	No	No	Yes
Dominican Republic	No	No	No	No
Ecuador	No	No	No	No
El Salvador	Yes	No	No	Yes

Guatemala	No	Yes	No	No
Honduras	Yes	No	No	No
Jamaica	Yes	No	No	Yes
Mexico	Yes	Yes	Yes	Yes
Nicaragua	No	No	No	No
Panama	No	No	No	No
Paraguay	Yes	No	No	No
Peru	Yes	No	No	No
Trinidad and Tobago	No	No	No	No
Uruguay	Yes	No	No	Yes
Venezuela	No	No	No	No

Source: compiled by authors based on EMIX-GIGA.

A detailed analysis of EMIX data shows that programs to attract remittances are quite diverse.[5] For instance, Argentina, a country that receives relatively few remittances,[6] has a program called *Cuenta Provincia Ahorro 25* that allows non-resident Argentines to open a joint bank account at the Banco Provincia de Buenos Aires with relatives living in Argentina. In Brazil, the Caixa Econômica Federal – a bank connected to the Ministry of Finance – offers a remittance program, *Remessas Internacionais*, as does the country's largest public bank, Banco do Brasil, through its program *BB Remessa*. Additionally, the Central Bank of Brazil published an information brochure targeting citizens abroad interested in performing financial transactions (low value remittances).[7]

As for investment, there are a wide variety of schemes. Some target the acquisition of real estate by emigrants. The *Mi casa con Remesas* program, managed by the Inter-American Development Bank, COMFAMA, alongside several Colombian *cajas de compensación*, allows families to pay their mortgages with the remittances they receive from their relatives living abroad. All Colombians that receive remittances on a regular basis can apply to the program. Both the receivers and senders of remittances will be owners of the property purchased. In addition to a similar program for home ownership, Mexico also has the *Paisano invierte en tu tierra* program, whose

5 The examples provided in this article are from 2015.

6 Jorge Martínez, *América Latina y el Caribe: Migración Internacional, Derechos Humanos y Desarrollo*, Libros de La CEPAL 97 (Santiago de Chile: CEPAL, 2008), 211.

7 In 2009, Brazil was the second biggest recipient of remittances in Latin America (behind Mexico), with USD 5 billion per year; however, this represents less than 1% of the national GDP, demonstrating that such funds are comparatively less important for Brazil than for other nations in the region.

purpose is to connect remittances with rural and agricultural development. Targeted at individuals who want to start businesses using remittances, it grants loans to emigrants to allow them to invest in Mexico, provided they have a co-investor/co-signer in the country. The project aims to turn emigrants into prominent actors in the development and capitalization of the Mexican countryside. It specifically creates conditions for remittance-receivers to reduce their economic dependence and for senders to become production partners. The projects funded can involve agribusiness, agro-tourism, organic certification, and greenhouses.

b. Policies focused on return

Table 3 summarizes the return policies adopted by the states included in our sample. There are several noteworthy findings. First, as Table 3 shows, the most common policy consists of a process for the recognition of qualifications acquired elsewhere. The only countries without such a policy in place are Belize and Cuba; all the others recognize qualifications obtained abroad. Meanwhile, all countries in our sample, except Brazil, Costa Rica, Cuba, El Salvador, Honduras, Panama, and Venezuela, give returnees tax exemptions to bring household goods back with them.

Second, only Ecuador has conducted communication campaigns abroad to foster the return of its emigrants. One such example is "*Ecuador saludable, vuelvo por ti*," a campaign designed to persuade Ecuadorians working in the field of healthcare abroad to come back to Ecuador and work in the public healthcare system. All in all, Ecuador is the only country that has adopted all the policies that we include under return.

Additionally, we observe that the rest of the policies listed in Table 3 (brain-gain circulation, brain-gain strategies, integration programs for returnees, and tax exemptions for bringing personal and professional belongings into the country) are relatively common in the LAC region. For instance, 12 countries have brain-circulation networks. Argentina, Colombia, Mexico, and Uruguay have pioneered the development of policies that foster the transmission of knowledge to institutions in the state of origin. These brain-circulation programs have different features in different countries. In Argentina, for instance, under the program R@íces *(Red de Argentinos Investigadores y Científicos en el Exterior*), the Ministry of Science, Technology and Productive Innovation (MINCyT) has created a network that aims to enhance relations between resident and non-resident Argentine researchers. Jamaica has developed a brain-circulation network called The Diaspora Youth Connect Project that focuses not only on researchers and scientists, but more generally on qualified youth living abroad who are considered to have human and financial resources that are potentially helpful to the country.

Several countries have left brain-circulation programs for emigrants themselves to organize, relying on their capacities, interests, and leadership within a network structure. These structures are generally open not only to highly qualified emigrants, but also to successful entrepreneurs and millionaires. Chile Global, El Salvador Global, and Honduras Global are examples of such networks, which are often based on governance structures – as opposed to government structures – that include private actors and NGOs (public-private partnerships). The Red de Mexicanos Altamente Calificados en el Extranjero (formerly Red de Talentos Mexicanos en el Extranjero) is a network mostly led in the U.S. by Mexican entrepreneurs, and in Europe by scientists and academics. It relies more on government structures and follows state guidelines for its program priorities.

Argentina, Brazil, Colombia, Ecuador, Jamaica, Mexico, Nicaragua, and Peru also have brain-gain programs defined as strategies to foster the return of emigrants to their states of origin, but these only target those who, because of their professional expertise or education, may count as a gain for these states. The targets of brain-gain strategies vary from country to country. In Ecuador, for instance, the PROMETEO program targets only Ecuadorian teachers and healthcare professionals abroad. In Argentina, the *Reinserción de investigadores* program developed by CONICET (Consejo Nacional de Investigaciones Científicas y Técnicas) offers post-doctoral fellowships and arranges placements (in both the public and private sector) for Argentines who have studied abroad and want to return home to carry out research.

Ten countries – Brazil, Chile, Colombia, Ecuador, El Salvador, Honduras, Nicaragua, Paraguay, Peru, and Uruguay – have programs to facilitate the reintegration of returnees into society. Reintegration policies vary greatly across countries in terms of resources allocated, targets, and level of institutionalization. Brazil, for instance, currently has a pilot project (*Núcleo de Informação e Apoio a Trabalhadores Retornados do Exterior*, NIATRE) focused solely on the reintegration into the labor market of returnees from Japan.

In Colombia, the Law of Return, Law 1565 of 31 July 2012, regulates a program providing incentives to promote the return of Colombian emigrants from a multidimensional perspective, differentiating between four categories of return: 1) "solidarity return" (*retorno solidario*), reserved for victims of the armed conflict; 2) "humanitarian return," (*retorno humanitario*) for Colombians facing threats to their physical safety; 3) "occupational return" (*retorno laboral*), for Colombians intending to use their qualifications and experiences abroad in Colombia; and 4) "productive return," (*retorno pro-*

ductivo) for Colombians intending to co-fund productive projects linked to the development of their department or municipality.

Table 3
Policies focused on return

Country	Brain-circulation	Brain-gain	Re-integration program	Tax exemptions	Communication campaigns	Recognition of qualifications
Argentina	Yes	Yes	No	Yes	No	Yes
Belize	No	No	No	Yes	No	No
Bolivia	No	No	No	Yes	No	Yes
Brazil	Yes	Yes	Yes	No	No	Yes
Chile	Yes	No	Yes	Yes	No	Yes
Colombia	Yes	Yes	Yes	Yes	No	Yes
Costa Rica	Yes	No	No	No	No	Yes
Cuba	No	No	No	No	No	No
Dominican Republic	No	No	No	Yes	No	Yes
Ecuador	Yes	Yes	Yes	Yes	Yes	Yes
El Salvador	Yes	No	Yes	No	No	Yes
Guatemala	No	No	No	Yes	No	Yes
Honduras	Yes	No	Yes	No	No	Yes
Jamaica	Yes	Yes	No	Yes	No	Yes
Mexico	Yes	Yes	No	No	No	Yes
Nicaragua	Yes	Yes	Yes	Yes	No	Yes
Panama	No	No	No	No	No	Yes
Paraguay	No	No	Yes	Yes	No	Yes
Peru	No	Yes	Yes	Yes	No	Yes
Trinidad and Tobago	No	No	No	Yes	No	Yes
Uruguay	Yes	No	Yes	Yes	No	Yes
Venezuela	No	No	No	No	No	Yes

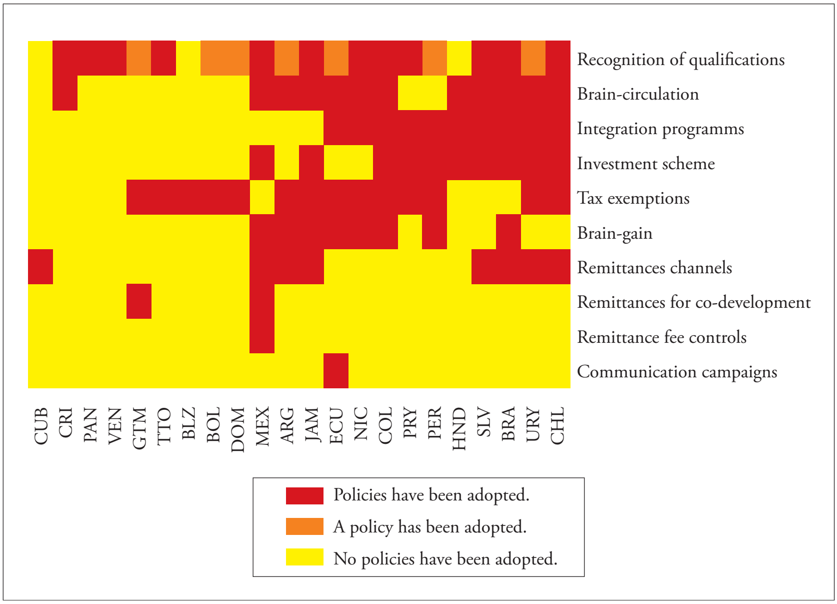
Source: compiled by authors based on GIGA-EMIX.

4. A trade-off between return and remittances?

A second question that this paper asks is whether or not the governments of LAC countries of origin develop their economic emigrant policies based on a trade-off between remittances/investment policies and policies that aim at fostering return; that is, whether they prefer to receive resources from their emigrants or have these emigrants return. Figure 1 helps us to answer this question with a visual summary of the policies implemented. If a country of origin has adopted a certain type of policy, the cell is colored orange: the darker the hue, the greater the number of programs in that particular area of economic policy. If the country has not adopted a policy, the cell is colored yellow. The figure paints a relatively simple picture: there is no clear trade-off, but a combination of different programs that, if anything, show that return policies in the region have a broader focus than just on remittances and/or investment.

A further comparative finding (which is easy to grasp thanks to this illustration) is that, on the one hand, there is a group of countries that have adopted almost none of the programs under study (Cuba, Costa Rica, Panama, Venezuela, Guatemala, Trinidad and Tobago, Belize, and Bolivia), and on the other hand, the remaining countries, which have very diverse strategies. For instance, Mexico stands out for being the only country clearly geared towards remittances and investment instead of return (at least until the year data was collected, 2014-2015), whereas Ecuador, Nicaragua, Colombia, Paraguay, Peru, and Honduras stand out for having more elaborate return policies, but not full-fledged policies to foster remittances. These seven countries are the only ones to suggest that the hypothesized existence of a trade-off between both types of emigrant economic policies could have some traction. Finally, there is a group of countries composed of Chile, Uruguay, Brazil, and Honduras that have adopted programs in both policy realms. However, even in these countries there seems to be a greater concern for return than for remittances. Finally, it is worth mentioning that the two most common programs in the region are the recognition of foreign education degrees and tax exemptions on returnees' belongings.

Figure 3
Return and remittances policies in Latin American and Caribbean countries



Source: compiled by authors based on GIGA-EMIX. If a policy has been adopted, the cell is colored in dark orange; if not, the cell is colored yellow. Red suggests that several policies have been put in place to the same end.

5. Discussion, conclusion and further a for research

In this paper we propose that when dealing with the complex social environment in which states of origin and their emigrants interact, it is helpful to investigate the extent to which these states develop economic policies to incentivize migrant remittances and/or return, and how they combine these policies. This is especially important when certain types of return and transfer are preferred over others. For example, it is important to note cases where policies to encourage highly qualified individuals to return are prioritized and more all-encompassing return policies are lacking.

Undoubtedly, for either remittances or return to become engines of sustainable growth, many policies would be needed in addition to those analyzed here, including those providing for secure legal frameworks, proper local and regional planning, and significant spending on infrastructure, sanitation, and health. All of these are structural preconditions for any of these policies to be effective – not to mention for securing basic respect for the human rights and physical integrity of returnees, which is lacking in many countries, especially in Central America and Mexico.

Our policy indicators are merely the most immediate and necessary ones to lead to any sort of development but to be effective they require being part of larger strategies, whether by encouraging investment and savings rather than consumption; progressing from community donations to profitable enterprises; easing integration into the labor market; or fostering technological and scientific progress (see Goldring 2004; Gammage 2006). Our analysis does provide a necessary foundation for more stylized comparative analyses of the types of economic policies pursued by states of origin towards their emigrants, and for relating them to demographic and economic variables associated with emigrants' migration profiles. A possible avenue for further research would be to explore how economic policies for emigrants correlate with other variables; for instance, do economic policy schemes towards migrants correspond to patterns of emigration (age, skill composition)? Our analysis can also serve as background for the selection of cases for in-depth study to find out how these policy combinations have been developed. We demonstrate that there is good reason to expand the scope of analysis of the strategies that states of origin aim at their diasporas, beyond just remittances.

Admittedly, the analysis provided here only scratches the surface of the dense landscape of the political economy of diaspora policies, and we invite other scholars to explore this density in greater depth by employing different research methods. More immediately, though, it is hoped that this analysis of a snapshot of different constellations of economic emigrant policies will contribute to the burgeoning literature on emigrant policies, making it possible for forthcoming studies to inquire into how states design emigrant policies to incentivize remittances. The evidence provided here is a starting point in tracing the rationales that different countries of origin may have pursued in developing policies towards emigrants (for instance, if the main motivation is to attract remittances, then we would expect the intermediary economic policies needed to effectively transfer and invest them – e.g. remittance fee controls or/and banking channels – to exist). By contrast, there may be states of origin that are severely limited in their capacity to offer the most basic respect for civil, social, and economic rights, and which for the moment focus on extracting the most resources from emigrants without being able to even facilitate conditions for transfers (as seems to be the case across Central America). Are states with economies highly dependent on remittances uninterested in fostering the return of the average emigrant because they will lose an important source of income for their economies? In some more "hawkish" cases, there are states of origin that focus solely on the extraction of money and skills (e.g. remittances and the return of qualified professionals abroad), without offering paths for the return of most of their citizens (i.e. with policies that are universal).

Reflecting on our findings, we hypothesize that emigrant policies might reflect wider philosophies of human or economic development in which, for instance, return is conceived more holistically as an option that must remain open and be backed by the recognition and portability of social and political rights. Indicators for these factors could be included in future studies. Related to these wider philosophies of mobility – an area in which contemporary Latin America has been an innovator – it would be interesting to explore what kind of migration strategies are facilitated by the existing economic policies of different states of origin: is the paradigm still one of definitive return, or are strategies of dynamic, cyclical/repeat migration taken into account and encouraged (see Orrego Rivera & Martínez Pizarro, 2015)? For example, the recognition of degrees and qualifications provided in the "*Protocolo de Integração Educativa e Reconhecimento de Certificados, Títulos e Estudos de Nível Fundamental e Médio Não-Técnico*"[8] (signed by all full MERCOSUR member countries and the two associate members, Chile and Bolivia) facilitates the recognition of primary and secondary education completed in the respective signatory country and helps to make mobility in the region a more attainable option for their citizens and their children. It is important to recognize that the different economic policies also reflect different approaches to transnational life. For example, when recognition of degrees is transparent, smooth and quick, migrants can plan their life paths more flexibly and with less state constraints between two or more places of residence. At the same time, different economic strategies and their combinations reflect different state approaches to emigration; for example, campaigns geared towards luring back emigrants also convey the message that a skills and qualifications drain or de-skilling processes, often forced by adaptation to different labor markets in other countries, must be prevented (or corrected).

Finally, we are fully aware that more in-depth study is required in order to understand the limitations and specific characteristics of the policies analyzed here. It is possible to further refine the analysis for each policy presented here with additional data available in the EMIX dataset to better understand, for instance, the general remittance infrastructure, the possibil-

8 Mercosur, *Protocolo de Integración Educativa Y Reválida de Diplomas, Certificados, Títulos Y Reconocimiento de Estudios de Nivel Medio Técnico*, 1995, 199.

ity of accessing the banking system, or the existence of training in financial literacy for emigrants. Yet no comparative approach can substitute for the depth and insights gained by case experts. We think that comparative and case approaches are most useful when employed in a complementary manner. We hope that the broad overview provided here will open up debate about the existence of discernable trends, and, more generally, lead to the theoretical refinement of hypotheses – thus far based on slim empirical evidence – regarding the crucial role of economic policies in the motivation of states to engage with their emigrants.

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