#### **CUERNAVACA DECLARATION, 2005**

On April 7-9 a workshop titled "Problems and Challenges of Migration and Development in the Americas" took place in Cuernavaca, Mexico. The event was co-sponsored by the International Migration and Development Network, the Regional Centre for Multidisciplinary Research of the UNAM, and the Centre for Research on Latin America and the Caribbean (CERLAC) of York University (Canada). The workshop was designed as a forum where academics and other experts, government functionaries and migrant organization leaders could engage in critical discussions about the impact of international migration on the dynamics of development in labour sending and receiving countries of our continent. The undersigned agreed to produce this declaration, in order to disseminate the key points agreed upon in our discussions.

## The relationship between migration and development

The development model adopted in most labour exporting countries of the continent has not offered opportunities for growth, nor, on the whole, for economic and social development. On the contrary, it has generated regressive trends, including precarious employment and unemployment; deeper social inequality; loss of skilled jobs and skilled workers; economic disarticulation and stagnation; inflation; and increased economic dependence on foreign exchange and remittances. As a result, a process of depopulation is converging with the abandonment of productive activities in areas of high emigration. This is a model of development that generates escalating rates of out migration, in a process that sweeps up more and more people, households and communities, in a rapidly growing number of countries and regions. The scale of international migration is a response to the constant demand for certain kinds of workers in labour importing or receiving countries, where, despite the demand for these workers, there are limited opportunities for legal entry and settlement. In addition to creating adverse employment conditions, lack of legal status can endanger people's lives.

In the current period, which is characterized by a massive movement of people from South to North and by the unprecedented growth of economic resources generated by migrants, much of the development agenda set out by migrant exporting governments identifies migrants and their remittances as strategic resources that can or should solve the economic and social woes of their nations. It is important to recognize that in many of these countries, international migration has been silently incorporated into government strategies, generating an economic model that distorts the concept of development, basing it on the export of workers and capture of remittances. That is, the new model rests on a highly questionable premise, namely, the idea that migration can and should contribute to economic growth and development.

A true *development* policy for areas characterized by high international migration would call for a radical change in the reigning model. An alternative model is needed, one that does not claim to solve development problems through remittances or the hard-earned wages of migrant workers. Instead, what is necessary is a model that can reduce growing

North-South asymmetries and address the root causes of migration, so that people have more options available within their home country, including the option *not* to emigrate.

#### Family remittances are family income

First and foremost it is important to recognize that family remittances represent a very important component of household income for millions of households in the continent. This income has contributed to reducing poverty in remittance-receiving households. Without this money, they would certainly be in an even more precarious situation. However, the lion's share of these funds is not business capital that might generate long-term solutions to the most pressing structural problems, such as unemployment, low wages, lack of housing, dropping out of school, and, more generally, widespread socioeconomic inequality. Remittances should not and cannot replace investment by the state or the private sector.

## ... and community remittances are community funds

Community (or collective) remittances sent by migrants to their places of origin have become increasingly important because of the establishment and consolidation of migrant clubs and federations, and the proliferation of co-investment initiatives – such as the Mexican program known as the "3 for 1." These community funds have helped improve services, infrastructure and wellbeing in many localities. They have also contributed to the empowerment of migrant organizations, guaranteeing them a role on the nation's political stage as it unfolds at various levels. These resources are testimony to the ongoing presence and loyalty of migrants with respect to their places of origin. Migrant organizations also reveal the strength of citizen participation from a distance. However, despite their symbolic and practical importance, these resources cannot be equated with business or investment capital, or municipal investment funds. They cannot solve regional and national development problems, which by definition, call for more coherent state and private sector involvement.

## Who is responsible for the investment?

National governments have cut back their investment in many sectors and line items. According to the logic of neoliberal policies, which privilege free markets, the private sector should be filling spaces created by state withdrawal, thus offering goods and services in an efficient manner. Unfortunately, large domestic investors, who are subject to a global economic logic, are less likely to invest in domestic national and local economies. They prefer investing in companies with low rates of job creation, or in their absence, in foreign markets. Why ask migrants to invest their remittances productively and to use them "efficiently" (creating multiplier effects in the local or regional economy), when the private sector does not do so?

# Migrants in the face of de-investment and globalization: organizational and cultural resources

Migrants have always drawn upon their own social and cultural resources in order to meet life's challenges in the countries where they settle. They have adapted themselves to new employment conditions and ways of organizing their lives, to different social settings, and participated actively in creating their settlement communities. By virtue of their family and social obligations, they maintain personal and community links with their societies of origin. At the same time, many migrant collectives in the global north have created organizations to assist their communities of origin. Existing transnational migrant organizations have proliferated thanks to their own work, and to a lesser extent, to government support and incentives. As a result, these organizations currently enjoy a certain amount of prestige and political power. Recognizing the importance of migrants' collective contributions to local development is fundamental. But once again, these collective donations cannot solve deep and globally rooted structural asymmetries, much less address the absence of effective regional and national development policies.

## And what about migrants?

It is easy to lose sight of the fact that international migrants are people, made of flesh and blood, with family ties and social networks that are stretched and sometimes broken because of migration. Migrants are not just anonymous producers of dollars. International migrants have long been the objects of strong pressures. The cases of Mexico and Central American countries show how, after ignoring them for decades, sending-country governments are now demanding that migrants continue their heroic efforts to send remittances in order to guarantee the flow of foreign exchange, and to cushion the impact of social and economic problems. In countries where emigration has accelerated more recently, as in many countries of South America, there is the risk that such an a-critical perception of remittances as a potential resource might take hold, despite the fact that there is more awareness in these countries of the difficulties that migrants encounter in the process of migration and once they get to so-called "host" countries.

In addition, migrants are under pressure to solve the daily subsistence problems of their families "back home," especially in contexts with recurrent economic crises. This places additional demands on the shoulders of migrants, who generally feel bound to send money and other resources. These demands place a disproportionate burden on migrants, and fail to take into account that migrants often belong to the most impoverished and vulnerable sectors in the countries to which they travel.

The issue of migrant rights in countries of origin and destination cannot continue to be ignored in discussions of migration and development. By migrant rights we refer not only to migrants' labour rights as international workers, but also to their civil rights (equal treatment before the law), social rights (equal access to the social protection of the State), political rights (the right to a voice and participation in decisions that effect them), cultural rights (cultural identity and expression) and economic rights (equal opportunity to available economic opportunities in societies of origin and destination).

#### The challenges

Recently, the development policies of migrant-sending countries have, by action or omission, contributed to international migration. In this context, the challenge is to put forward development policies that offer real, effective and long-term options to the entire population. Such policies need not focus on impeding the ability of citizens to migrate - as this process has deep historical social, political and cultural roots - but should at least guarantee everyone the option of *not* migrating. International migration should not be a desperate and risky strategy undertaken for the sake of survival or to make a living. Instead, migration should be a voluntary and informed option, one among various choices.

A policy that provides for the right to not migrate must recognize that the challenges of development have, as root causes, deep and growing asymmetries between migrant sending and receiving countries. These asymmetries are exacerbated by neoliberal policies, which are having devastating effects on our countries. What is needed, then, are alternative development policies that are supported by collaborative relationships among the countries of the continent, and which strengthen the creation of human capital instead of promoting its flight and depletion. All sectors of civil society, including migrants and non-migrants, can join together to meet this enormous challenge.

Another significant challenge is to fight the "extractive mentality" surrounding remittances, which has become common among many national and local governments in sending countries as well as international organizations and financial institutions, whose interest lies in optimizing the remittance industry. This involves ensuring that the asymmetries that generate migration and remittances continue to operate. Efforts to reduce the costs of money transfers and enhance access to reliable financial services are welcome. However, these initiatives should not confine themselves to opening the remittances market to free competition for large financial corporations and banks. Greater effort and support is needed to strengthen local financial institutions, including microfinance institutions and credit unions, at the local and regional levels in remittance receiving areas.

A comprehensive development policy cannot focus exclusively on economic growth, but must also involve improvement in the areas of democratization; civil, political and cultural freedom; and access to training and educational opportunities that enhance the implementation of both community and individual projects. Migration and remittances should be part of the development equation, but not the only or most important component. In this context, development policy should take migration into account, but not rely on it. Such policy should promote and renew local and regional development, and strengthen the institutions involved in developing policy proposals -- not only from governments, but also from civil society, including migrant organizations. As an alternative to policies that push projects financed by migrants as a central element, we argue that it is first necessary to strengthen institutions that promote local and regional development. We are referring in particular to a wide range of non-government or civil society organizations, as well as institutions of higher education, whose objectives

include strengthening their ties with a variety of development actors, including migrant organizations. Similarly, it is important to support the initiatives of municipal governments interested in promoting transparent and democratic development in partnership with civil society institutions.

International migration is a global process, and as such, understanding it requires a global vision. From this perspective, the emergence of new forms of social organization that transcend borders generates a distinct problematic (at the family, community and national levels), as well as opportunities to propose new alternatives to development. These proposals may eventually help in the struggle against inequality and contribute to integrated and comprehensive development. These initiatives require a new way of thinking and acting that is distinct from old-school development strategies that were based exclusively on economic growth. It follows that policies that address migration should be based on the specificity of local, regional and national conditions in sending countries, while simultaneously focusing on the particular conditions of migrant incorporation in receiving societies. Here too, the voice of migrants as active citizens in relation to the State and society is fundamental.

The main challenge for those of us who participated in this workshop is to consolidate our own networks, and help build a network of networks. Our goal is to strengthen ties between migrant organizations and communities as well as other institutional actors, in order to promote dialogue and create opportunities to play a role in the definition and implementation of public policies that will strengthen development over the short, medium and long term.

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