Chapter 6

Encouraging Migrants' Networks

Migrants need to become partners in policy making and policy implementation. Migrant organisations provide individuals with connections, information, access to services and an opportunity to develop their skills (Rindoks *et al.*, 2006). They can also be empowering by helping to imbue a sense of status and shared identity, which helps in campaigns to influence local and national policies. Strong migrant organisations usually enhance, rather than prevent, links with the mainstream political system.

Migrant networks can help immigrants find jobs and integrate economically. Migrant organisations can often play a leadership role within social networks by providing guidance and services to immigrants. While some organisations provide assistance in filing documentation for family reunification or citizenship, others offer second-language programmes and vocational training to upgrade job skills. By partnering with local schools, community colleges, hospitals and vocational training centres, migrant organisations provide meaningful services to their clients.

Both social and organisational networks can help immigrants contribute to the economy. As immigrants settle, form communities and organise among themselves, they create social networks. These networks allow immigrants to pool resources for establishing small and medium-sized enterprises. They can provide access to financial capital through informal channels (as in the well-documented examples of Chinese, Japanese and West African diasporas), or lower business costs through information sharing and facilitating labour supply (as in the case of German employers who rely on referrals from current Polish employees to extend job offers to new immigrants). Many immigrants commonly rely on referrals from friends or relatives in their social networks or on organisational networks to secure employment. This is a particularly valuable role of networks given the difficulty in finding jobs through formal routes.

Social networks can also spur trade. High demand for home products and services among immigrants has encouraged many immigrants to start or invest in businesses specialising in such trade and exchange. In doing so, such immigrant entrepreneurs use their understanding of the needs of their communities to supply products and services that effectively respond to local needs and demands. Hence, social networks strengthen supply chain production networks and business links not only within communities and countries but across national borders. As such, social networks in countries of immigration can help expand the economies of developing countries through increased trade remittances, and knowledge transfers.

Finally, migrant and diaspora networks can be important partners in development co-operation. Traditionally, OECD country governments and international organisations such as the International Organization for Migration (IOM) have engaged diaspora networks to facilitate the return of migrants — by means of assisted voluntary return (AVR) programmes — and to assist them in their reintegration in their home countries (de Haas, 2006). Recent initiatives have started engaging migrants' networks as development partners in more imaginative ways. In place of encouraging voluntary return, diaspora networks are being increasingly mobilised to foster a kind of virtual return. Initiatives of this kind focus on repatriation of skills and resources, but not necessarily of the migrants themselves. Such a repatriation of resources could be powerfully catalysed by remittances. One example of this is the *Tres por uno* programme in Zacatecas State, Mexico, which had the state and federal governments matching each remittance dollar sent from the United States (Iskander, 2005). In addition to endorsing the idea of governments matching remittance funds, the European Investment Bank (EIB), for example, recommends that banking systems offer banking services specifically targeted at migrants (including mortgage products, remittance-tailored bank accounts and investments funds) in order to channel remittances into productive investments (de Haas, 2006).

Co-development projects, pioneered by France, while still relatively small in number and scale, include projects in the home countries involving migrants who live in EU member states (in particular business people, academics, health personnel and engineers). Migrants are encouraged to promote commercial activities or implement social development projects (building schools or health centres) or lend their expertise to their home country. Moreover, the concept of co-development also includes helping migrants to direct their savings better towards productive investment in their countries of origin. This concerns especially the transfer of monies as well as strengthening the capacities of micro-credit institutions. As such, an increasing concern of co-development is how to catalyse and amplify the effects of social investments made with remittances (OECD, 2007*a*).

Given the positive impact of migrant organisations and networks along the entire spectrum of the migration experience — from helping recruit qualified labour in home countries to easing integration, and spurring economic growth in both the home and host societies — we recommend that EU member states:

- Provide substantial funding to support migrant organisations and networks

In making grants to organisations and networks, however, authorities must be vigilant in ensuring that they are not seen to be playing favourites; independent mechanisms for the disbursal of financial support should be established. Successful examples of such initiatives include the Vienna Integration Office, which funds networking activities of migrant associations.

- Incorporate migrant organisations into the policy-making process

No serious policy can be developed without the active participation of migrants themselves. To this end, at the EU level, the European Commission should create a permanent contact group of migrant associations' religious leaders and experts to advise the Commission on all policies related to managing the new mobility system. The Commission should also offer training and leadership courses for key personnel in national organisations, thus better enabling them to organise their communities to participate in policy-making processes. Similar initiatives should be taken at the national, regional and local levels.

- Deepen co-development initiatives that work with migrant organisations to implement development co-operation policy

One of the characteristics of migrant organisations that make them well suited to enhance economic and social integration also makes them good partners for development policy: namely, superior information and knowledge about conditions (economic, social or otherwise) in their home country. Co-development policies that are not fundamentally aimed at encouraging return migration are a promising mechanism for enhancing the positive development impacts of international migration.

Much of the challenge that besets migration policy making — and which, more generally, stands in the way of realising greater gains from migration — stems from difficult trade-offs among policy objectives. These trade-offs are highlighted in the titles of the chapters of this report: migration versus high employment; migration versus social cohesion; migration versus development. The analysis underlying this report suggests that such trade-offs are sometimes more apparent than real. For example, migration flows often ameliorate labour market problems rather than accentuate them. To take another example: migration flows, effectively managed, can contribute to international economic development. The aim of this final chapter has been to show how migrants' networks, both formal and informal, can likewise be mobilised to ease these trade-offs: Migrants' networks can facilitate labour-market adjustment, integration of newcomers and the effectiveness of development co-operation.

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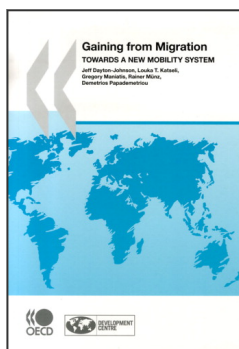
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