Return Migration and International Mobility of Skills in MENA

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Outline

- Return migration: Who migrates and Who returns? Why return?
- Return migration and skill acquisition
- Return migration, skills and entrepreneurship
- Re-integration
- Policies
Types of migration

- **3 types** of labour sending economies in MENA:
  - mainly to other Arab countries such as Egypt and Yemen
  - mainly to Europe: Maghreb countries
  - mainly to other Arab countries but also attract other Arab workers such as Jordan

- Destination and migration **policies** affect return
  - Gulf states: temporary
    - North America and Australia: permanent
  - Europe: both temporary and permanent
Why return?

- Economic reasons:
  - End of contract
  - Unemployment
  - Set-up business in origin

- Personal reasons:
  - Family
  - Health
  - Retirement

- Forced
Data on return migration is **scarce** and scattered.

Available data on return migration is usually based on **Census** data or household surveys.

Not always representative—needs **caution** in analysis.
Impact of Return Migration & Skills

- Education
- Occupation
- Wages
- Entrepreneurship
## Table 1: Educational Level of Returnees, Before and After Migration, in 2006-2007 (%)

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Algeria Before</th>
<th>Algeria After</th>
<th>Morocco Before</th>
<th>Morocco After</th>
<th>Tunisia Before</th>
<th>Tunisia After</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>23.2</td>
<td>22</td>
<td>11.5</td>
<td>10.1</td>
<td>9.4</td>
<td>9.8</td>
</tr>
<tr>
<td>Preschool</td>
<td>3.9</td>
<td>4.2</td>
<td>5.8</td>
<td>4.1</td>
<td>3</td>
<td>3.1</td>
</tr>
<tr>
<td>Primary</td>
<td>10.8</td>
<td>10.8</td>
<td>17.6</td>
<td>15.5</td>
<td>20.9</td>
<td>19.9</td>
</tr>
<tr>
<td>Secondary 1</td>
<td>10.5</td>
<td>11.1</td>
<td>13.3</td>
<td>10.4</td>
<td>5.8</td>
<td>4.9</td>
</tr>
<tr>
<td>Secondary 2</td>
<td>16.6</td>
<td>13.9</td>
<td>25.2</td>
<td>17.7</td>
<td>39.4</td>
<td>30.4</td>
</tr>
<tr>
<td>Higher I (DEUG &amp; Matrise)</td>
<td>22.3</td>
<td>15.7</td>
<td>20</td>
<td>16.8</td>
<td>19.4</td>
<td>19.3</td>
</tr>
<tr>
<td>Higher II (3rd cycle)</td>
<td>11.7</td>
<td>16.3</td>
<td>2.7</td>
<td>13.9</td>
<td>1.8</td>
<td>7.1</td>
</tr>
</tbody>
</table>

Source: Based on the Database on Return Migrants to the Maghreb (*DReMM*).
Figure 2: Educational Distribution of Current Migrants, Returnees and Non-Migrants in 2006 in Egypt (%)

Education of Returnees: Jordan

Figure 3: Educational level of Current Emigrants, Returnees, Immigrants and Stayers in Jordan, 2010 (%)

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Returnees</th>
<th>Current Emigrant</th>
<th>Immigrant</th>
<th>Non Migrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiterate</td>
<td>4.44</td>
<td>1.15</td>
<td>11.12</td>
<td>8.84</td>
</tr>
<tr>
<td>Reads and writes</td>
<td>13.31</td>
<td>6.89</td>
<td>12.95</td>
<td>13.32</td>
</tr>
<tr>
<td>Basic</td>
<td>13.69</td>
<td>5.75</td>
<td>30.06</td>
<td>36.7</td>
</tr>
<tr>
<td>Secondary</td>
<td>21.51</td>
<td>17.24</td>
<td>25.58</td>
<td>19.79</td>
</tr>
<tr>
<td>Post-Secondary</td>
<td>17.68</td>
<td>9.20</td>
<td>6.8</td>
<td>8.7</td>
</tr>
<tr>
<td>University and higher</td>
<td>29.38</td>
<td>59.77</td>
<td>13.49</td>
<td>12.63</td>
</tr>
</tbody>
</table>

Figure 4: Skill Composition of Moroccan Returnees, 2003-04, before and after migration (%)

### Table 1: Occupations of Return and Non-Migrants in Egypt 2006 (%)

<table>
<thead>
<tr>
<th>Current Job Occupation</th>
<th>Returnees</th>
<th>Stayers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal, Senior &amp; Managerial</td>
<td>17.32</td>
<td>11.29</td>
</tr>
<tr>
<td>Professionals</td>
<td>15.36</td>
<td>14.68</td>
</tr>
<tr>
<td>Technical assoc. professional</td>
<td>14.8</td>
<td>9.16</td>
</tr>
<tr>
<td>Clerks</td>
<td>8.94</td>
<td>3.77</td>
</tr>
<tr>
<td>Services &amp; shop/market</td>
<td>6.98</td>
<td>14.45</td>
</tr>
<tr>
<td>Skilled agric.</td>
<td>15.36</td>
<td>16.84</td>
</tr>
<tr>
<td>Craft &amp; related trade</td>
<td>11.73</td>
<td>17.85</td>
</tr>
<tr>
<td>Plant &amp; machine operations &amp; assembly</td>
<td>7.82</td>
<td>8.8</td>
</tr>
<tr>
<td>Elementary occupations</td>
<td>1.68</td>
<td>3.15</td>
</tr>
</tbody>
</table>

Source: Author’s calculation based on ELMPS 2006
Occupation of Current Migrants: Jordan

Figure 5: Overseas Occupation of Current Jordanian Emigrants, 2010, (%)

- Professionals: 48%
- Craft and related trades workers: 9%
- Service and sales workers: 11%
- Clerical support workers: 6%
- Plant and machine operators, and assembly workers: 10%
- Elementary occupations: 2%

Occupation of Returnees: Jordan

Figure 6: Overseas Occupation of Jordanian Return Migrants, 2010 (%)

Based on the Egypt Labour Market Panel Survey (ELMPS 06),

Wahba (2013) finds that on average, return male migrants earned around 14 percent more than non-migrants controlling for various selections for migration.

Destinations matter: returnees from Western countries earn on average 16 percent more than those returnees from Arab countries.

Also the wage premium differs by educational level: less educated returnees earned 8 percent more than non-migrants whilst university graduate returnees earned 20 percent more compared to non-migrants.
### Wages of Returnees: Jordan

**Table 2: Median Monthly Wages (Primary Job) of Jordanians, in Jordanian Dinars**

<table>
<thead>
<tr>
<th></th>
<th>All educational levels</th>
<th>University Graduate</th>
<th>Above 40 years of age</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In Jordan</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Migrants</td>
<td>280</td>
<td>350</td>
<td>300</td>
</tr>
<tr>
<td>Returnees</td>
<td>350</td>
<td>470</td>
<td>358</td>
</tr>
<tr>
<td><strong>Overseas</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordanian Emigrants</td>
<td>1000</td>
<td>4000</td>
<td>....</td>
</tr>
</tbody>
</table>

Source: Wahba (2012) based on JLMPS.
Return Migration, Skills and Entrepreneurship

- Evidence for Egypt:
  - Overseas savings play a crucial role in access to entrepreneurship.
  - Returnees responsible for 15% of businesses

- Evidence for Morocco:
  - More likely for returnees to become employers (based on census and survey data)
  - Set-up business: 27% of returnees
Entrepreneurship of Moroccan returnees

- Overseas training have a positive correlation with the probability of the returnee investing.

- Skilled returnees were more likely than unskilled returnees to invest and become entrepreneurs on return.

- Positive significant relationship between investing whilst overseas and the probability of returnees investing at home after return.

- Thus, overall, individual characteristics, conditions before migration and the overseas migration experience play a significant role beyond the role played by savings and captured by migration duration.
Reintegration Programs

- A number of origin countries have introduced measures to encourage return by skilled migrants; e.g. Tunisia.
- A number of host European countries have introduced reintegration assistance.
- Little evidence of effective programs that systematically place/insert returnees successfully in the labour market.
Return migration is important: skills and savings

Encouraging circular mobility without loss of migrant rights

**Educational Policies:** Vital for labor sending countries in MENA
- to treat labor as human capital and
- to improve the quality of their education to be able to produce skilled labor that can compete in the global world.

**Re-integration Policies:**
- Help re-integration: provide information
- Attract needed skills
Policy Recommendations (2)

Investment and Entrepreneurship:

- Encouraging and directing investment: reducing the red tape and the bureaucracy in the number of permits required.

- Providing investors with reassurances about their property rights and the enforcement of contracts.

- Providing information on areas of investment.

- Using the right financial incentives such as tax holidays to set up business and create jobs.