

**THE USE OF AID TO MANAGE INTERNATIONAL MIGRATION:  
THE CASE OF GHANA**

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**ABSTRACT**

The benefits as well as the cost of international migration have been debated considerably in recent times. Although the debate on whether the benefits outweigh the cost or vice versa remains a puzzle, it is quite evident that a well managed international migration will bring net positive benefits to both the sending and receiving countries. The issue that arises is how migration is managed. An important alternative that has received little discussion but is being proposed at the policy level is to use aid to reward countries with better migration policies. Whether this option is a feasible and efficient alternative is the focus of this paper. The paper draws from various case studies on attempts to use aid to manage international migration for analysis. It is argued in the paper that the success of using aid to manage international migration from developing countries like Ghana critically depends on the size of the funds invested in the home country and the significance of its impact on livelihood in the sending countries. Secondly, it will depend critically on how the funds are able to empower people to increase their earning capacity at home. Moreover, it also depends to a large extent on the political climate within the sending countries. The paper concludes that it is essential to adopt a holistic approach that involves all stakeholders in the implementation of international migration management policy.

**KEY DESCRIPTORS:** International Migration, Aid Flows, Aid Management Policies, Migration Patterns, Skilled Labor.

**INTRODUCTION**

Managing international migration has been a daunting task to both sending and receiving countries. International migration of both the skilled and unskilled labor

force has been one of the path breaking strategies for narrowing the wage gap between sending and receiving countries. Similarly, migrating from Ghana to Europe and North America has become one of the surest means of acquiring skills and also improving the living standards of both the skilled and unskilled labor force. International migration from Ghana has been precipitated by poor working conditions, coupled with huge wage disparities between Ghana and the host economy.<sup>1</sup> Ghana used to be a net immigration country with migrants coming from neighboring African countries. However, the changes in the economic conditions of the country in the 1980s and 1990s completely altered the country's migration pattern. Consequently, skilled personnel, particularly from the health and education sub-sectors are leaving the country at an alarming rate with its negative socio-economic consequences. This view is corroborated in a study by Buchan and Dorvlo (2004) in which they reported that both the nurse and doctor vacancy rates doubled between 1998 and 2002; a period characterized by rapid migration of health personnel from Ghana to Europe and the USA.

It is estimated that three (30 million Ghanaians live abroad – i.e., 15% of the population (Twum-Baah, 2005). These Ghanaian migrants also remit their relations back home, which significantly help to reduce poverty (Quartey, 2005; Adams, 2006). According to Gammeltoft (2002), money remitted by migrants to developing countries increased from US\$ 2 billion in 1970 to US\$ 71 billion in 2001. For Ghana, private inward remittances through the banks and other finance companies amounted to US \$1.318 billion (Jan. to Sept. 2005), US \$1.910 billion in 2004, US \$1.4 billion in 2002 as compared to US \$ 479 million recorded for the year 1999 (Bank of Ghana Balance of Payment [BOG BOP] Estimate). Since these transfers do not generally include transfers undertaken through informal channels, Nyberg-Sørensen, Van Hear & Engberg-Pedersen (2002) rightly argue that the actual amount of remittances reported by governments of the developing world can be substantially higher.

Although international migration provides positive gains to both sending and receiving countries, managed migration can also bring enormous benefits to both parties. Hence, there have been calls to manage and control international migration, particularly, from receiving countries in Western Europe. Several measures have been taken including stiff migration rules, particularly for the less skilled workforce while skilled labor enjoys a close to 'free entry' policy.<sup>2</sup> In recent times, a major step being proposed to stem the tide of international migration is through the use of international

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<sup>1</sup> Survey of 100 Ghanaian nurses each in Ghana and the UK revealed that whereas nurses in Ghana received on average £80 per month as wages, their counterparts working in the UK earned £1590 per month (excluding overtime). See Quartey (2006a)

<sup>2</sup> Evidence of such policies are found in the UK Highly Skilled Worker Programme, D-V Lottery of the USA, Skilled Worker Programme of Canada to mention but a few. The repatriation agreement between Spain and other African countries including Ghana are also typical examples of attempts to restrict unskilled migration

aid. In other words, efforts are being made by receiving countries to reward developing countries that restrict the citizens from moving. Difficult as it seems, it also raises a number of issues: how can foreign aid be used to reduce international migration? Can aid funds be used to invest in migration prone areas to discourage people from migrating? Would this rather not enhance people's incomes and facilitate their movement across international borders? Why are rich countries interested in reducing the flow of unskilled labor but not the skilled workforce who form the economic backbone of sending countries? These issues will be the focus of this paper. The article is divided into four sections. Section one outlines the reasons for migration and the patterns in Ghana. Section two discusses trends in aid flows in Ghana. Section three analyzes the relationship between international migration and aid, as well as issues relating to 'return migration.' The final section provides the concluding remarks.

### **MIGRATION PATTERNS IN GHANA**

While traditionally, migrants have been thought to be young, male, single and well-educated individuals in pursuit of a better life, primarily income (Ghatak et al., 1996), the evidence below regarding Ghana shows that these portraits are by no means typical. This is because as Ghatak, Levine and Price (1996) point out, migrants today vary widely in the particular demographic and socioeconomic characteristics that they possess. Also, traditionally, Ghana has been a net immigration country with migrants mainly from Togo, Burkina Faso, Nigeria and Cote D'Ivoire. This trend continued until the late 1970s when economic and political instability led to a reversal of migration trends in Ghana. The introduction of the ERP in 1983 led to improvements in living conditions but this coincided with the repatriation of illegal Ghanaian immigrants from Nigeria and Cote D'Ivoire. Again, this led to a reversal in the migration pattern to net immigration. The changes in Ghana's economic and political conditions in the 1980s and early 1990s completely changed the country's international migration patterns. It ceased to be a net recipient of migrants but rather became a net 'exporter' and this trend continued to date (Table 1).

Table 1: Arrival and Departures from Ghana

REGION	ARRIVALS				DEPARTURES			
	1999	2000	2001	2002	1999	2000	2001	2002
Africa	61001	181680	323371	191274	143109	225448	288329	224845
Asia	9772	9916	14826	17209	7328	12118	15000	18296
Europe	33912	37690	58535	63876	33425	56558	46846	61124
LAC	846	783	1172	1851	762	988	1297	1051
North America	6288	16572	33093	39056	22688	120216	26698	36812
Oceanic	982	1485	1808	1734	1585	25102	1903	1561
Total	112801	248126	432805	315000	208897	440430	380073	343689

Source: Twum-Baah (2005), Ghana Statistical Service, p 12

It is evident from Table 1 that while departures from Ghana to other African countries declined between 2001 and 2002, the number of departures to Asia, Europe and North America increased substantially. Cote D'Ivoire represents the highest number of Africans arriving into Ghana, followed by Nigeria. Indians and Lebanese nationals formed the highest proportion of Asians who arrived in Ghana between 1999 and 2002 and it is unlikely that the trend has changed. The United Kingdom (UK) forms the majority of European arrivals in Ghana followed by the Netherlands and Germany respectively, while the United States contributes the largest proportion of arrivals in Ghana by North American nationals. In terms of departures, Europeans form the majority of travelers leaving Ghana between 1999 and 2002, except for the year 2000 when for some unknown reasons, over 120,000 North Americans left the country. Data on departures from Ghana shows that resident Ghanaians leaving for commercial activities form the majority followed by spouse and child dependents. It must be noted that this trend has not changed considerably over the years. Also, among the visitor category, tourism, transit and those going on business trips are in the majority (Twum-Baah, 2005).

## **CHARACTERISTICS OF MIGRANTS**

### **Age**

The composition of international migration has implications for policy and development of the sending and receiving countries. However, in view of the difficulty in obtaining data on international migration disaggregated by the required characteristics at the country level, the report uses information on the characteristics of Ghanaian emigrants from different sources, which makes cross-country comparison difficult or inappropriate. Nevertheless, they are used to explain the characteristics of Ghanaian migrants. In terms of age and migration, it is evident that young adults are more likely to migrate than older people. As reported in Twum-Baah (2005), in the year 2000, 32.8% of Ghanaian residents in the Netherlands<sup>3</sup> in 2000 were aged between 0-14 years; 17.1% were aged 15-29 years, 41.5% were aged 30-34 years with the rest aged 45 years and above. Similarly, in England and Wales, it was reported that 10.2% of Ghanaian residents were aged between 0-19 while 27.2% had ages ranging from 20-34 years. Also, 30.3% and 28.9% aged 35-44 years and 45-64 years respectively.

### **Gender**

In sub-Saharan Africa, males have formed the majority of the migrant stock since 1965. However, the proportion of female migrants increased from 41% in 1960 to 47% in 1990 (Twum-Baah, 2005). Twum-Baah (2005) further argues that the proportion of Ghanaian female migrants is below 40%. It is worth mentioning that although migration related policies are not gender-specific, evidence suggests that be-

<sup>3</sup> Both the Netherlands and, England and Wales data refer to only migrants with legal status.

cause of the distinct roles performed by males and females, they are affected differently by the regulations in force. It is also suggestive that female migrants have benefited more than male migrants from provisions in the destination countries which favor family re-union. For instance, information from the German Embassy indicates that those who live legally in Germany either got their residence permit through successful asylum applications or through family re-union (Twum-Baah, 2005). Similarly, the increase in the number of Ghanaian emigrants in the Netherlands between 1992 and 1999 is mainly accounted for by family re-union and chain migration (58%); asylum seekers (16.5%) and labor migration (26%). Data from England and Wales indicates a higher percentage, particularly, the younger ages (Twum-Baah, 2005). Thus, the migratory policy regimes significantly affected migration patterns and legal status of migrants.

### **Marital Status**

In terms of marital status, the evidence is quite mixed. While data from the Netherlands, for example, indicate that the majority of Ghanaian migrants have never married (59.8%), 12.3% have married and over twice the proportion of migrants who have married have divorced (27.3%), while the rest are widowed. On the contrary, over half of Ghanaian migrants in England and Wales are married (50.8%), while 36.2% and 10.9% have never married or divorced respectively. International migrations within the Economic Community of West African States (ECOWAS) also show similar trends to the England and Wales data; 67% of migrants are married while 26.1% have never married. It must be pointed out that international migration within ECOWAS countries is normally temporary with the ultimate aim of reaching an Organization for Economic Cooperation and Development (OECD) country. Also, the high divorce rate in the Netherlands can be attributed to the stress involved in adjusting and integrating to the unfamiliar conditions. Generally, Ghanaian migrants are educated and many with skills for immediate employment. Twum-Baah (2005) reports that only 18% of Ghanaian residents in England and Wales aged 16-74 years have no known qualification, while 46.1% have lower level qualification and 35.9% have higher level qualification.

The OECD database also provides useful information on the social characteristics of Ghanaian migrants. It is estimated that there are about 189,442 Ghanaians migrants spread across the OECD countries of which 25.3% are natives of their respective countries of residents, 44.9% live as foreigners while the remaining 25.8% are with unknown status (Table 2). The destination countries for Ghanaian migrants include USA, Europe and some other relatively developed countries. However, migrants who travel to African countries have clear intentions to travel to Europe or America. Great Britain has about 29.6% (56,112) of the total Ghanaian emigrant population while the United States has about 67,190 Ghanaians, representing 35.5%, thus having the largest share of Ghanaian emigrants (Table 3). Other countries with sizeable share of Ghanaians emigrants include Canada 9% (17,070), Italy (9.2%), The Netherlands (5.9%), and France (2.3%).

Table 2: Status of Ghanaians Residing in OECD

Status	Number	% (of total population)
As foreigners	84996	44.9
As natives	48017	25.3
Unknown	56429	29.8
<b>TOTAL</b>	<b>189,442</b>	<b>100.0</b>

Source: OECD Database, 2005

Table 3: Ghanaians in Some Selected OECD Countries

Country	Status	Number	% (of total population)	
Great Britain	Unknown	56112	29.6	
USA	Foreigners	44915	23.7	35.5
	Natives	22275	11.8	
Italy	Foreigners	17024	9	9.2
	Natives	447	0.2	
Canada	Foreigners	5605	3	9.1
	Natives	11465	6.1	
Netherlands	Foreigners	3931	2.1	5.9
	Natives	7270	3.8	

Source: OECD Migration Database 2005

### Education and Professional Background

Migration of skilled professionals has remained a major challenge for most developing countries. In Ghana, the issue of exodus has assumed alarming proportion in recent years. The trend is generally skewed towards certain important categories of skilled professional, particularly health professionals; and more recently engineers, particularly, petrochemical engineers. Statistics from OECD countries indicate that Ghana has a skilled expatriate rate of 45.65% (ERCSHS15). In terms of their skill characteristics <sup>4</sup>31.2% (52,370) of the population who are 15 years and above are highly skilled, this represents 27.6% of total Ghanaian emigrant population in OECD countries. The medium skilled and low skilled constitute 38.1% (64,005) and 27.2% (45693) respectively, while the remaining 3.6% (5995) are without any known skills (Table 4).

Table 4: Skill Characteristics of Ghanaians (15<sup>+</sup>) in OECD

Characteristics	Number	% of 15+	% of total Ghanaians
Highly skilled	52370	31.2	27.6
Medium Skilled	64005	38.1	33.8
Low Skilled	45693	27.2	24.1
Unknown	5995	3.6	3.2
<b>Total</b>	<b>168063</b>	<b>100</b>	<b>88.7</b>

Source: OECD Database, 2005

<sup>4</sup>(1) Highly skilled refers to those with academic qualification up to the tertiary level; (2) Medium skilled refers to those with education up to upper secondary and post-secondary non tertiary; (3) Low skilled refers to those with less than upper secondary.

Migration of the highly skilled remains a major challenge to the source countries. Some countries have benefited significantly from the exodus of Ghanaian professionals. There are some 53,254 people, representing 31.7% of Ghanaian migrants within the 15+ age bracket living in Great Britain alone. About 36% (19,078) of this number constitute the highly skilled professionals. This number as well represents 36.3% of the highly skilled Ghanaian emigrants in OECD countries. The medium skilled Ghanaians emigrants in Great Britain constitute 10.5% of the 15+ group, and 27.5% of all medium skilled Ghanaians in OECD countries. United States appears to have the highest proportion of Ghanaians residing in OECD countries. For example, there are some 62,485 working class Ghanaians living in USA which represents 37% of the 15+ age group. The highly skilled professionals in USA alone constitute 45% of all the highly skilled professionals in OECD countries, 54% of this number have naturalized. The medium skilled Ghanaians also form a significant proportion of the total working class of Ghanaians in OECD countries. For example, there are some 8,485 medium skilled Ghanaians residing in the USA as natives compared with 20,465 who live as foreigners (Table 5). The US again, has a large number of low skilled Ghanaians, representing 21.9% of the total low skilled Ghanaians in OECD countries.

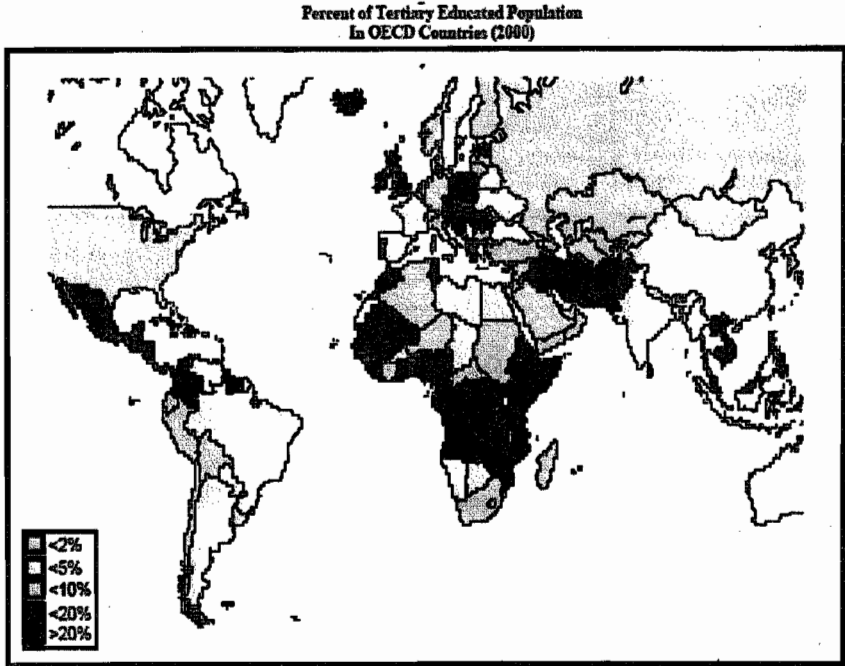
Table 5: Skill Characteristics of Ghanaians in Some Selected Countries

Country	Characteristics		Number	% of 15+	% of total
	Nationality Status	Skilled Status			
Great Britain	Unknown	High	19078	11.4	10.1
		Medium	17598	7.4	6.6
USA	Foreign	High	13245	7.9	7.0
		Medium	20465	12.2	10.8
	Native	High	10335	6.1	5.5
		Medium	8485	5.0	4.5
Canada	Foreign	High	1195	0.9	0.8
		Medium	2175	1.3	1.1
	Native	High	3820	2.3	2.0
		Medium	4790	2.9	2.5
Italy	Unknown	High	750	0.5	0.4
		Medium	4821	2.9	2.5

Source: Source: OECD Database, 2005

The proportion of tertiary educated Ghanaian population in OECD countries is also high and above 20% (Figure 1).

Figure 1: Percent of Tertiary Educated Population in OECD Countries



Data Source: OECD Database on Expatriates and Immigrants, 2004

The above figure shows that the exodus of Ghanaians, particularly, the skilled workforce has assumed an increasing trend. The issue that crops up then is: Why do Ghanaians and others in different parts of the world migrate? According to Stalker (2001: 20-21), while people have their own motives for traveling, there are a number of socioeconomic, political and environmental “push and pull” factors and reasons that determine the pattern and direction of migration (Todaro, 1969). The “push” factors behind migration generally include the lack of services, high crime, poverty and war in the country of origin. On the other hand, among the “pull” factors are higher employment, better services and socioeconomic conditions, political stability and greater chances of enhancing career opportunities in the recipient country.

While writers like Todaro (1969) have focused on the economic reasons behind migration, others such as Portes and Rumbaut (1990) have stressed that geopolitical factors and influences play a crucial role in explaining and determining people’s migration activities. Equally significant is the analysis by Massey et al. (1993). They show that social networks and other social identities that provide support mechanisms to migrants seriously influence their migration decision. This point is supported by Ghatak et al. (1996: 181) who note that the willingness to migrate depends



not only on an access to financial resources required to cover the costs of a move and a period of job search, but also on the willingness to leave family, friends and familiar culture and language (psychic costs). Hence, population movements are not economic reactions to push and pull factors, but that migration patterns are determined by social and cultural institutions embedded in local customs and ideologies (De Haan, 1999, p. 9). In sum, individual motives, attitudes and their understanding of the structures within which they operate go a long way to explain migration activities (De Haan 1999: 12). Also, migrants are a product of the prevailing political and economic conditions and the national migration policies in force at the time of the move (Ghatak, Levine & Price, 1996: 177).

The argument that economic conditions really determine migration decisions is evidenced in Ghana during the pre-reform era (before 1983) when many Ghanaians left for greener pastures. However, after the economy improved in the 1990s and also in present times, many migrants have returned. Thus, it is believed that the policies of the host as well as the receiving country can induce return or promote the 'stay-at-home' concept (De Haan, 1999; Stalker, 2001). One obvious way of achieving this objective is to use aid to manage migration flows. However, it is important to review the trends in aid flows to Ghana to ascertain whether more aid can be managed under the existing capacity or rather the country is already receiving more aid than it can handle and had become too aid dependent such that additional aid resources to manage migration is unjustifiable.

## **TRENDS IN AID FLOWS TO GHANA**

Prior to Ghana's economic reform programme of 1983, aid flow was quite low. Between 1960 and 1983, per capita Official Development Assistance (ODA) of about \$10 was often less than the per capita ODA to the rest of sub-Saharan Africa. Aid remained at less than 5% of GNP until 1985 when aid flow began to climb steadily. The aid/GNP ratio first peaked in 1989 at about 14% and then again in 1991 at a slightly higher level. At this time, the average in SSA was about 10%. At its peak in 1991, net ODA per capita was about US \$60, compared to about US \$40 for sub-Saharan Africa (Table 6). The considerable decline in aid flow from most sources in 1990 (reaching US \$566 million) signaled the first signs of tension between Ghana and its donors as Ghana struggled to achieve various benchmarks in policy reform. However, in 1991, there was a sudden increase in aid which was meant to support two things. First, economic growth had stalled in 1990 and needed a boost after the Ghana Government began to put in place arrangements for achieving delayed benchmarks that had earlier been agreed with multi-lateral institutions. Secondly, political reform was being actively encouraged by donors who felt obliged to support the institutional changes that were beginning to occur in the country.

The increase in aid in the 1980s and 1990s was largely at the instance of the multilateral donor agencies. In particular the steady rise in International Development Assis-

**Table 6: Aid<sup>2</sup> Flows and Aid Dependency in Ghana**

Years	% of Govt Central Govt Expenditure	% of GNI	% Gross Capital Formation	% of Imports	Aid Per Capita (US\$)	ODA & OA (Current US\$ Mil)
1982	11.3	3.5	103.3	15.6	12.4	140.8
1983	5.2	2.7	71.9	15.1	9.3	109.4
1985	23.2	4.4	45.4	20.5	15.5	195.5
1987	62.1	8.4	77.9	31.1	30.4	412.6
1989	98.6	13.9	103.4	50.9	49.1	717.2
1991	95.3	13.6	84.1	49.5	56.4	881.5
1993	49.8	10.7	47.1	27.2	37.7	623.9
1995	Na	10.3	50.3	28.8	37.6	650.8
1997	Na	7.3	28.9	17.7	27.4	494.0
1999	Na	8.1	37.6	14.9	31.6	609.5
2000	Na	12.4	50.3	17.3	30.6	600.4
2001	Na	12.4	45.7	17.4	32.3	643.6
2002	Na	10.8	53.5	18.5	32.0	649.8
2003	Na	12.2	51.3	20.8	43.9	906.7

Source: World Development Indicators, 2005

tance (IDA) was the backbone of the new flow into Ghana. Also, remarkable was the increased proportion of net ODA from the UK in the 1990s and early years of the Millennium. It must be pointed out that although Japan used to be the single largest bilateral donor to the country, its role has diminished in recent times particularly after Ghana had become a Highly Indebted Poor Country (HIPC). Table 7 provides a summary of Ghana's ODA disbursements from key donors. Aid from the United States showed perhaps the most volatility as a share of gross disbursements.

<sup>2</sup>Aid (% of central government expenditures) Definition: Official development assistance and net official aid record the actual international transfer by the donor of financial resources or of goods or services valued at the cost to the donor, less any repayments of loan principal during the same period. Grants by official agencies of the members of the Development Assistance Committee are included, as are loans with a grant element of at least 25 percent, and technical cooperation and assistance. Aid dependency ratios are computed using values in U.S. dollars converted at official exchange rates.

## THE INTER-LINKAGES BETWEEN MIGRATION AND AID

For most migrants, a decision is taken at one point in time to return home based on certain considerations. However, motivations will vary from person to person. In the majority of cases, the decision to return would depend on the existing socio-economic circumstances of the migrant at a point in time as well as on perceptions of the future prospects upon return. If the socioeconomic outlook is great, then returning home becomes a very attractive proposition (Stalker, 2001: 114). Thus, the decision to return home could be induced by policies of source or host country as well as receiving/host country. In other words, the adoption of what De Haan (1999: 4) calls 'stay-at-home' development strategies have been aimed at promoting development and at the same time reducing emigration pressures. In Ghana, the implementation of structural adjustment programme (SAP) in the 1980s and 1990s led to initial improvements in conditions in the country for a decade or so, thereby helping to shape peoples' minds to return. Additionally, better managed political crisis and improved human rights records has triggered the return of especially, political migrants. Since 1992, the transformation of Ghana from military to democratic rule has seen the return of most political emigrants. For skilled migrants, the motivation could be due to the completion of a course of study and therefore the need to return and help their country of origin. Another determinant is the motivation of the investment in the "Homeland." For some migrants, it is a 'dream becoming a living reality' and they will discontinue their stay abroad. Other factors that might influence a person's return include failure to get necessary documents to guarantee stay abroad, conflicts at destination as well as encouragements from home governments to come back home. An example is the Home Coming Summit organized in Accra, Ghana in 2001. The Government of Ghana has also initiated policies such as the payment of 'Additional Duty Hourly Allowance' (ADHA) to doctors and other incentive packages like acquisition of cars and provision of housing for doctors. However, nurses in Ghana have not benefited from some of these incentives (e.g., Car loan, accommodation etc)<sup>6</sup> and this has also accounted for the exodus of nurses from the country. While there is little data and evidence as of now to ascertain the impact of these policies and initiatives on the international migration of workers in the health sector of Ghana, it is hoped that they can at least reduce the number of people leaving Ghana in search of greener pastures in mostly OECD countries.

For the host country, one possible alternative to discourage migration is to increase its opportunity cost by making the prospective migrant better off at home. One means to achieve such objective is by channeling resources through aid programs. The relationship between aid and migration is complex, though. On the one hand, transfers are expected to improve economic conditions at home, reducing the economic disparity with the destination locations, hence lowering the incentives to leave. On the

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<sup>6</sup> A recent field survey by the author in Accra and Brong Ahafo to ascertain career choices of health workers and constraints indicated that even when the incentive scheme is operational like the car loan, it is only the seniors who enjoy the facility

other hand, if the observed migration level is inferior to the desired one because of financial constraints, subsidies may be used to fund new trips. Aid programmes will affect the likelihood of migrants by changing both income differentials and the possibility of financing trips. International migration and aid can serve as complementary inputs for development, that is, migration provides resources for the sending countries in the form of remittances, skills, equipment to mention but a few while aid also serve similar purposes. Thus, managing migration should involve a combination of policies that will promote the flow of remittances and aid at the same time. For instance, the EU Council of Ministers, in examining the link between the European Union's migration policy and its other relations with developing countries, seems to favor carrots rather than sticks to obtain cooperation on migration management. The Council of Ministers favors offering more temporary work permits as incentives to get countries to take back their illegal migrants; it is also offering Euro 35 million in aid outside the normal development programs in order to reward countries that cooperate.<sup>7</sup> Similarly, in the last few years a specific type of aid policy has been adopted by a number of Latin American countries. This program, called 'Progresá' in Mexico, is aimed at improving education, health and nutrition of poor rural households.

While most policies to manage migration have come from an economic perspective, there is no denying that the social and political aspect of international migration cannot be underestimated. For example, aid can be used to influence the political and social conditions and environment in many developing countries to deter their citizens from migrating to the more developed parts of the world. Aid and other forms of foreign assistance can be used to transform political dictatorships as well compensate warring factions and in the process pave the way for dispute settlement. This argument and reason formed the basis of the attempts by the international donor community to provide substantial aid to developing countries like Ghana to embark on the process of democratization and the promotion of good political governance from the early 1990s. Indeed, for the greater part, many bilateral and multilateral donor agencies made the embarking of democratic transition a precondition for getting aid and other forms of assistance. There is little doubt that relative to other African countries that embarked on democratic transitions, Ghana has been quite successful in its efforts to consolidate the democratic process that it began in 1992. There is growing international recognition of Ghana's current status as a thriving democracy, which respects political and liberties of its citizens and other inhabitants. Such a state of affairs from all indications has made it quite difficult for Ghanaians seeking to migrate to OECD countries to use political repression and persecution as the reason for seeking political asylum. It also shows how aid for dealing with social and political problems and issues have the potential of limiting and controlling international migration.

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<sup>7</sup>Daniel Dombey, "EU states draw closer on home affairs policy, asylum, migration and crime," *Financial Times*, April 1, 2003. Sharon Spiteri, "New rules for third-country family reunification," *EUObserver.com*, February 28, 2003

## **CRITIQUE OF USE OF AID TO MANAGE MIGRATION**

It can be argued that although there have been proposals to use aid to manage international migration, the mechanism for doing so has not been carefully thought through. One possible mechanism is to use aid flows to invest in high migration areas thereby creating jobs in these countries to make migration a less attractive option. However, some will argue that this contradicts the migration hump literature which postulates that people migrate more when income begins to rise but this is reversed at a higher level of income. Another option which has been used by the French is to give money to migrants to return home. Similarly, Spain has signed accords with several African countries under which they have agreed to deal with the problem of illegal migration, as well as accept the repatriation of their nationals, with the view of increasing development aid to the African countries. This option has, however, failed to achieve the intended objective as more people are encouraged to migrate to a country like France to enjoy the 'free money,' in addition to the financial costs to the country. A much more plausible option is to develop a coherent policy for aid and migration which involves both the sending and receiving countries governments. This should involve a combination of incentive schemes that encourage return migration and also discourage people from migration. It is therefore necessary that the appropriate policy environment is created to maximize the benefits and minimize the risks of managed migration. Managed migration facilitates the movement of people that is most likely to bring development. It can also help protect migrants from abuse and exploitation, as well as restrict people who migrate simply to survive. The elements of migration management are complex and involve short-term, medium term and long-term measures which has to be developed holistically.

In sum, to make the decision to return home much easier, it is important that strong bilateral negotiations between source and recipient countries take place. More significantly, since foreign aid levels to African countries have been falling precipitously in recent times, and since the attempt to better their socioeconomic situation is most often the reason for migration, improving the socioeconomic and political conditions at the source countries so that there is no need to leave the country in search of jobs elsewhere becomes crucial. One way of doing so is by increasing foreign direct investment (FDI) in the country of origin. Besides helping to create jobs and improving economic growth, FDI can also be a source of managerial and technological transfer, which in an indirect manner can help with the economic development process and ultimately stem the tide of migration. In addition to increased FDI, since trade is an important means of achieving higher levels of socioeconomic development, better and fairer trade relations between developed and developing countries like Ghana would go a long way in reducing migration levels.

Most trade theorists argue that fair trade has the potential of creating jobs and helping in the socioeconomic development process in countries of origin, and thus might help serve as an incentive for potential migrants, especially the highly-trained and skilled ones to stay in their country of origin. Hence, achieving the goals of socioeconomic

development in African countries like Ghana calls for support from the international community, and there would be no better way to do so than for the industrial economies to engage in fair trade in the agricultural sector, since it is the sector that provides the largest foreign exchange earnings for the country. Such an approach would not only ensure the integration of Africa into the global economy as major players, but also result in a situation where Africa can benefit in the process of globalization that as of now has largely bypassed the continent (Arthur & Quartey, 2006).

## **CONCLUSION & POLICY IMPLICATIONS**

International migration, especially intra-regional in Africa, is likely to rise considering the movement of persons without visas within the West African sub-region. Even though migration and development is a growing area of interest, there has been much debate on the negative impacts of migration on development, and vice-versa. On the one hand, it is argued that underdevelopment is a cause of migration, and on the other, that migration causes developing countries to lose their highly skilled nationals. While there is a measure of truth in each of these assertions, properly managed international migration holds enormous potential for the development of countries concerned. In order to reap the potential gains from migration, there have been proposals from receiving countries to use aid to improve the working conditions in migrant home countries. Case studies of attempts to use aid to manage migration include the co-development policy of France, 'Progesa' in Mexico and Spanish Migration Accords to mention a few. The success of these 'aid for migration' policies critically depends on the size of the funds invested in the home country and the significance of its impact on livelihood in the sending countries. Secondly, it will depend critically on how the funds are able to empower people to increase their earnings capacity at home. It also depends to a large extent on the political climate within the sending countries.

In conclusion, international migration can positively affect economic development if properly managed. It is therefore necessary that the appropriate policy environment is created to maximize the benefits and minimize the risks of managed migration. Managed migration facilitates the movement of people that is most likely to bring development while also acting to protect migrants from abuse and exploitation as well as restricting people who migrate simply to survive. The elements of migration management are complex and involve short-term, medium term and long-term measures. The government's policy towards retaining doctors by providing them with cars, houses and better remuneration is commendable and such facilities should be extended to other professionals. Thus, a starting point for the country is to ensure an integrated and holistic approach for the development and implementation of migration management policy, involving major partners engage in this migration policy arena, especially government sector, private sector, civil society and trade unions at country level. It is also vital to promote and strengthen the impact of migration both for countries of origin and transit, by making sure migration policies are part of a

comprehensive global 'logic.' Countries should promote and enhance dialogue and cooperation at the international level. The aim is to ensure that migration contributes to sustainable development, and that in turn development also helps to facilitate managed migration.

In order to benefit from remittances, skills transfer and investment opportunities, it is necessary to create and maintain links between migrants and their countries of origin, and to tap into their potential by encouraging them to contribute human and financial capital to the development of their home communities. The 2001 Home Coming Summit in Ghana is a good example. Migrants could make best use of economic opportunities at home if internal mobility was facilitated by both the source and host. A secure legal status at destination with work and residence permits, recognition of dual citizenship by countries concern are measures needed for circulation to take place. In the case of irregular migration managing the return, repatriation and resettlement of refugees and internally displaced persons is an integral component of migration management. These activities require cooperation between the host, home and transit states, taking into consideration the needs and concerns of each as well as of the migrants themselves.

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