CIRCULAR MIGRATION SCHEMES IN THE EUROPEAN UNION MEMBER STATES: LEARNING FROM THE GERMAN AND AUSTRIAN GUEST WORKER PROGRAMS OF THE 1960/70S

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Circular migration schemes in the European Union Member States: Learning from the German and Austrian Guest Worker Programs of the 1960/70s

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CARIM

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The activities of CARIM cover three aspects of international migration in the Region: economic and demographic, legal, and socio-political.

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Abstract

The term “Circular Migration” has recently become fashionable in the European Union as part of the search for sustainable and beneficial immigration policies for Member States. Indeed, circular migration has been presented as a solution to a range of migration challenges that have arisen during the last decades; particularly, it would generate win-win-win situations for countries of destination, countries of origin as well as for migrants themselves. However, although a number of ideas and proposals for circular migration have been developed, and despite the fact that the European Commission and other international stakeholders have already taken up the idea as a magic bullet, concrete proposals are still missing. This paper presents a synopsis of different notions of circular migration through a review of the literature and by looking from a historical and comparative perspective at the 1960s guest worker programs, which shaped migration policies in Germany and Austria.

Résumé

Le terme “migration circulaire” est récemment devenu un terme en vogue au sein de l’Union européenne dans le cadre de la recherche de politiques durables et bénéfiques pour les États membres. En effet, la migration circulaire est présentée comme étant la solution à une série de défis migratoires apparus au cours des dernières décennies ; elle créerait, de fait, des situations positives tant pour les pays de destination que pour les pays d'origine, ainsi que pour les migrants. Toutefois, bien qu'un certain nombre d'idées et de propositions en la matière ont été avancées, et que la Commission européenne et d'autres acteurs internationaux la présente comme une formule magique, les propositions concrètes font toujours défaut. Cet article propose une synthèse des différentes notions sur la migration circulaire rencontrées dans la littérature ainsi que dans l’étude, dans une perspective historique et comparative, des programmes des travailleurs immigrés qui ont façonné les politiques migratoires en Allemagne et en Autriche au cours des années 1960.
Introduction

Circular migration increasingly comes up when talking about international migration: first, as noted by the UN Secretary General (UN 2006), it appears as an important element in the process which has formed international migration in the last decades. We have entered into a “new era of mobility” (ibid., 5) characterized in part by a greater degree of non-permanent or circular migration. Due to rapid improvements in transport and communications, which constitute an integral part of globalization, it is easier than in the past for migrants to move temporarily for work and then return home, especially if they have the opportunity of repeating the process. As Mundlak (2008) observes “for the same reason that it can no longer be assumed that individuals build careers in a single workplace, it cannot be assumed that they build their career in a single country.” As such, de facto circular migration is common where national borders are open by agreement.

Second, circular migration has risen high on the agenda of policy makers as the concept of temporary labour migration programs has reemerged in political discourse: “Circular Migration” along with the terms “Blue Card”, “Mobility Partnerships” and last but not least “Guest Worker Program” are embedded in a sometimes bewildering political debate.

The common understanding of policy makers is that circular migration systems could be managed in ways that generate “win-win-win” results for migrant-receiving, sending countries and migrants themselves. The “win” for countries of destination in this context would be a reduction in labour market shortages, the “win” for countries of origin would be in remittances as well as human capital gain upon the migrant’s return and the “win” for migrants would derive from increased employment possibilities. Circular migration is further seen as a means to foster legal channels of migration which would facilitate the fight against irregular migration. As such, at a time of increasing migration pressure, circular migration promises to be an attractive solution for all stakeholders.¹

In contrast to the optimistic hopes of policy makers there is also though the fear of various stakeholders – e.g. trade unions and non-governmental organizations – that what is being presented are essentially the guest worker models of the past.

This paper seeks to present a synopsis of different notions of the concept of circular migration through a review of the literature and by looking at the question from the historical and comparative perspective of 1960s German and Austrian guest worker programs, which long shaped migration policies in these two countries and that have left grievances with regards to the integration of immigrants and their offspring. Finally, the principal suggestions on future circular migration programs as they have been envisaged by academics and policy advisers will be summarized.

The concept(s) of circular migration

By looking at recent documents produced by international bodies, especially those produced since the 2000s, the prominence of circular migration as a cherished and promising mode of migration management becomes evident, as does the variety and diversity – in some cases the contradictory nature – of issues that circular migration is supposed to resolve.

The relevance of circular migration was stressed by the Global Commission on International Migration in 2005: “The Commission concludes that the old paradigm of permanent migrant settlement is progressively giving way to temporary and circular migration”. Without proposing particular measures or effects, the GCIM recommends that “countries of destination can promote

¹ For studies on the benefits of circular migration see e.g. Newland, 2009: Erzan, 2008;
circular migration by providing mechanisms and channels that enable migrants to move relatively easily between their country of origin and destination”. (GCIM 2005)

In the same year, the International Organization for Migration (IOM) suggests in its “World Migration Report 2005” that circular migration would be able to bring benefits to developing countries. (IOM 2005) In this light, the IOM advocates that receiving countries should increase channels for regular, repeated temporary labour migration and the granting of incentives to migrants. The IOM further proposes that dual citizenship regimes and flexible visa regimes would serve as an incentive for the productive and free exchange between countries.

Again in 2005, the European Commission took up the term in its Communication on “Migration and Development” (European Commission 2005a) and its “Policy Plan on Legal Migration” (European Commission 2005b) in 2005. In 2006, the United Nations initiated a High-Level Dialogue on International Migration, which led, in 2007, to an ongoing “Global Forum on Migration and Development”. At least since then the concept has been seen as a means of fostering knowledge transfer between destination and origin countries and of assisting diaspora communities to invest in their home countries and so create employment. (Angenendt 2007)

Further, the idea that managed circular migration might increase opportunities for trade and investment links, reduce “brain drain” by facilitating the international transfer of skills, and that it reduces the negative social and familial consequences associated with irregular migration was also found in a major study on international labour migration in Eastern Europe and the former Soviet Union. (World Bank 2006)

The discussion on circular migration was further developed in the strategy paper “German-French Initiative for a New European Migration Policy” which was presented by the then Ministers of the Interior of Germany and France, Wolfgang Schäuble and Nicolas Sarkozy, at an informal meeting of the Ministers of the Interior of the six biggest European Union Member States in Stratford-upon-Avon, on 26 October 2006. (Angenendt 2007) Their paper stresses the need for a fundamental rethink and for the tighter coordination of European migration policy. It also makes much of the need for closer cooperation between European Union Member States. In the area of legal migration, circular migration was seen as an important means for managing legal migration flows.

In the aftermath of the German-French Initiative and at the request of the European Council, the European Commission issued a “Communication on Circular Migration” (European Commission 2007), to examine how legal migration could be better integrated into the external relations of the European Union and how circular and temporary migration could be facilitated.

Since then, several measures to foster circular migration have been introduced or are planned at the EU level as EU legislative instruments, instruments that have already been announced in the Commission’s Communication “Policy Plan on Legal Migration”; in particular, the “Directive on the admission of highly skilled migrants” of 25 May 2009 was introduced to foster the circular migration of highly-skilled workers; further the planned “Directive on the admission of seasonal migrants” which is seen as the main measure for fostering circularity would introduce a multi-annual residence/work permit for seasonal migrants, allowing them to come back for several years in a row to perform seasonal work. Finally, the planned “Directive on the admission of remunerated trainees” would allow third country nationals to come to Europe for a period of training and so help to foster brain circulation.

Further, ‘circular migration’ found its way into the “European Pact on Immigration and Asylum” of the Council of the European Union in 2008, the political guiding instrument which will steer the European approach to migration and asylum in the years to come. For the realization of its two commitments “to organize legal immigration to take account of the priorities, needs and reception capacities determined by each Member State” and to “create a comprehensive partnership with the countries of origin and of transit to encourages the synergy between migration and development”, the
pact encourages “temporary or circular migration” while noting that care must be taken “that those policies do not aggravate the brain drain”;

The draft proposal for the Stockholm Programme (Council of the European Union 2009: 26), which, as the successor to the Hague Programme, will lay down and determine migration policy until 2014 addresses circular migration in the context of migration and development and invites the Commission to “submit proposals before 2012 on ways to further develop the concept of circular migration and explore ways to facilitate both managed and spontaneous circulation of migrants, including a wide-ranging study on how relevant policy areas may contribute to and affect the preconditions for increased temporary and circular mobility”.

As outlined above, many recent international and European documents refer to this magic bullet of circular migration. However, what is circular migration really? A review of definitions used in the literature is revealing.

The concept of “circular migration” is not a new one. It first appeared in the late 1960s, primarily in anthropological and demographic literature on urbanization, rural development and internal migration in developing countries. (Elkan 1967; Hugo 1977; Conaway 1977) There it was referred to as seasonal or periodic migration for work (e.g. in agriculture, fishing), for survival (e.g. during droughts), or as a life-cycle process (as is often the case with students) within countries, but sometimes also across international borders, when these were porous and cut across ethnically cohesive and commercially-integrated regions. (Newland 2009: 5)

Within the concept of the New Economics of Labour Migration, the term was then taken up by labour economists (Stark, Bloom 1985) and diffused, till the 1990s, by city and regional planers in both developing and advanced industrial countries. Here the difference between circular migrants and commuters was seen as one of degree rather than of kind (Drakikis-Smith 1987 cited in Newland 2009).

In the academic literature on urbanization and internal migration, circular migration is described as the “process of leaving and then returning to one’s place of origin.” However, policy makers refer to circular migration not only as a spontaneously occurring phenomenon but rather as a matter of policy intervention. (ibid: 6)

As such, the European Commission defined circular migration in its “Communication on Circular migration and mobility partnerships between the European Union and third countries” (European Commission, 2007) as “a form of migration that is managed in a way allowing some degree of legal mobility back and forth between two countries.” For Newland (2009) the emphasis on legal, managed migration is in this context more aspirational than descriptive.

The European Commission further specifies two types of circular migration: third-country nationals settled in the EU returning to their countries of origin (labeled outward circularity) and migrants resident in third countries coming temporarily but repeatedly to the EU (labeled inward circularity).

The background paper to the roundtable on “How can circular migration and sustainable return serve as development tools?” of the first session of the Global Forum on Migration and Development, held in Brussels in June, 2007, defines circular migration as “the fluid movement of people between countries, including temporary or more permanent movement which, when it occurs voluntarily and is linked to the labour needs of countries of origin and destination, can be beneficial to all involved.” This definition is not only descriptive. It, in fact, again incorporates for Newland (2009) an aspirational element making circular migration both mutually beneficial and voluntary.

Contrary to the common understanding of circular migration as a special form of temporary migration, a more complex and precise typology was developed by Agunias and Newland (2007). They describe circular migration as “a continuing, long-term and fluid movement of people among countries that occupy what is increasingly recognized as a single economic space”. This typology,
including both permanent and temporary migrants returning either permanently or temporarily, makes circular migration a more complex phenomenon than temporary migration and includes a variety of migration forms and types of return.

**Table: Typology of circular migration (Agunias, Newland 2007)**

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<th>Permanent migrants</th>
<th>Temporary migrants</th>
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<tr>
<td><strong>Permanent return</strong></td>
<td>Return of Irish diaspora in the late 1990s.</td>
<td>Korean turnkey project managers in the Middle East.</td>
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<tr>
<td><strong>Temporary return</strong></td>
<td>Taiwanese migrants from Canada and Silicon Valley.</td>
<td>Contract workers from the Philippines.</td>
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Fargues (2008) however stresses that this concept would be too inclusive to offer operational methods for identifying circular migrants. Hence, Fargues proposes a more prescriptive definition for circular migration policy in the European Union and Mediterranean Area by offering six criteria which make migration circular:

- Criterion A: temporary – periods of stay are limited in duration.
- Criterion B: renewable.
- Criterion C: circulatory (offers full freedom of movement between receiving and sending countries during each specified stay).
- Criterion D: legal.
- Criterion E: respectful of the rights of migrants.
- Criterion F: managed so as to match labour demand in one participating country with labour supply in another.

The author notes that additional criteria – such as enhancing migrants’ skills, providing for skill transfers to source countries, and mitigating the negative consequences of brain drain – could also be included in the definition of circular migration but also stresses that any assessment would be difficult.

Newland, Agunias, Terrazas (2008) also attempted to distinguish circular migration from temporary migration, and guest worker programs, and, indeed, a combination of temporary migration and return migration. They proposed that “circular migration denotes a migrants’ continuous engagement in both home and adopted countries; it usually involves both return and repetition”. Specifying development content in circular migration, or at least mutual benefits for countries of origin and destination, is another way of distinguishing circular migration from the guest worker programs of the past – which were exclusively oriented toward the labour market needs of receiving countries.

For Newland, Agunias and Terrazas (2008), circular migration patterns fall into several categories: seasonal migration, non-seasonal low-wage labour and the mobility of professionals, “knowledge workers” (such as scientists, professors, technicians and researchers) and transnational entrepreneurs, a reminder all this of how broad and varied are the forms that circular migration can take.

And although Newland (2009) found that all contemporary workings definitions involve four dimensions: a **spatial dimension** (geography) including at least two poles, namely the place of origin and the place of destination; a **temporal dimension** (duration) which can range from short-term moves to lifecycle moves, an **iterative dimension** (repetition) which includes more than one cycle; a **developmental dimension** which indicates that the country of origin, the country of destination as well as the migrants themselves benefit from the movement of migrants back and forth, beyond these common characteristics and dimensions circular migration is both conceived and referred to in varied ways.
All of the above illustrates that until now, no formal definition for circular migration, either legal or administrative, has been found. As Fargues (2008) puts it, circular migration is not a well-established concept, but rather refers to a loose notion of what has been variously defined. Attempts to find a definition for circular migration are further characterized by the fact that they try to include policy objectives in their definitions. As different objectives are mixed into the term, confusion about circular migration is compounded.

However, it is suggested here, that especially in order to render circular migration schemes beneficial and sustainable for all parties involved, a clear and agreed definition of the concept needs to be developed.

**Historical experiences: Guest worker programs in Germany and Austria**

Temporary and circular migration movements and programs for facilitating temporary and circular migration are not new in the European Union and its Member States. Indeed, many Member States had experiences in this regard as far back as the 1960s and 1970s when rapidly expanding Western Europe countries imported labour, especially for lower-skilled jobs in manufacturing, in construction and in services. In addition to unmanaged migrations flows, all Western European countries, at one time or another, have experimented with the systematic recruitment of temporary migrant workers. (Castles 2006: 13) The United Kingdom, France, Switzerland and Belgium were pioneers with their labour recruitment schemes in Southern Europe as far back as the 1940s, while Germany, Switzerland, Austria and the Netherlands followed on. (Castles 1986) Experiences from the German and Austrian guest worker programs will be described in what follows.

In Germany in the 1950s full employment and a boom led to a supply deficit for unskilled and semi-skilled labour and the subsequent recruitment of foreign “guest workers”. Foreign workers were recruited between 1955 and 1973 through bilateral recruitment agreements between the Federal Republic Germany and Italy (1955), Spain and Greece (1960), Turkey (1961), Morocco (1963), Portugal (1964), Tunisia (1965) and Yugoslavia (1968). (Schneider 2009)

These recruitment drives brought the percentage of foreign workers from 1.3 percent in 1960 to 11.9 percent by 1973. Originally, in line with the so-called “Rotation Principle”, recruited “guest workers” were only to remain for a limited period of time. However, beginning in the late 1960s, a growing percentage of these immigrants remained in Germany permanently. In 1973, the recruitment of foreign nationals from countries outside the European Community was abandoned due to the oil crisis. At the time of the recruitment ban around four million foreign citizens were already living in West Germany, with this number increasing with the years, primarily due to family reunification. In 1989, the number of foreign nationals in the resident population of the Federal Republic of Germany had reached 4.9 million.

A similar approach was followed in Austria. Due to the large-scale emigration of Austrian workers to Germany and Switzerland throughout the 1950s, a labour shortage arose in Austria. Against this background, an agreement between entrepreneurs and trade unions (“Raab-Olah Agreement”) was made in 1961 which authorised new labour migration (Böse, Haberfellner, Koldas 2001: 3-4) Similar to the German model, a so-called “guest worker” immigration flow based on fixed annual “contingents” was promoted by contract labour programs and organised by state agencies such as those in Germany. (National Contact Point Austria 2004: 11) A first contract was established in 1962 with Spain, followed by Turkey in 1964 and two years later by Yugoslavia. In the framework of these programs, between 1961 and 1972, a total of 265,000 immigrants came to Austria, peaking at between 1969 and 1973. (Münz/Zuser/Kytir, 2003: 22) Yugoslav nationals made up 78.5% of these immigrants in 1973, followed by Turks at 11.8 %. (Biffl, 1995)

As in Germany, the guest worker system was based on a “Rotation Principle”: foreign workers were supposed to stay for a couple of years and then return to their home countries. The years 1974
and 1975 though marked a turning point in Austrian immigration policy. (Parnreiter 1994) The consequences of the international economic crisis and the fact that Austrians who had been working abroad were returning home, resulted in increased competition in the labour market. Hence, the authorities tried to reduce the number of foreign workers. Following Switzerland (1972) and Germany (1973), Austria announced a recruitment stop in 1974. (Münz, Zuser, Kytir, 2003: 23) However, this recruitment stop caused a part of the migrant working population to stay instead of leave. (Davy, Gächter 1993) Essentially the foreign workers that were before in a position to move back and forth between their country of origin and Austria, now, fearing that they would lose their jobs and their residence permit, decided to stay and bring their families to Austria. The more migrants and their families integrated, the more return became an illusion. (Pagenstecher, 1996) This phenomenon is reflected in statistical developments: while the share of employed migrants in Austria decreased by about 40% between 1974 and 1984, the percentage of foreign residents remained at almost the same level – returning immigrants were replaced by family reunions (Münz, Zuser, Kytir, 2003: 23).****

Lessons learnt from the guest worker programs in Germany and Austria

As Heckmann, Hönekopp and Currle (2009) illustrate, the guest worker programs in German and Austria were conceived as strictly temporary schemes in which new workers would rotate between their country of origin and the country of destination. The parties involved — the country of destination, the country of origin, the employers and the foreign workers themselves — had different and sometimes opposing interests and objectives.

The employers were, at first, in search of a cheap and motivated industrial labour force that could easily be released in times of recession, for jobs for which native workers either could not be recruited or where native recruitment would have meant higher costs. However, they realized, after some time, that a strict “rotation model”, implied repeating adaptation and training for new workers and was accompanied by high costs and risks. For these reasons, with time they came to prefer a static, reliable workforce.

The countries of destination, still traumatized by post war migrations and in Germany, driven by the idea of an “ethnic nation”, were not inclined to welcome new immigration sources. However, in practice, given business interests, the government allowed for renewed residence and work permits. Further, the recruitment stop of 1973 encouraged “guest workers” who had actually intended to return to their countries of origin to stay and have their families join them so as not to lose their work and residency permit.

The countries of origin had played a decisive role in initiating contracts with receiving countries in Europe. They had contradictory feelings though about the whole process. They aspired to the return of their emigrants for development and modernization. But these same countries were reluctant to encourage returnees given high unemployment rates on their domestic labour markets and given too the importance of remittances.

Finally, the “guest workers” themselves had a temporary stay in mind, desiring to save enough money to engage later in businesses or agriculture in their country of origin. However, surveys undertaken in Germany in the late 1970s (Mehrländer 1986; Hönekopp 1987) found that few “guest workers” pursued, in the end, their initial plan for return.

The same process took place in Austria: Lichtenberger who undertook two surveys among “guest workers” from what was then Yugoslavia in Vienna in 1974 and in 1981 found that both in 1974 and 1981 only slightly more than a half of the interviewees had a clear idea about their future stay in Vienna, while the other half expressed uncertainty about their future with a simple “I don’t know”.

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2 The following section is based on the findings of Heckmann, Hönekopp, Currle (2009).
(Lichtenberger 1981: 467) In her categorization of “potential Viennese” and “potential returnees”, Lichtenberger identified push- and pull-factors for staying in Austria. The most important pull-factors (for the stay in Vienna) were a family reunification in Austria and savings in an Austrian bank. The most important push-factors were abandoned house-holds/homes and unemployment in the country of origin. In this context, Lichtenberger highlighted how when family networks were missing in the former Yugoslavia, special assistance and support was needed to enable “guest workers” to return to their country of origin. (cf. ibid: 77)

Although the majority of guest workers returned to their countries of origin, and there is some proof for the success of the program, for the reasons set out above, in Germany millions and in Austria thousands of “guest workers” stayed and became de facto immigrants. The tragedy lay in the fact that this was accompanied by political non-awareness and indeed, even denial, which resulted in a lack of integration measures and a lack of support for this group and their family members who had come to join them.

Only in recent years in Germany has a gradual shift in official views become perceptible. An important milestone in this regard was the Süßmuth Commission Report to the German Government in 2001 (Süssmuth, 2001), which acknowledged that Germany had long since become an immigration country and that Germany would need to rely on labour migration to fill both skilled and less-skilled jobs in the future. This understanding has not officially gained ground in Austria as academics but no politician has to date admitted that Austria is an immigration country.

Current circular migration schemes in European Union Member States

Having looked at the circular migration policies of the 1960s and 1970s in European Member States, the example of Germany and Austria and the lessons learnt from them, it is interesting to see how these ideas have developed and what is understood as circular migration today in European Member States. While already in the 1990s, bilateral labour agreements among Member States in the OECD region were on the rise, since then, further initiatives have been taken at the national and at the EU level:

As such, two pilot mobility partnerships were signed between Moldova and Bulgaria, Cyprus, the Czech Republic, France, Germany, Greece, Hungary, Italy, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia and Sweden and between the Republic of Cape Verde and Spain, France, Luxembourg and Portugal in June 2008. These were new instruments designed to give practical expression to the partnership between the European Union and third countries. They would ensure the responsible joint management of migratory flows in the interests of the Union, its partners and the migrants themselves.3

When looking further at the current immigration policies of selected European Member States,4 it becomes apparent that a number of countries have established or are planning the creation of circular migration schemes as a means of temporarily filling labour shortages. France and Mauritius have recently concluded an agreement which facilitates the entry of 500 semi-skilled or skilled workers onto the French labour market. And the Netherlands are in the process of launching two pilot projects for skilled immigrant workers.

Temporary or seasonal migrant worker programs have already been introduced in a number of countries, including Austria, Germany, the Netherlands, Norway, Ireland, Belgium, Sweden, Greece, Italy, Spain and the UK (OECD 2005; Plewa, Miller 2005; Castles 2006). In addition

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3 For further information see Carrera, Hernández I Sagrera 2009; Cassarino 2009; Wiesbrock, Schneider 2009.
4 The following findings are based on the Ad-Hoc Query of the European Migration Network on circular migration schemes implemented by the EU Member States.
some Southern European countries have used large-scale legalization programs to turn undocumented workers into regular workers.

Greece, though Greek legislation does not provide for circular migration, has concluded a bilateral agreement with Egypt on seasonal employment which is seen as a possible basis for promoting the objectives of circular migration. The aim of this agreement is to enhance bilateral cooperation on employment issues with migrants from Egypt. The agreement provides residence permits mainly for fishery workers, employed for ten months to a year. The migrant workers enjoy favorable provisions for other migrants, such as the possibility of changing employers and staying in Greece for a period of three months after the work contract has expired. Further, the mutual transferability of social insurance rights and pensions is provided for.

Although they do not follow circular migration as such, some European Union Member States do offer **inward incentives** (incentives offered to third-country nationals wishing to enter the EU) and/or **outward incentives** (policies to facilitate the exit of third-country nationals settled in the EU) to foster the circularity of migration.

Spain for example has not developed any specific program on circular migration, but Spanish legislation on immigration already includes provisions aimed at favoring circular migration. The Organic Law 14/2003, 20 November amended Law 4/2000, 11 January, on the rights and freedoms of foreign nationals in Spain and their social integration, introducing a new paragraph (paragraph 1) to Article 40 of the aforementioned Law by means of which the granting of work permits to foreign nationals “shall not take into consideration the national employment situation when the employment contracts or job offers are aimed at: aliens who have been granted work permits for seasonal activities for four calendar years and have returned to their countries”. Further, the Regulations of the aforementioned Organic Law 4/2000 set forth that foreign workers shall have to undertake to return to their country of origin once the working relationship has come to an end if they want to obtain work permits for future seasonal or harvesting activities, or specific works or service contracts. Breaching this obligation may lead to the denial of requests for work permits for three years. Lastly, the Agreement that governs the Annual Contingent of third-country nationals in Spain sets forth that nominal employment offers may be formulated whenever workers who have been previously granted work permits in Spain have accredited before Spanish consular authorities their return to their country of origin.

Italy too has no specific policy on circular migration. However, some initiatives and projects, which are linked to entrepreneurship might be mentioned. The opening of business initiatives (usually trade, but also in other fields) involving countries of origin are the most frequent including support for the “Migration for Development in Africa (Mida)” Program, funded by the Ministry of Foreign Affairs, managed by IOM and carried out with support for immigrants who return, sometimes after being forcibly repatriated, in order to start on-site business initiatives. This is the case, for example, with the pilot project “Welcome Again: Reinsertion of Migrants” funded by the European Commission through the Aeneas Program and managed by Caritas Italiana in order to support the reintegration of Albanian citizens returning home from Italy.

In Austria no specific programmes exists for circular migration. Nonetheless, in the transposition of the Long-Term Directive (2003/109/EC), according to Art 20 of the Austrian Settlement and Residence Act, in exceptional cases (e.g. if the third-country national has to fulfil compulsory military service, civilian service or go home for illness) third-country nationals do not lose their residence title, as long as they notify the competent authorities of their absence and if the period does not exceed 24 months.

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5 http://www.cooperazioneallosviluppo.esteri.it/pdges/italiano/iniziative/Tema.asp?idx=20
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In Portugal, there are still not any formal circular migration agreements for labour. Nevertheless, in Art. 85 of the Act 23/2007, 4 July, the residence permits of third-country nationals that are absent for periods longer than those generally established, will not be cancelled, if they prove that, during their stay abroad they resided in their country of origin where they carried out a professional or business activity or a social or cultural activity.

In Finland, no programmes are directly implemented by the government at the moment. As it is intended that, in the future, the recruitment of a foreign labour force is will be driven by employer demands (private enterprises), no holistic plan for circular migration is envisaged. The granting and renewal of the residence/work-permits of the foreign-labour force will continue to be handled on a case-by-case basis.

In Sweden there are no real incentives concerning inward migration, but new work permit legislation came into force in the middle of December 2008. This new legislation is intended to increase circular migration in that anyone that has an offer of employment from an employer in Sweden should be granted a work and residence permit. This means that migrants can take on employment in Sweden for longer or shorter terms and then return to their home country when their job comes to an end.

Challenges, Policy Options & Conclusions

Circular migration as a pattern of mobility is not new, but in the last decades it has grown steadily in terms of numbers. After all, modern global communication and transport regimes facilitate people working in one country for a substantial period and remaining permanent citizens of their home country in a way that was not possible even a decade ago. (Hugo, 2003)

Most circular migration in the world occurs without reference to proper management. However, policies, programs and official channels can play an important role in fostering circularity and enabling migrants to move back and forth between countries of origin and destination. Proposing a “win-win-win” situation, circular could present a key instrument for today’s Europe, characterized as it is by an ageing society and increasing labour supply shortages, with its large numbers of irregular migrants as well as its illegally-employed migrants, not to mention high unemployment rates for the unskilled and low unemployment rates among highly-skilled workers (Heckmann, Hönekopp, Currie 2009).

As such, most recently, proposals for the Stockholm Programme (Council of the European Union 2009), to be adopted in December 2009, calls for “ways to further develop the concept of circular migration and explore ways to facilitate both managed and spontaneous circulation of migrants”. In support of the ambition of national, European and international policy makers, to find feasible and viable ideas and concepts for circular migration schemes, numerous suggestions for the successful implementation of such programs have been developed by academics and policy advisers. (e.g. Newland 2009; CARIM 2008; Fargues 2008; Newland, Aguiñas, Terrazas 2008; Castles 2006) Some of the principal points raised by these authors are summarised here:

Finding a common definition of circular migration: Analysts and policy makers have not yet found a single definition that would allow them to speak in a single common language about one and the same phenomenon. How far does a migrant have to move to actually count as a circular migrant? For how long must he or she remain in a country? How many cycles are necessary for migration to count as circular migration? A clear and agreed definition has still to be found.

Broaden knowledge on de facto circular migration. Despite the very great interest in this phenomenon, there is little information available. (Hugo 2003) There are no global estimates of the numbers of migrants engaged in circulation (UN 2006: 69) as few countries record arrival and departure information about their own citizens and non-nationals, never mind about travelers’ place of birth, destination and duration (or intended duration) of stay. (Newland, 2009: 10-11) As such, the
collection of figures on return and circular migration are identified by the International Organization for Migration as one of the new challenges in collecting labour migration data. (IOM 2008: 562)

**Defining clear objectives for circular migration schemes and assuring their feasibility.** Different and sometimes conflicting objectives are often present in the concept of circular migration. Most policy discussions put circular migration in the context of attempts to increase development for origin countries. But the development contribution of circular migration has still to be clarified. Many migrant-receiving countries prefer temporary migration especially in the context of low-skilled and less-educated migrants. But studies show, that low-skilled and less-educated migrants do not profit with regards to human development as much as the highly skilled. It is further proposed that circular migration schemes help to restrain inflows of irregular migration: however, as Newland, Agunias, Terrazas (2008) show, a majority of the existing program conditions intended to “enforce” circularity such as short contract periods and non-renewable visas tied to particular employers, can end up encouraging irregular migration. Further, as noted by the International Organization for Migration (2008b) the feasibility of proposed mechanisms such as circular migration schemes, or mobility partnerships will need further assessment in pilot actions.

**No old wine in new bottles.** According to Martin (2003), circular migration programs have failed in the past for two reasons: distortion and dependence. Distortion that is of the recipient labour market, due to the assumption of a permanent influx of “guest workers” and dependence of migrant workers and the sending countries on foreign jobs. New concepts based on old concepts risk repeating the errors of the past. Thus, circular migration should be an enhanced alternative and not a simple repeat of the former guest worker programs.

**Facilitating circular migration.** If governments cannot induce migration and mobility flows, they can facilitate and support migrants in this undertaking. Destination countries should develop policies and programs which both facilitate and encourage migrant workers to interact with their home country as this would lessen the pressure on those migrant workers to take their family and settle down in their country of work. Reductions in the difficulties and transaction costs associated with sending remittances, easing the availability of re-entry visas for migrant workers etc. are all things that might facilitate circular rather than permanent migration. For return to the countries of origin, migrants are in need of support. As Lichtenberger already showed in 1974 and 1981, return for immigrants is in many cases only possible through the assistance of specific programs that facilitate their return.

**Respect of human rights and human dignity.** According to Heckmann, Hönekopp and Currle (2009) a main lesson to be learned from the German guest worker program is that it is very dangerous to restrict such workers to an economic role. To paraphrase in Max Frisch’s words: the Europe of then thought that it could import labour without people. But it is people that came and it is also people that will come in circular migration schemes in the future. In this context, care must be taken that human rights and human dignity are respected in all stages of the migration process, i.e. in the sending countries, in the transit countries as well as in the receiving countries.
Awareness over the possible choice of circular migrants to stay permanently: The fact that circular migration “can easily become permanent and, thus, defeat its objective” (European Commission 2007) should be taken into account. For many migrants, temporary migration can constitute the prelude to or a planned initial stage of permanent settlement. Certainly, admission as a temporary migrant is often easier than for a permanent migrant. (Hugo, 2003) Temporary migration however can also be an unplanned result. This is a lesson from the guest worker programs of the 1960s and 1970s: migrants may (un)intently change their life concepts. The consequences of political non-awareness and denial of his factor back then have led to a lack of integration measures and support for former “guest workers” and their families for almost 40 years. For these reasons, future circular migration schemes should pay attention to the possibility of permanent settlement and be attentive that appropriate integration assistance is offered and support given for those migrants that (might) decide to settle permanently.

Many authors (i.e. Castles, 2006) claim that the new approaches to circular migration would have different outcomes and would stand apart from the guest worker schemes of the past. However, some governments in migrant-receiving countries still focus on killing two birds with one stone – meeting their labour market needs without incurring the social and fiscal costs of permanently incorporating newcomers. It is worth then stressing that the new concepts of circular migration should not make the mistakes of those of the 1960s and 1970s: the mistake of thinking that you can import labour without people.
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