

Migration, development and the articulation of modes of production

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1. Introduction

Largely due to the exponential growth of worldwide migrant remittance flows from the 1990s onwards, the so-called 'migration-development nexus', or the issue of the impacts of (international) migration upon the development of the migrants' territories of origin, has been the object of much renewed attention over the last few years. The latest wave of research and advocacy has largely been an enthusiastic one, but the topic has traditionally been characterised by a controversy that refuses to go away – otherwise known as "the unsettled relationship".²⁷⁰

On one side of this debate, we have the migration-development enthusiasts, who have typically highlighted the beneficial role of outmigration in alleviating domestic unemployment and giving rise to subsequent reverse flows of money remittances and know-how; on the other, the migration-development pessimists, who have instead emphasised the consequences of the exodus of scarce skilled workers for developing countries (the 'brain drain'); argued that remittances lead to distortion and dependence; or maintained that international migration constitutes one of many ways through which value is transferred from the developing world to industrialised countries.

Most mainstream attempts to 'settle the unsettled' in this regard have usually assumed one of two forms: theoretical propositions based on the hypothetical-deductive method; or econometric cross-country investigations, either of the overall impact of migration or of the impact of one of the various 'sub-nexa'. Inevitably, however, and despite the fact that development is one of the two poles in the causal relationship under scrutiny, the treatment of *development itself* in these attempts is usually at worst in-existent and at best unsatisfactory. More specifically, it is generally assumed explicitly or implicitly by both neoclassical and neo-Marxist authors that 'development' is but a simple function of the stock of the various

²⁷⁰ Demetriou Papademetriou and Philip Martin, *The Unsettled Relationship: Labor Migration and Economic Development* (Westport: Greenwood Press, 1991).

production factors available in an economy, regardless of the prevalent social relations of production – what Brenner has dubbed the “neo-Smithian” fallacy²⁷¹.

In this paper, it is suggested that overcoming this fundamental weakness of the literature requires a more sophisticated theoretical understanding of development itself. With this in mind, it is further suggested, in the historical materialist tradition and following in particular Marxist author P. P. Rey, that, for the majority of the countries of the global South, development be conceptualised first and foremost as a disruptive and deeply ambiguous process of *transition to capitalism*, characterised in its early stages by specific forms of articulation between the capitalist and non-capitalist modes of production prevalent in a social formation. While *mass* emigration is typically a by-product of the ‘encroachment’ of the capitalist mode of production as seminally theorised by Rosa Luxemburg, international outmigration may occur in the context of social formations characterised by different ‘types’ of articulation, and accordingly feed back upon development (thus understood) in different ways.²⁷² As a consequence, it is argued that research on the ‘migration-development nexus’ has little to gain from simplistic *a priori* deductivism or from the search for cross-country regularities within what is effectively an heterogeneous universe; instead, recourse to the case-study method with a strong political economy orientation is likely to yield the most promising results.

In order to put forth these arguments, this presentation is structured as follows: after this Introduction, section 2 provides a brief overview of the main issues to do with the interrelationship between migration and development, as addressed in the literature. This is followed, in section 3, by the argument that an adequate appreciation of the constraining effect of the social relations of production upon the development of productive capacity is lacking in the existing literature, of both neoclassical and neo-Marxist inspiration, on the migration-development nexus. As a way of overcoming this insufficiency of most of the literature and research on this topic, section 4 argues in favour of a more sophisticated understanding of development in this context: one that is based on some of Marx’s and Luxemburg’s basic ideas on the encroachment of the capitalist mode of production upon the pre-capitalist modes, as well as on P.P. Rey’s elaborations on the protracted, complex and phased character of that encroachment. Section 5 then draws some theoretical and methodological implications, arguing in particular in favour of intensive political-economic case-study analysis as the most

²⁷¹ Robert Brenner, “The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism”, *New Left Review* (No.104, 1977), pp. 25-92.

²⁷² Rosa Luxemburg, *The Accumulation of Capital* (London: Routledge and Kegan Paul, 1951).

promising way forward in this respect. Finally, the main arguments and ideas are summed up in the Conclusions.

2. Migration and development: overview of the issues and the literature

That migration and development are fundamentally related is more or less obvious. Exactly what that relationship consists of, however, is not quite as unanimous. The three main theoretical accounts of the causes of migration all postulate that migration is, in one way or another, a consequence of either development or underdevelopment. Thus, in exceedingly brief terms, the neoclassical 'macro' theory of migration portrays migration as a consequence of development differentials (or, which is basically synonymous in this theoretical context, income differentials) between geographical areas. Migration is brought about by relative underdevelopment *as condition* and acts as a factor-price equalisation mechanism.²⁷³

Another theoretical account of migration, the New Economics of Labour Migration or NELM,²⁷⁴ also implicitly regards migration as a consequence of underdevelopment *as condition*: migration allegedly constitutes a way for optimising households to access "capital" and self-insure against risk in contexts characterised by market incompleteness (namely with respect to credit, futures and insurance markets). At the macro level and *ceteris paribus*, the greater the degree of market incompleteness, the greater the expected rate of outmigration.

Finally, in contrast to these two theoretical accounts, the historical-structural approach – of Marxist content or at least inspiration, depending on the authors –, portrays outmigration primarily as a consequence of development as a disruptive *process* that involves "the substitution of capital for labour, the privatisation and consolidation of land-holding and the creation of markets"²⁷⁵, and which uproots a significant part of the population from its traditional forms of livelihood and places of residence.

Thus, while development is conceived of in very different ways in each of these theoretical frameworks (and while the ways in which development impinges upon migration are accordingly viewed differently as

²⁷³ John R. Harris and Michael P. Todaro, "Migration, Unemployment and Development: A Two-Sector Analysis", *The American Economic Review* (Vol. 60, No. 1, 1970), pp. 126-142.

²⁷⁴ Oded Stark and David Bloom, "The New Economics of Labor Migration", *The American Economic Review*, (Vol. 75, No. 2, May 1985), pp. 173-178; Papers and Proceedings of the Ninety-Seventh Annual Meeting of the American Economic Association.

²⁷⁵ Douglas Massey, "Economic Development and International Migration in Comparative Perspective", *Population and Development Review*, (Vol. 14, No. 3, 1988), p. 391.

well), development or the lack thereof are nonetheless regarded by all as a prime – indeed, as *the* prime – determinant of migration. However, not only is development a determinant of migration, the former is also co-determined by the latter. The causal *nexa* running in this latter direction are diverse, but they may be usefully grouped under three headings – corresponding respectively to the migrants' *exit*, *transnational practices* and *return*. The following sub-sections (2.1-2.3) discuss some of these impacts and the literature around them.

2.1 Impacts of exit

The impacts associated with exit/outmigration of course begin with the fact that migration reduces the labour supply in the migrants' areas of origin. This may be deemed more or less deleterious depending on how scarce labour is in those areas. Most typically, however, and largely building on Arthur Lewis' ideas on "development with unlimited supplies of labour", there is a fairly broad presumption that it is capital that is the scarce production factor in the context of developing countries, and that emigration is therefore a good thing in that it enables those countries to reduce unemployment and/or increase their levels of capital intensity.²⁷⁶

Once we introduce the elementary consideration that labour as a production factor is not homogeneous, however, this universally optimistic conclusion is brought into question. The strategic role played in production by certain types of workers, for example, or the existence of regional bottlenecks in terms of labour availability may mean that even otherwise plentiful labour is in some cases scarce – and that, in those cases, the emigration of those workers may not have the zero opportunity cost assumed in Lewis' and other models.²⁷⁷ The specific category that has been the object of closest attention in the literature and given rise to the greatest concerns is of course that of highly-skilled workers (the "brain drain"), given their assumed importance in the process of development (for example, in the context of the endogenous growth approach), their relative scarcity in the context of developing countries and the fact that, due to the selectivity and self-selectivity of migration, they tend to be highly over-represented among the migrant population. A vast 'pessimistic' literature on the impact of migration upon development has thus flourished around this particular issue above all others, featuring such notable contributions as Bhagwati's

²⁷⁶ Arthur Lewis, "Economic Development with Unlimited Supplies of Labour", *The Manchester School of Economic and Social Studies*, (Vol. 22, No.2, 1954), pp. 139-191.

²⁷⁷ Robert Lucas, *International Migration Regimes and Economic Development*. Report from the seminar of the Executive Group on Development Issues on International Migration Regimes and Economic Development, (May 13 2004), Stockholm, accessible at: www.egdi.gov.se/seminars6.htm.

writings on this subject, which included the suggested levying of a tax on emigration by the countries of origin themselves.²⁷⁸

More recently, this pessimistic view of the 'brain drain' has itself been brought into question by the variously-called "brain gain"/"optimal brain drain"/"revisionist approach to the brain drain" literature, put forth most prominently by one of the figureheads of the NELM, Oded Stark.²⁷⁹ The crux of the argument in this strand of the literature is that: i) the *possibility* of future international migration increases the expected returns to education in the countries of origin, thus fostering "human capital formation"; ii) for various reasons, a significant proportion of those who thus acquire additional knowledge and skills end up remaining in the country; and iii) for this reason, the country in question may end up with *higher* average educational levels and/or a greater pool of skills than would have been the case in the absence of emigration.

2.2 Impacts of migrant transnationalism

The effects of migration upon economic development identified in the literature do not end with those associated with the moment of exit, such as the ones mentioned above. Indeed, the impacts associated with the *transnational* actions and practices of migrants play as central a role in the 'optimistic' literature on the migration-development nexus as the 'brain drain' does in the 'pessimistic' one. These transnational actions are usually deemed to have a development impact upon the areas and countries of origin to the extent that *something* – money, technology and know-how, or habits and attitudes – is remitted to the countries of origins.

Money remittances have received the greatest attention, particularly with their exponential growth from the 1990s onwards. Although much of the enthusiasm around remittances lacks clearly-specified theoretical underpinnings, it seems to be most influenced by some of the ideas of such early development economists as Chenery and Bruno, particularly the argument that developing countries are constrained in their growth and development trajectories by two gaps – one of internal savings vis-à-vis investment requirements and one of foreign exchange vis-à-vis imports

²⁷⁸ Jagdish N. Bhagwati (ed.), *The Brain Drain and Taxation: Theory and Empirical Analysis* (Amsterdam: North Holland, 1976).

²⁷⁹ Oded Stark, "The Economics of the Brain Drain Turned on Its Head", mimeo. Paper presented to ABCDE Europe Conference, (The World Bank, 2002), accessible at: [http://wbln0018.worldbank.org/eurvp/web.nsf/Pages/Paper+by+Oded+Stark/\\$File/ODED+STARK.PDF](http://wbln0018.worldbank.org/eurvp/web.nsf/Pages/Paper+by+Oded+Stark/$File/ODED+STARK.PDF); Stark, O. "The New Economics of the Brain Drain", *World Development* (Vol. 6, No. 2, 2005), pp.137-140.

requirements.²⁸⁰ In the same way that a corollary of these early models was that official development assistance (ODA) would fill in these two gaps and jump-start development, so have remittances been posited and expected to perform a similar role.²⁸¹ Indeed, with the alleged advantage over ODA that their process of transfer and use is not subject to any form of coordinated planning, thus rendering them more savoury to those for whom government failures are key to explaining the failure of development to occur. It is thus of little wonder that remittances have in some quarters become “the new development mantra”, as per Kapur’s fortunate expression.²⁸²

The optimism around remittances has been faced with its own ‘revisionist’ take, however, which in this case has revolved around the ideas that remittances often do not have a “productive” character and may breed distortion and dependency.²⁸³ Methodologically, much of this literature has been based on empirical remittance-use studies across a variety of contexts, which have often come to the conclusion that remittances are typically used to fulfil immediate consumption needs, pay for health and education expenses, as well as dowries, celebrations and other sumptuous uses, and only marginally invested. This entire approach is somehow flawed in that it restricts its attention to the spending behaviour of the immediate recipients (first-round spenders) of remittances, but it does raise the important point that flows of money do not amount to flows of investment (to which we might add that flows of investment do not amount to flows of capital – but more on that below). The distortion/dependency argument is closely related to this and postulates that remittances create a disincentive to work amongst recipient families, which may lock those families (as well as their respective areas or countries, provided that migration is sufficiently widespread) in a situation of systematic dependency upon resources with an exogenous character.

The increasing attention and emphasis on remittances has been part of a broader shift from regarding migration as a fairly permanent process involving the gradual severing of the ties that bind the migrants to their origins to an approach that instead emphasises dual identities and

²⁸⁰ Hollis B. Chenery and Michael Bruno, “Development Alternatives in an Open Economy: The Case of Israel”, *Economic Journal* (No.72, 1962), pp.79-103.

²⁸¹ Nicholas P. Glytsos, “The Role of Migrant Remittances in Development: Evidence from Mediterranean Countries”, *International Migration* (Vol. 40, No.1, 2002), pp. 5-25.

²⁸² Devesh Kapur, *Remittances: The New Development Mantra?*, G-24 Discussion Paper no. 29, (New York: United Nations Conference on Trade and Development, April 2004), accessible at: www.unctad.org/templates/Download.asp?docid=4855&lang=1&intItemID=2103.

²⁸³ David Ellerman, *Policy Research on Migration and Development*, Policy Research Working Paper 3117, (Washington: The World Bank, 2003), accessible at: <http://www.economics.ucr.edu/seminars/fall04/10-13-04.pdf>.

belongings, as well as actions that straddle different countries – the so-called “transnational turn” in migration studies.²⁸⁴ Money remittances constitute the most visible and economically relevant form of migrant transnationalism, but some migration scholars and researchers have highlighted other types of migrant-led transnationalism. These include transfers of technology and know-how, most typically in the case of the so-called diaspora knowledge networks,²⁸⁵ as well as the more vaguely defined “social remittances” made up of beliefs, values and attitudes.²⁸⁶

2.3 Impacts of return migration

The final ‘group’ of development impacts typically addressed in the “migration-development” literature consists of those that are associated with the return of the migrants to their areas of origin. To a certain extent, the effects of this process are deemed symmetrical with respect to the original outmigration – adding to the labour supply to a varying extent and with varying consequences, depending, among other things, on the age and skills profile of the return migrants. The literature on the economic consequences of return migration has thus typically sought either to empirically identify the specific characteristics of return migration in terms of (self-)selectivity, or to put forth typologies and *a priori* assertions with regard to those characteristics.²⁸⁷ This has occasionally been complemented by the ‘optimistic’ consideration that many return migrants bring along their savings and know-how (which may be used to start businesses); but also two ‘pessimistic’ caveats: that many migrants return to their countries with a view to retiring; and that the skills and know-how that they have acquired abroad are often location-specific and/or complementary to specific forms of fixed capital, and therefore cannot be put to productive use in a different context from that in which they were acquired.

²⁸⁴ Peggy Levitt and Ninna Nyberg-Sorensen *The Transnational Turn in Migration Studies*, Global Migration Perspectives (Geneva: Global Commission on International Migration, No. 6, 2004), accessible at: www.gcim.org/gmp/Global%20Migration%20Perspectives%20No%206.pdf

²⁸⁵ Jean-Baptiste Meyer and Jean-Paul Wattiaux, “Diaspora Knowledge Networks: Vanishing Doubts and Increasing Evidence”, *International Journal on Multicultural Societies (IJMS)* (Vol. 8, No. 1, 2006), accessible at: <http://unesdoc.unesco.org/images/0014/001490/149086E.pdf> .

²⁸⁶ Peggy Levitt, “Social Remittances: Migration-Driven Local-Level Forms of Cultural Diffusion”, *International Migration Review* (Vol. 32, No. 4, Winter, 1998), pp. 926-948.

²⁸⁷ Francesco P. Cerase, “Expectations and Reality: A Case Study of Return Migration from the United States to Southern Italy”. *International Migration review* (Vol.8, No.2, 1974), pp. 245-262; Jean-Pierre Cassarino, “Theorising Return Migration: The Conceptual Approach to Return Migrants Revisited”. *International Journal on Multicultural Societies (IJMS)* (Vol. 6, No. 2, 2004), pp. 253-279, accessible at: <http://unesdoc.unesco.org/images/0013/001385/138592E.pdf#page=60>.

This cursory overview of the main causal channels identified in the literature makes it at once obvious that this is deemed an “unsettled relationship” because migration seems to facilitate ‘development’ in some ways and hinder it in others, it being far from clear which will tend to predominate in what circumstances. In addition, the literature has tended to address the various ‘causal channels’, e.g. the ‘brain drain’ or remittances, in isolated fashion, thereby missing or failing to convey the bigger picture of which each of those channels are a part. Generally speaking, it has tended to do this in one of two ways: theoretical propositions based on the hypothetical-deductive method or empirical cross-country estimations of the impacts. The former, abstract method is exemplified by Stark’s “brain gain” argument, whereby the conditions are formally deduced under which emigration will indeed give rise to an increase in the average educational level of the population.²⁸⁸ The latter method is exemplified by Gupta et al’s econometric estimation of the impact of remittances on poverty alleviation and financial development.²⁸⁹

Crucially, however, whether in its abstract-deductive or empirical-inductive varieties, the literature has tended to regard “developing countries” or even “countries of origin of migration” as a homogeneous universe, for which the impacts of migration (or of one or more of its associated flows) may be formally deduced or empirically estimated across the board. Moreover, it has virtually always equated the development impacts of migration with the extent to which it gives rise to increases or decreases in the stocks of the various production factors available in the economies of origin of the migrants (or sometimes in the level of output or income more directly). This refers in particular to “labour”, “capital” and “human capital”, all defined in the usual ‘unproblematic’ way of mainstream economics: labour as the ‘stock’ of any actual or potential workers, capital as a loosely defined aggregate of means of production and money wealth, and human capital as the quality of labour (usually proxied by the average educational level). And therein lies the problem.

3. The migration-development literature and the neo-Smithian fallacy

Consistent with an overarching theoretical framework that has no time or place for the concept of mode of production or, in fact, for development itself as anything other than the increase in *per capita* income, economists

²⁸⁸ Stark, op.cit. in note 10.

²⁸⁹ Sanjeev Gupta, *et al* “Effect of Remittances on Poverty and Financial Development in Sub-Saharan Africa”, *World Development* (Vol. 37, No. 1, 2009), pp. 104-115.

and other theorists working along neoclassical lines have explicitly or implicitly analysed the various *nexa* through a production function lens – i.e. they have assumed that migration (and the indirect effects that it gives rise to) affect “development” insofar as they co-determine the stock of the various factors of production in the economy of origin of the migrants. Now, agreement at this level does not preclude theoretical disagreement at other levels: these economists and other migration scholars may, and often do, disagree as to whether the ‘negative’ effects will tend to outweigh the ‘positive’ ones, or as to the minutiae of the various impacts. This notwithstanding, they all fall prey to what, to quote Robert Brenner, we might call the “neo-Smithian” fallacy: a lack of consideration for the constraining effect of the prevailing social relations of production upon the development of the forces of production, such that, for example, an inflow of income or wealth is implicitly equated with an inflow of capital.²⁹⁰ Simply put, this implicitly assumes that all labour-power and means of production can be freely bought and sold in all contexts (social formations), and that competition acts in such a way as to ensure that they are put to an ‘optimal’, ‘rational’, capitalist use.

However, in reality that is not the case: the geographical and social expansion of the law of value has doubtless proceeded apace since the inception of capitalism, but the “melting into air”²⁹¹ of the “antiquated” modes of production has been faced with far greater resilience on the part of the latter than might have been expected, or indeed than was envisaged in the *Manifesto*. The acknowledgement of this has given rise to a debate among Marxist authors on the issue of the “articulation of modes of production”, whereby attempts have been made to theorise the dynamics of the interrelationship between the capitalist and non-capitalist modes of production (see Section 4 in this paper).

In any case, central to the argument here is the fact that the assumptions of (i) generalised ‘freedom’ of labour and of the means of production (initially through the dispossession of the direct producers); and (ii) generalised competition in commodity production, do not hold except in social formations where the capitalist mode of production is predominant. This predominance must refer not only to *dynamics* (i.e. in the sense of the capitalist mode of production being in the process of an inexorable expansion) but also to *structure* (in the sense of capitalist relations of

²⁹⁰ Robert Brenner, “The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism”, *New Left Review* (No.104, 1977), pp. 25-92.

²⁹¹ Karl Marx and Frederick Engels, *Manifesto of the Communist Party* (1848), accessible at: <http://www.marxists.org/archive/marx/works/1848/communist-manifesto/>.

property and production being dominant *at present*). Under the logics of individual or communal production for self-consumption or of simple commodity production (which on aggregate remain quantitatively dominant in a variety of social formations today), accumulation remains stifled by the lack of both competition and freely available productive forces. Surplus extraction is intensified primarily by increasing absolute, rather than relative, surplus value, and there is no tendency for a 'virtuous' dynamic of innovation and accumulation to occur. It is therefore worth quoting Brenner at length to stress that:²⁹²

Whatever Marx thought about the origins of capitalist social productive relations, he was quite clear that their establishment was indispensable for the development of the productive forces, i.e. for capitalist economic development. If expansion through trade and investment did not bring with it the transition to capitalist social productive relations—manifested in the full emergence of labour power as a commodity—there could be no capital accumulation on an extended scale. In consequence, the analysis of capitalist economic development requires an understanding, in the first place, of the manner in which the capitalist social-productive relations underpinning the accumulation of capital on an extended scale originated.

The ascription of capitalist laws of motion to pre-capitalist (or not fully capitalist) contexts, with the misunderstandings that it entails, is what is meant here by "the neo-Smithian fallacy" – a fallacy that pervades the migration-development literature (as well as arguably the development literature more generally). That that should be so in the case of mainstream economic theory is hardly surprising, given the latter's fundamental ideological concern with legitimising capitalist rationality as transhistorical. What is perhaps more surprising is that the historical-structural approach to migration, which in its theorising of the causes of migration affords such a pivotal role to development as structural change (namely in terms of the prevailing modes of production), should largely fail to afford it a similar role in its analysis of the development consequences of migration.

Those researchers and theoreticians working along these theoretical lines that have addressed the migration-development nexus have thus sought to confront the mainstream economics account at a 'lower' theoretical level, but not at a 'higher' one. For example, Petras, a seminal representative of the world-systems account of labour migration, argues (quite typically in this respect) that labour migration, especially in its skilled

²⁹² Brenner, op.cit. in note 21, pp. 26-27.

variety, constitutes yet another form of value transfer from the periphery to the core, which further deepens the gap between the two.²⁹³ What we have here is the same presumption that value, in whatever form, can and will be put to an 'optimal' use from the point of view of accumulation regardless of political-economic context, and that therefore the impacts of a given social process upon development simply concern their 'net impact' in terms of value, rather than how they contribute to the progress, stagnation or even retrogress of that political-economic context in structural terms.

We would argue that certainly in Petras' case, but arguably for the historical-structural approach more generally, this is a consequence of the neo-Marxist – as distinct from classical Marxist – underpinnings of their theory of development. The point remains, however, that both neoclassical and historical-structural researchers into the development consequences of migration have succumbed to the 'neo-Smithian fallacy', and that this has proven a central obstacle to "settling the unsettled" in this respect. The next section outlines an alternative understanding of development as a way of overcoming this obstacle.

4. Modes of production and development: a classical Marxist view

In line with the historical-materialist tradition, the previous section stressed the constraining role of *modes of production* for the historical development of societies. This is defined, following Poulantzas²⁹⁴ as a specific "combination of the system of productive forces with the system of relations of production". It is an abstract notion that crystallises in 'hybrid' and 'impure' concrete forms, such that elements from different modes of production may coexist and overlap in a given social formation. While this applies even to the case of 'advanced' capitalist social formations, it is especially so in the case of the more 'backward' ones, where capitalist social-productive relations have not made as much progress.

The recourse to such teleological terminology as "advanced", "backward" or "progress" is justified by the fact that, since its inception, the capitalist mode of production has proved capable of relentlessly expanding its sphere of dominance – both socially and geographically. Thus have Marx and Engels argued that the bourgeoisie "creates a world after its own image

²⁹³ Elizabeth Petras, "The Global Labor Market in the Modern World-Economy", in Kritiz *et al* (eds) *Global Trends in Migration: Theory and Research on International Population Movements*, (New York: Center for Migration Studies, 1981), pp. 44-63.

²⁹⁴ Nicos Poulantzas, *Political Power and Social Classes* (London: New Left Books, 1973), cited in Harold Wolpe, *The Articulation of Modes of Production: Essays from Economy and Society* (London: Routledge, 1980), p.9

[and] compels all nations to adopt the bourgeois mode of production"²⁹⁵, or Rosa Luxemburg that capitalism "tends to engulf the whole globe and stamp out all other economies, tolerating no rival at its side".²⁹⁶ And indeed, the dispossession of the direct producers and the subordination of ever-more social relations to the law of value are historically observable tendencies. However, we are talking about a historically colossal process that is not without its ambiguities and counter-tendencies. Proletarianisation and the dissolution of the pre-capitalist modes of production, especially in the more peripheral areas of the capitalist world system, have in fact proved protracted and turbulent processes – much more so than the simpler and more unilinear accounts would have it. In later writings than the *Manifesto*, Marx himself hinted at this possibility, as exemplified by this passage from Volume III of *Capital* on the impact of British colonialism in India and China:²⁹⁷

English commerce exerted a revolutionary influence on these communities and tore them apart only insofar as the low prices of its goods served to destroy the spinning and weaving industries, which were an ancient integrating element of this unity of industrial and agricultural production. And even so this work of dissolution proceeds very gradually. [emphasis added].

As the historical development of capitalism proceeded beyond Marx's time alongside the seeming failure of endogenous dynamics of capital accumulation to take hold in many peripheral social formations, Marxist explanations of underdevelopment thus understood have divided into two camps: the dependency/neo-Marxist emphasis on the external determinants of underdevelopment and on international super-exploitation in the sphere of circulation; and the classical Marxist emphasis on the internal determinants of underdevelopment and on the failure, or at least protractedness, of the process of transition to capitalism. While in our view the excessive opposition between the two views is harmful to a better and more comprehensive understanding of the processes in question, it remains true that the former have largely disregarded social relations of production as a cornerstone of historical-materialist analysis, and thereby largely remained Marxist in inspiration but not in method.

Among those that have remained true to this basic tenet of Marxist analysis, on the other hand, a debate gradually arose out of the wish to understand and theorise the articulation between the capitalist and pre-

²⁹⁵ Marx and Engels, op.cit. in note 22.

²⁹⁶ Rosa Luxemburg, op.cit. in note 3.

²⁹⁷ Karl Marx, *Das Capital*, Vol.3, p. 328.

capitalist modes of production, particularly in the case of significantly pre-capitalist (i.e. "developing") social formations, in order to understand the laws of motion of these social formations more generally. The reader is referred to Banaji, Foster-Carter and Wolpe for comprehensive overviews and discussions of this debate, which cannot be satisfactorily addressed here.²⁹⁸ However, suffice it to say that it has been largely focused on what the conditions are under which the capitalist mode of production exerts a *conservative* or *dissolutive* effect upon the pre-capitalist modes of production. Thus has Bettelheim argued that:²⁹⁹

Inside social formations in which the capitalist mode of production is 'predominant' this domination mainly tends to expanded reproduction of the capitalist mode of production, that is, to dissolution of the other modes of production and subsumption of their agents to capitalist production relations [whereas] inside social formations in which the capitalist mode of production is not directly predominant, that is, in social formations that are capitalist social formations because they are subordinated to the capitalist mode of production through the world market (but in which other modes of production predominate), the main tendency is not to dissolution of the non-capitalist modes of production but to their conservation-dissolution.

In perhaps the most sophisticated (or maybe most daring) contribution to the debate, Pierre-Philippe Rey went one step further by introducing *dynamics* into the analysis and insisting that the articulation of modes of production be viewed as a process rather than a static condition.³⁰⁰ He did this by putting forth a hypothetical periodisation and specifying three stages of the articulation: "1. an initial link in the sphere of exchange, where interaction with capitalism *reinforces* the pre-capitalist mode; 2. capitalism 'takes root', subordinating the pre-capitalist mode but still making use of it; 3. (not yet reached in the Third World) the total disappearance of the pre-capitalist mode, even in agriculture".³⁰¹

²⁹⁸ Jairus Banaji, "Modes of Production in a Materialist Conception of History", *Capital and Class* (No.3, 1977), pp. 1-44; Aidan Foster-Carter, "The Modes of Production Controversy", *New Left Review* (No. 107, 1978), pp. 47-77; Harold Wolpe, *The Articulation of Modes of Production: Essays from Economy and Society* (London: Routledge, 1980).

²⁹⁹ Charles Bettelheim, *Theoretical continents*, in A. Emmanuel, *Unequal Exchange: A Study of the Imperialism of Trade*, (New Left Books, London, 1972), cited in Harold Wolpe, *The Articulation of Modes of Production: Essays from Economy and Society* (London: Routledge, 1980).

³⁰⁰ Pierre Phillippe Rey. *Les Alliances de Classes*, (Paris: Maspero, 1973).

³⁰¹ Foster-Carter, op. cit. in note 29, p.56.

Now, these theoretical contributions are not without their problems and inconsistencies, indeed discussed at length by Foster-Carter.³⁰² However, they make it clear that the analysis of development cannot do without engaging with the concept of mode of production and its concrete manifestations, given their centrality in explaining actual economic and political outcomes. This applies both to the analysis of "development" in general and to that of the "development consequences" of any given process. Rather than trans-historically assuming the existence of capitalist social-productive relations and deducing the consequences of such a process based on that assumption, the task should first and foremost consist of enquiring into the role played by the process in question in the context of the transition to capitalism. The next section briefly discusses some of the theoretical and methodological implications of this for the specific case of the migration-development nexus.

5. Implications: towards a renewed political economy of the migration-development nexus

The historical-structural approach to migration constitutes a huge theoretical advance with respect to the alternative, methodologically-individualist theories, not least by explicitly theorising and analysing it in relation to the development of capitalism as a world system: on the receiving end of the migration flows, as a way of ensuring the existence and regulation of a reserve army of labour and making it easier to divide the working class along ethnic or national lines,³⁰³ in the areas of origin of the flows, as a consequence of proletarianisation and, more generally, of the disruption of livelihoods brought about by the advancement of capitalism.³⁰⁴

What has been largely missing among the historical-structural school, however, is an analysis of the development consequences of migration consistent with the historical-materialist view of its determinants. Indeed, the whole idea of searching for an ultimate assessment of migration as universally positive or detrimental misses the fact that migration and its associated flows can and do occur in the context of social formations at different stages of the transition to capitalism, with distinct forms of articulation of modes of production, and where expanded capitalist development is faced with different obstacles.

³⁰² Ibid.

³⁰³ Stephen Castles and Godula Kosack, "The Function of Labour Immigration in Western European Capitalism", *New Left Review* (Vol. 73, No.1, 1973), pp. 3-21.

³⁰⁴ Massey, op.cit. in note 6.

The direct effect of subtracting from the supply of labour-power, in a context where workers may be plentiful but free labourers less so, is in principle always detrimental to capitalist development, because it reduces both the number of 'exploitable' workers and the 'disciplining' effect of the reserve army of labour. Additionally, the emigration of skilled workers embodying past labour in the form of acquired skills may indeed be regarded as a form of value transfer. However, a lot hinges on the extent to which the workers have been dispossessed in the past and on how serious a constraint is posed by the availability of simple and complex labour-power. For the purpose of illustration, the emigration of a sufficient share of the working population in a context of e.g. communal production at the village level can decisively undermine the viability of that production arrangement, but this can either further capitalist development (e.g. by freeing some of the non-migrant workers for capitalist production) or constrain it (e.g. if the existence of the aforementioned production arrangement ensured the maintenance and reproduction of the workers and their families during part of the year and contributed to the viability of seasonal wage-labour).

Remittances can have especially ambiguous consequences: in the context of more fully capitalist social formations unconstrained by the issue of labour supplies and with sufficiently developed financial systems in place, they can indeed assume the role of money capital and serve to expand the domestic market, thus fostering the emergence of capitalist enterprises and the accumulation of capital on their part. As hinted at by both the NELM and the "remittance-use" literature, however, remittances may also enable the viability of non-capitalist relations in contexts in which that would otherwise not have been the case. Such is the case, for example, of peasant households whose migrant members remit enough to enable the household to remain as part of the peasantry; or of the use of remittances and/or savings brought along by return migrants in order to engage in simple commodity production – e.g. driving one's own taxi – instead of being forced to join the ranks of the wage-earner class.

It is particularly difficult, and probably rather useless, to identify further possible linkages between migration and development thus understood *in the abstract*. *A priori* reasoning of the sort used above seems to suggest that migration has more of a dissolving role and less of a conserving one the further in the transition to capitalism a social formation is (because labour supplies are less of a constraint and money remittances are more likely to assume the role of money capital). However, attempting such deductive conclusions in the absence of systematic empirical evidence collected from this theoretical perspective is spurious. It is certainly much more useful to undertake further case-study research across social

formations at different stages of their transition to capitalism, in order to identify the tendencies and counter-tendencies at work in each case and eventually allow for more general tentative conclusions.

This requires acknowledging that our knowledge of the migration-development nexus is still deeply unsatisfactory, but also realising that the way forward does not consist of universalistic and trans-historical deductive exercises, nor of the statistical estimation of parameters within the effectively heterogeneous universe of “developing countries” or “countries of origin of migration”. Rather, what is required at this stage is the collection of case-study evidence from a political economy perspective, drawing on a more satisfactory understanding of development itself. This involves a three-step exercise: 1) a political-economic assessment of the social formation in question, namely with respect to its prevalent class structure and social-productive relations; 2) an assessment of the migration flows in terms of their origins, composition and the subsequent flows that they give rise to; and 3) an analysis of the interplay between 1) and 2). Rather than a theoretical contribution as such, this paper is therefore above all a methodological call to arms – but one that is deemed necessary for further theoretical progress to be possible.

6. Conclusions

The theoretical treatment of the determinants of migration has already reached a quite sophisticated level of development with the historical-structural insights on its fundamental relationship with the geographically uneven requirements of capital and with the disruptive character of the transition to capitalism. Arguably, however, the same level of sophistication has been absent in this school’s treatment of the development consequences of migration (not to mention in those of alternative theories). This presentation has argued that this is largely due to the lack of attention to the specific ways in which migration can either enhance or hinder the progression of the social formations of origin of the migrants through the various stages of the transition to capitalism.

As opposed to the simplistic, neo-Smithian understanding implicit in most of the literature, it is important that development be understood first and foremost as the establishment of the conditions required for capitalist accumulation – and that research on the migration-development nexus focuses on the role played by migration in this context. Given that developing social formations are inherently heterogeneous as regards the extent to which they have completed their transition to capitalism (and, if we follow Rey’s periodisation, with respect to the very stage of the articulation in which they find themselves), it makes little sense to assume

that these causal linkages can be universally deducted or empirically estimated across the board. Instead, case-study analyses drawing on the insights and method of Marxist political economy constitute the most promising way forward.