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EDITORIAL

Safe, Orderly and Regular Migration: Pathways and Perspectives¹

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On first sight, building legal pathways and perspectives in terms of safe, orderly and regular migration suits labour migration but is not necessarily a topic to be covered by a journal on humanitarian migration (see for the terminology Roßkopf, 2021; 2020, MN 66-172). However, as was stated before, recognizing that motives of forced and voluntary migration are all too often intertwined in migratory decisions is key for solving refugee problems (Roßkopf, 2022: 1). Therefore, it does not take us on surprise seeing the subject of the 2018 UN Global Compact for Safe, Orderly and Regular Migration appear in several UN documents dedicated to the fate of those forcibly displaced.

Accordingly, UN General Assembly's 2016 New York Declaration for Refugees and Migrants (UNGA 2016) confirms:

“Though their treatment is governed by separate legal frameworks, refugees and migrants have the same universal human rights and fundamental freedoms. They also face many common challenges and have similar vulnerabilities, including in the context of large movements.” (para. 6)

“We intend to expand the number and range of legal pathways available for refugees to be admitted to or resettled in third countries. In addition to easing the plight of refugees, this has benefits for countries that host large refugee populations and for third countries that receive refugees.” (para. 77)

The 2018 UN Global Compact on Refugees, seeking for solutions and trying to expand access to third-country solutions, calls for complementary measures to resettlement for admission of refugees to third countries:

“Other contributions in terms of complementary pathways could include humanitarian visas, humanitarian corridors and other humanitarian admission programmes; educational opportunities for refugees (including women and girls) through grant of scholarships and student visas, including through partnerships between governments and academic institutions; and labour mobility opportunities for refugees, including through the identification of refugees with skills that are needed in third countries.” (UN, 2018: 10 [footnotes omitted]).

A semantical separation of the two migratory groups becomes even more blurred when looking at the grey zone of irregular migration and the respective risks. Offering safe, orderly and regular pathways mitigates these for both groups. Legal pathways may prevent or relief pressure pushing individuals and populations on life-threatening roots and exposing them to traffickers and smugglers. In the best scenario, they might even fight

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root causes for irregular migration by providing perspectives for a meaningful and secure living here and there. In the worst case, if linked in bi- or multilateral treaties on migration management, they might not only close doors for humanitarian migration as the prize bargained for increased options for regular migration. When creating a brain drain, it even has all the potential to further destabilize sending countries creating push factors for the remaining population.

This issue of the QRP, thus, mainly summarizes contributions, discussions, findings and conclusions from the 68th International Conference of the Association for the World Refugee Problem (AWR) on the subject of “Safe, Orderly and Regular Migration: Transnational Skill Partnerships”. It was held at the Technical University of Applied Sciences Würzburg-Schweinfurt on 24-26 May 2023 and gathered expertise from science and practice, from receiving and sending States.

The topic of safe, orderly and regular migration will remain a subject for further exploration by AWR and coverage by the QRP. The upcoming 69th International AWR Conference in 2024 will complement the former one and specifically analyse complementary pathways for humanitarian migration. The Editorial Board would invite everyone interested to contribute to this interdisciplinary and international discourse.

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COMMENTARY

Hamas Terror and War in Gaza: The Trigger for Palestine Refugees Has Been Pulled¹

Ralf Roßkopf²

Abstract

Terror and war are currently shaking Israel, Palestine and the Middle East. An analysis of the legal consequences for the status of affected Palestinian refugees demonstrates the need to put an end to the conflict and to agree on a definite settlement “in accordance with the relevant resolutions adopted by the General Assembly” as soon as possible – if not for humanitarian reasons than in the sheer self-interest of the international community.

Key Words:

Hamas; Israel; Palestine; Palestinian Refugees; Terror; War; Refugee Convention

1 Situation on the Ground

A new tragic page has been turned in the book of conflict in the Middle East. On October 7, 2023, Hamas and other militant Palestinian groups fired thousands of rockets from Gaza at Israel, crossed into it, slaughtered some 1,200 people, injured thousands and abducted about 240 more regardless of age, sex, vulnerability, nationality or stance on the conflict. Investigations on reported sexual abuse and rape are ongoing. In response and with the declared aim to destroy Hamas, Israeli military forces laid a complete siege of the Gaza strip, bombed assumed military structures and launched a ground invasion. A truce to exchange Israeli hostages for Palestinian prisoners collapsed on the ninth day. On December 6, 2023, and in a rare move of writing under Article 99 of the UN Charter, UN Secretary-General António Guterres brought the matter to the attention of the UN Security Council, summarizing:

“more than 15,000 people have reportedly been killed, over 40 per cent of whom were children. Thousands of others have been injured. More than half of all homes have been destroyed. Some 80 per cent of the population of 2.2 million has been forcibly displaced, into increasingly smaller areas. More than 1.1 million people have sought refuge in UNRWA facilities across Gaza, creating overcrowded, undignified, and unhygienic conditions. Others have nowhere to shelter and find themselves on the street. Explosive remnants of war are rendering areas uninhabitable. There is no effective protection of civilians.

The health care system in Gaza is collapsing. Hospitals have turned into battlegrounds. Only 14 hospitals out of 36 facilities are even partially functional. The two major hospitals in south Gaza

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are operating at three times their bed capacity and are running out of basic supplies and fuel. They are also sheltering thousands of displaced persons. Under these circumstances, more people will die untreated in the coming days and weeks.

Nowhere is safe in Gaza. [...]

WE are facing a severe risk of collapse of the humanitarian system. The situation is fast deteriorating into a catastrophe with potentially irreversible implications for Palestinians as a whole and for peace and security in the region. Such an outcome must be avoided at all costs.” (Guterres, 2023)

Whether avoidance is still realistic remains doubtful. The trigger has already been pulled. How could the international community be so ignorant to a conflict protracted for 75 years? One could sense how the conflict was fuelled and heated up to boiling over the last years. Now that it exploded and threatens to devour the whole region and more, one can only hope that both parties take their finger off the trigger as soon as possible.

2 Consequences for the Palestinian Refugee Status

This is neither the place nor an attempt to explore the complex and cursed Middle East conflict as such or the current atrocities and sufferings in general. Instead, and within the scope of this journal this comment is to stress that yet another trigger – a legal one – has been pulled. The international community should be aware of it and accompanying legal and factual consequences.

The quoted summary by the UN-Secretary General of the devastating conditions in Gaza proves - in the terms of the European Court of Justice (ECJ) – a situation

“where it becomes evident, based on an assessment, on an individual basis, of all the relevant evidence, that the personal safety of the stateless person of Palestinian origin concerned is at serious risk and that it is impossible for UNRWA, whose assistance was requested by that person, to guarantee that the living conditions of that individual would be compatible with its mission, and that person is forced to leave the UNRWA area of operations owing to circumstances beyond his control.” (ECJ, Judgement of 13/1/2021, XT, No. C-507/19, para. 51).

While in general, Palestinian refugees had been excluded from the scope of the 1951 Convention relating to the Status of Refugees (CRSR) as they were seen under the protection and assistance of UNRWA (Art. 1 D cl. 1 CRSR), they are automatically (“*ipso facto*”) entitled to its benefits,

“when such protection or assistance has ceased for any reason, without the position of such persons being definitively settled in accordance with the relevant resolutions adopted by the General Assembly” (Art. 1 D cl. 2 CRSR).

The author has argued that this trigger had been pulled long before (Rofskopf 2021: MN 857-89; 2022: 201-210). In the light of the current developments, there is no way to deny it anymore regarding Palestinian Refugees in the Gaza Strip. Once they depart from the UNRWA area of operations (Gaza Strip, Westbank, Jordan, Lebanon, Syria), the Parties to the 1951 Convention

“must take account of the objective of Article 1D of the Geneva Convention [...] namely to ensure that Palestinian refugees continue to receive protection, as Palestinian refugees, until their position has been definitively settled in accordance with the relevant resolutions adopted by the General Assembly of the United Nations.

In the light of that objective, a Palestinian refugee must be regarded as having been forced to leave UNRWA's area of operations if his personal safety is at serious risk and if it is impossible for that agency to guarantee that his living conditions in that area will be commensurate with the mission entrusted to that agency" (ECJ, Mostafa Abed El Karem El Kott, paras. 59, 62-63; confirmed in *Serin Alheto*, para. 86).

In such a case, and when they cannot avail themselves to the protection of UNRWA in one of its other areas of operation, they are to be seen as refugees without any further examination of the regular criteria set up in Art. 1 A para. 2 CRSR. As Jordan, not having signed the 1951 Refugee Convention, has categorically ruled out to take in any further refugees from the warzone, Syria and Lebanon will neither volunteer to do so nor be safe, and a transfer to the Westbank is illusory, Palestinian refugees can seek protection from any Party State of the Convention once within the scope of its jurisdiction. Egypt, Party to the Convention, itself, has declined to accept any refugees from the conflict zone, too. Thus, it is noteworthy, that from now on the responsibility to protect, accommodate and assist those Palestinian refugees might materialize also for Party States distant from the conflict zone and UNRWA's areas of operation. This responsibility might not be limited to the Palestinian refugee population from the Gaza Strip. Symmetrically with the conflict, it could easily spread to the one in the West Bank and the neighbouring States.

3 Conclusion and Recommendation

Hence, if not already for plain humanitarian reasons, in sheer self-interest, the international community should take any effort to reach a cease fire, stop the spreading of the conflict to the Westbank and find a definite settlement "in accordance with the relevant resolutions adopted by the General Assembly".

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Transnational Brain Gain: From Short-term Projects to Long-term Structures¹

Detlef Gürtler²

Abstract

In Germany, the demand for labor immigration will increase significantly for at least two decades. To meet this demand, an immigration influx like in the peak years of 2015/16 (from Syria) or 2022 (from Ukraine) has to become the new normal. Neither the German society nor the political system are prepared for those numbers, especially not for extra-European immigration – a mismatch that leads to an increasing risk of severe economic underperformance. To reduce the gap between business needs and societal acceptance, the author recommends a combination of widespread small and/or experimental projects with thorough and transparent evaluation, whenever possible under lab conditions. This approach could steepen the learning curve of all stakeholders and prepare the economy and society for the up-scaling of specific migration schemes that have proven to be successful. The Kingdom of Jordan would be an appropriate location for a labor lab platform because the country possesses a good fit of labor market conditions and institutional conditions – and also has an ideal combination of proximity and distance.

Key Words:

labor migration; skill partnership; sustainability; structures; Jordan

1 Germany's Need for Labor Immigration

According to a study by the Nuremberg-based Institut für Arbeitsmarkt- und Berufsforschung [Institute for Employment Research] (IAB), about 7.2 million additional workers are needed in Germany by 2035 (mostly for demographic reasons) (Fuchs et al., 2021). The same study estimates that about half of that demand may be satisfied by increasing national labor supply. The additional supply has to come from immigration. So Germany needs three to four million labor immigrants between 2020 and 2035 – and that's not the gross number, but the net one.

For annual gross immigration numbers, this means:

- a net immigration into the labor market of 250,000 persons per year;
- a net immigration into Germany of 400,000 to 500,000 persons per year, as not all of the labor immigrants come alone;

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- as about one million people leave Germany each year (average of last decade) (Destatis, 2021), the gross immigration has to reach 1.5 million people per year.

And not once, but on average. This simply means that the situations of 2015/16 (immigration from Syria) or 2022 (from Ukraine) look less like exceptions, and more like the new normal. And this is not due to the fact that there are emergencies anywhere in the world – but because otherwise there would be emergencies in Germany.

To put the challenge in one phrase: Germany has to become the “Einwanderungsland” that it often claims to be, but right now not really is.

2 European Markets Close to Exhaustion

For decades, the European Union has been Germany’s biggest and most convenient market for labor supply. The main advantages of labor immigration from EU countries to Germany are the freedom of movement within the EU, the (almost complete) abolishment of visa requirements and labor movement regulations, the rather easy EU-wide acceptance of national education certificates and a rather close cultural proximity.

But these low-hanging fruits have already been picked. So a huge portion of the Europeans that are able and willing to migrate to Germany are already there, or have already left again. Not everyone can or wants to stand a German winter. Additionally, virtually all EU countries are in a similar demographic situation as Germany, with an ageing population and shrinking domestic workforce. According to Kubis and Schneider (2020), the net labor migration from EU countries to Germany will shrink from 100,000 to 50,000 persons per year between 2020 and 2040.

When the growing demand for labor migration meets the shrinking supply from EU labor markets, this means that German businesses – and German society – have to prepare for and get used to large-scale extra-European labor immigration. German people have to get used to neighbors, colleagues and bosses with different religions, different languages, different looks, different mindsets and a different history.

3 Demanding Extra-European Labor

Economic opportunities from large scale international labor migration come with large national challenges. And vice versa. If the German society does not see – or does not want – the potential advantages of that kind of immigration, Germany’s businesses will face large economic challenges. What is already known as a skilled labor shortage (Fachkräftemangel) will just increase in scale and scope. Even with current reforms like the Skilled Labor Immigration Law (Fachkräfteeinwanderungsgesetz) in 2023 (Bundesgesetzblatt, 2023), Germany is still far away from the scale and speed of labor migration it would need.

While some people from outside Europe are desperately trying to get to Europe and Germany, a lot of highly qualified and mobile expats that Germany would need to increase and improve its workforce are rather wary when it comes to Germany. Each year the global expat organization InterNations publishes a ranking of the best and worst countries for expats to live. Germany is ranked very poorly each year. In 2022, with 52 countries ranked, Germany reached rank 52 (InterNations, n.d.). In 2023, it ended up slightly better as 49th out of the 53 countries ranked (InterNations, n.d.).

So right now, Germany seems to be a global leader in immigration-unreadiness. As migration consultant Chris Pyak put the sentiment of his clients and himself: Germany's immigration laws are designed to appease German racists – and not to attract the world's best talents for this country (Pyak, 2022).

That kind of political manoeuvring will harm German business interests, as companies on average will need more (and earlier) extra-European immigration than German society is willing to accept. Breaking that gridlock will require a substantial and sustainable mind-shift on all sides. The best way to get there is not by law or force, but by experience and best practice.

4 Perennial Projectitis

When businesses need skilled immigrants, but society and government do not feel the urgency in increasing the labor supply via immigration, there won't be a direct path to large-scale solutions.

The usual reaction on a blocked path is looking for a detour. And the usual detour in this case are small-scale projects. They can help some people, can convince some more people and could contribute to the design of large-scale solutions to come (hopefully) one day.

And indeed, there are a multitude of projects for training, for preparing or for directly bringing workers to Germany. To name just a few:

- “Hand in Hand” for the hospitality sector (IHK [Chamber of Industry and Commerce] Reutlingen)
- “Triple Win” for the healthcare sector with eight countries (GIZ [German Association for International Cooperation])
- Vocational training in Indonesia for the hospitality sector (IHK Trier)
- Vocational training in Morocco and Uzbekistan for the metal industry (DIHK [the German umbrella association for the IHKs], IHK Trier)
- “Pro Recognition” in eight countries (with eight AHKs [Chambers of Commerce Abroad])
- Recruitment of gardeners and electronics workers in Colombia (AHK, Bundesagentur für Arbeit [Federal Employment Agency])
- “Deutschlandjahr” of German Jordanian University
- Different combinations of vocational trainings and German language courses (GIZ, Goethe-Institut); global recruitment Initiatives of Crafts Associations (ZDH); multiple recruitment projects of corporations, industry associations, trade unions, NGOs, some other government institutions, private placement agencies, Bundesländer, counties, towns and definitely some more institutions

So, in short: a jungle of projects. That is what I would call Perennial Projectitis: with 1000s of projects; 100s of stakeholders; 100s of methods, approaches and tools; dozens of countries; dozens of industries; close to zero shared experiences and close to zero accompanying scientific research.

And that seems to be the most un-German way ever to solve a problem: We stay stuck in closed project loops, starting over and over again with next to no gained experience. We still have no clue how to make solutions scalable. We lose reputation globally. We waste

lots of resources and time. We damage goodwill in Germany and everywhere in the world and too often hurt people.

5 Labor Lab for Experience Aggregation

The faster a process has to be scaled, the steeper the learning curve has to be. Collecting, aggregating and evaluating the thousands of recruitment and training projects would be a helpful first step. Unfortunately, none of the German institutions involved have taken substantial steps into that kind of analysis. The particular interests of the stakeholders involved apparently and unfortunately do not favor a development towards efficiency and productivity of international recruitment programs and procedures.

Working at least with some labor market projects under lab conditions could drastically increase the measurability of tools and methods – and would also increase the scalability. A wide range of experiences with these kinds of lab-like experiments already exists not only in natural sciences, but also in social sciences. Behavioral economics has also achieved remarkable results with pure lab condition experiments on human behavior. Though there are definitely many ways to start and proceed with those experiments, it is rather common to do experiments with two groups that differ in just one parameter, to compare the different outcomes, and thus the effects of just that one specific parameter. One such example could be the compulsory “Deutschlandjahr [Germany Year]” of students of the German Jordanian University (GJU): You could allow half of GJU students to choose a 12 month internship for their Deutschlandjahr, while the rest would continue with today’s double-way of six months university, six months internship.

A lab-like approach to labor immigration thus could build a bridge between short-term middle-through and long-term institutional structures. The semi-chaotic multitude of mostly unstructured projects, which yields suboptimal results and wastes scarce resources, could become “germanized” this way with huge increases for efficiency and productivity.

6 Jordan as a Lab for Labor Immigration to Germany

Scientific labs are mostly limited in scale and scope. To establish a “labor lab” for international labor migration, might be a first step, but not the final one. Here, I make the case for using a whole country as a lab for labor immigration to Germany: Jordan.

Jordan is a country with ideal labor market conditions. It has a

- high share of young people,
- high level of formal education among young people,
- high level of youth unemployment (between 40 and 50%),
- high level of migration acceptance in society. Migration of well-trained specialists (up to now, mainly to Gulf States) is viewed very positively – not as a brain-drain, but as a brain-gain, as their remittances increase the family income and strengthen the national economy.

And Jordan is a country with ideal institutional conditions for experiments with Germany:

- There are very close ties between both governments, with high levels of cooperation at all institutional levels.

- There are large numbers of training, education and recruitment projects already underway (e.g. funded by GIZ or located at GJU).
- There is a high acceptance of project work in Jordan, mostly because of the great importance of international donor organizations. It would not be seen as weird or unfavorable to start an experiment limited in time and scale, as this is the usual way to do business in a donor-dominated economy.

And, last but not least, Jordan offers an ideal combination of proximity and distance. The country belongs to the Middle East, but also to the Mediterranean region. It is populated by 95% Muslims, while Christians are known and accepted (e.g. from religious tourism). It is populated by 95% Arabs, but today Arabs are not as alien and foreign to German society as they were a decade ago.

Jordan's capital Amman is an Arab capital, but (compared to mega-cities Cairo or Riyadh) a rather cozy one, and has some residential and cultural districts highly valued by the expat community. It is also one of the capitals outside of Europe that is geographically closest to Europe: It takes just 4 hours to fly from Germany to Amman.

If Germany would really desire to increase labor immigration from outside Europe, not just one, but four labor labs of that kind may be needed, as experiences from Jordan may not be transferable to Sub-Saharan African, East Asian or South American individuals and societies. Without digging deeper into these respective locations, here is my best guess for the most appropriate countries: Ghana (for Africa), El Salvador (for Latin America), Philippines (for Asia), and Jordan (for MENA).

So why not start in Amman?

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CONFERENCE REVIEW

Transnational Skill Partnerships as a Contribution to Safe, Orderly and Regular Migration: Summary of the 2023 SORM Conference¹

Ralf Roßkopf²

Abstract

This report summarizes contributions, discussions, findings and conclusions from the 68th International Conference of the Association for the World Refugee Problem (AWR) on the subject of “Safe, Orderly and Regular Migration: Transnational Skill Partnerships”. It was held at the Technical University of Applied Sciences Würzburg-Schweinfurt on 24-26 May 2023 and gathered expertise from science and practice, from receiving and sending States.

Key Words:

labour migration; skill partnerships; safe migration; regular migration; orderly migration

1 Introduction

In 2018, the Global Compact for Safe, Orderly and Regular Migration was adopted by the United Nations General Assembly (G.A. Res. 73/195, 2019) as a non-binding but comprehensive soft law catalyst of global migration governance (Chetail, 2019: 300, 330). Reiteration No. 7 of its preamble recalls:

“This Global Compact presents a non-legally binding, cooperative framework that builds on the commitments agreed upon by Member States in the New York Declaration for Refugees and Migrants. It fosters international cooperation among all relevant actors on migration, acknowledging that no State can address migration alone, and upholds the sovereignty of States and their obligations under international law.”

While the Global Compact itself does not define the concept of safe, orderly and regular migration, migration features as a key cross-cutting theme in the 2030 Agenda for Sustainable Development. Target 10.7 calls for States to “facilitate orderly, safe, regular and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies” (G.A. Res. 70/1, 2015) within Sustainable Development Goal (SDG) 10 on reducing inequalities. Through this goal and its contingent

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target, States acknowledge that good migration governance is a key element for safer, more orderly and more regular migration.

Migration is considered orderly when it occurs within the legal framework of the origin, transit, and destination countries (International Organization for Migration [IOM], n.d.). Similarly, regular migration refers to “migration that occurs in compliance with the laws of the country of origin, transit and destination” (IOM, 2023). Although there is no single definition of safe migration, it is generally understood to be a highly variable concept which fluctuates throughout all phases of migration and is not dependent on whether the migration occurs through regular or irregular channels (IOM, n.d.). Adding the term “responsible”, as SDG target 10.7 does, means requiring arrangements that would not only avoid negative impacts on, but create benefits for the migrant, the country of origin and the country of destination – in other terms, a triple win.

The 2018 Compact thus aims to promote safe, orderly, and regular migration by encouraging international cooperation of State and non-State actors and the development of improved migratory pathways (G.A. Res. 73/195, 2019; Chetail, 2019: 330-331). To guide the realization of this formidable feat, 23 objectives were outlined in the Compact, including several relating to the development of global skill partnerships, particularly Objective 18 which reads as follows: “Invest in skills development and facilitate mutual recognition of skills, qualifications and competences” (G.A. Res. 73/195, 2019: Objective 18).

Global skill partnerships refer to bilateral, mutually beneficial agreements between two or more countries to promote skills development and skilled migration (Clemens, 2015: 5).

“The heart of a Global Skill Partnership is a pre-migration agreement between two countries. The governments and any private-sector partners agree on who at the destination will help finance migrants’ training, what portion of training will occur at the origin and to what standard, who will offer employment at the destination under what conditions, and how the benefits of skilled migration will support training for non-migrants. The agreement shapes the financing for training skilled migrants in such a way that it creates, rather than depletes, human capital in the origin country. At the same time it meets the needs of the destination country while opening opportunities for migrants.”

The overarching goal is to design partnerships that benefit not only the destination country but also the country of origin and people migrating. This is no easy task, as concerns about brain drain and other negative developmental consequences in countries of origin remain front and centre; however, if implemented properly, skill partnerships should work to counteract these potential consequences and ensure other agreed-upon benefits for the country of origin (Clemens, 2015).

However, terminology is not fixed so far. The International Labour Organization (ILO), the International Organization for Migration (IOM), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Organization of Employers (IOE), and the International Trade Union Confederation (ITUC), too, formed a Global Skills Partnership (GSP)

“to mobilize technical expertise of the [originally] three organizations towards supporting governments, employers, workers and their organizations, educational institutions and training providers, and other stakeholders to develop and recognize the skills of migrant workers with a particular focus on women and youth” (ILO et al. n.d.).

Skill partnerships, otherwise known as talent partnerships, are also a central component of the European Commission's deliberate approach to migration as set out by the New Pact on Migration and Asylum (European Commission, 2022: 10, footnotes omitted):

“Talent Partnerships should combine direct support for mobility schemes or work or training with capacity building and investment in human capital, including skills development, vocational education and training and operationalisation of work-based exchange schemes. In doing so, they aim to ensure an equal win for partner countries, Member States, business communities on both sides and individuals benefitting from the partnerships. In line with the EU bilateral cooperation with partner countries, they should benefit the economic development of communities of origin, advance key partner countries' broader development goals and strengthen opportunities for their citizens. At the same time, they should help address shortages in certain sectors of Member States' labour markets and help the business community on both sides to build the skills in demand. They should transform the risk of brain drain from partner countries into brain gain for all partners, benefiting those involved as they access renewed training opportunities, professional experiences and additional study or vocational education and training developed either in the EU or in their countries of origin.”

So far, several pilot projects have been set up in different parts of the world. Some have been evaluated or reported on (Bailey, 2021; ICMPD 2021). Other studies relate to the potentials of certain countries or regions of origin (Adhikari et al., 2021a; 2021b; 2021c; Ogwo & Ezekoye, 2020; Ibourk, 2020). Guidelines have been issued (ILO, 2020). The envisioned and promulgated triple win, however, has been questioned. Rother et al. (2021) claim:

“However, these high aspirations have not resulted in many concrete projects, much less larger scale approaches. The focus of the few existing partnerships so far have been mostly on nurse training and employment, with some promising programs – such as the German GIZ Triple-Win-Program – supporting their fair recruitment from countries such as the Philippines and Tunisia . Beyond nursing, the GIZ started a German-Moroccan Partnership for the Training and Recruitment of Skilled Workers in 2019, which seems to work with some success. Moreover, a number of small pilot projects on ‘Legal skilled migration’, Nigeria with Lithuania, Morocco with Belgium and Spain; as well as Morocco, Tunisia and Egypt with France, have been launched under the Mobility Partnership Facility, providing first lessons learned. What is still missing, though, are firstly, a broadening of programmes to include further sectors of Technical and Vocational Education and Training (TVET) and employment; and secondly, an implementation of programmes that benefit all sides.”

Azahaf (2020) proposed a classification of three types of partnerships depending on where and when qualification measures would come into play:

- Type 1: Upskilling measures in the country of destination
- Type 2: Vocational training in the country of destination
- Type 3: Vocational training in the country of origin according to harmonized standards

Rother et al. (2021), however, proposed a “Type 2.5” approach for the specific case of Ghana, where

“some fundamental skills (for example the equivalent to a German Bauhelfer, or construction assistant) could be taught in Ghana along with German language training embedded within the local TVET system, with the potential to access further specific training after migration to Germany. In a first step, training would likely be implemented as a full dual vocational training according to German standards following a preparatory year, with prospectively acknowledging further skills obtained in the country of origin. Drop-outs during the phase in Ghana would ideally

continue their skills training in the TVET system with a sustainable job perspective in the local labour market. If participants in Germany decide to leave the programme, they would have acquired skills useful in the Ghanaian context. This »Type 2.5« approach could easily be integrated into the curriculum of the Ghanaian National Vocational Training Institute (NVTI) or other training institutes such as the Accra Technical Training Institute (ATTC). German language training would be provided by established German institutions in Ghana.”

A similar binational model was proposed by Roßkopf (2022) for Jordan.

A multifaceted discussion on the potential use of global skill partnerships, otherwise known as transnational skill partnerships, as a method for safe, orderly, and regular migration was held during the *2023 Conference on Safe, Orderly, and Regular Migration: Transnational Skill Partnerships*, hosted by the Technical University of Applied Sciences Würzburg-Schweinfurt (THWS), the Association for the Study of the World Refugee Problem (AWR), the German Jordanian University (GJU), and the Nuremberg Institute of Technology (NIT). A multidisciplinary group of guests, including speakers from government institutions, international organizations, and various universities, presented on the relevance of skill partnerships within their respective fields. Additionally, a number of panel discussions were dispersed throughout the three-day event to allow for more in-depth discussions on the topic. Talking points included the definition of a triple win, the advantages of and concerns regarding such partnerships, the steps and barriers leading to their development, descriptions and evaluations of already existing projects, perspectives from countries of origin, and suggestions for improvement, amongst others. While a number of the contributions are published in this issue, the following sections will summarize the main findings of the conference.

2 Triple Win: Who Benefits from Skill Partnerships?

The conference began with a brief explanation of transnational skills partnerships and the underlying triple win theory by *Prof. Dr. Ralf Roßkopf*. The latter aims to ensure that the benefits of skill partnerships are distributed equitably among the country of origin, destination country, and migrants themselves.

2.1 Benefits of Skill Partnerships

The benefits for destination countries are easily identifiable and were reiterated by several presenters throughout the conference. *Prof. Dr. Michael Sauer*, University of Applied Sciences Bonn-Rhein-Sieg, Germany, for example, began his lecture by outlining the relevance of the labour shortage issue in Germany, stating that to meet labour demands, a net migration of 400,000 workers was needed each year. Workers in health care and trade sectors are particularly needed. *Dennis Röntgen*, Senior Policy Officer in the Federal Ministry for Economic Cooperation and Development (BMZ) flagged that this is largely due to Germany’s aging population. Thus, the BMZ has turned to developing and emerging countries in search of skilled labour.

This challenge, however, is not at all confined to Germany. In fact, many EU countries are reportedly struggling to meet labour needs as *Diane Angermüller*, Head of Sector Legal Migration at the European Commission 2023, outlined. *Rob De Lobel*, head of the Labour Mobility and Social Inclusion Unit of the IOM in Belgium, confirmed that Belgium is also experiencing a shortage of skilled workers.

Moreover, this challenge is not only prevalent in the labour market, but also in the education field. Due to the decrease in young people in Germany, universities are tasked with recruiting students from abroad if they wish to remain open as both *Stefan Bienefeld*, Head of Division Transnational Education and Cooperation Programmes at DAAD, and *Prof. Dr. Robert Grebner*, President of the THWS, Germany, illustrated.

In some cases, benefits for the destination country extend beyond just filling the labour shortage gap. *Prof. Dr. Bader Madi*, Head of the Department of Social Work, German Jordanian University (GJU), Amman, Jordan, pointed to the role of Germany's partnership with Jordan in opening his university which has helped the EU establish a conduit with the Middle East. In exchange for representing Jordanian values abroad, the migrants themselves benefit by gaining skills to work in both the local and international labour markets.

The potential benefits of a transnational skill partnership for the country of origin tend to vary greatly. A dialogue during the conference's first panel discussion elaborated on such benefits. *Angermüller* claimed that many migrants are trained via a partnership and subsequently stay in, or return to, their country of origin, thereby avoiding a brain drain. *Röntgen* then emphasized the nuance, stressing that each country had different interests. It is consequently extremely important to listen to each individual partner country to determine what they were looking to gain. *Sauer* echoed the answers of his peers, introducing that some countries proactively sought partnerships to mitigate the consequences of high youth unemployment rates.

During the part of the conference in which country-specific case examples were presented, many speakers confirmed this statement, citing high unemployment rates as a reason for showing interest in skill partnerships. According to *Prof. Dr. Ala'aldeen Al-Halhouli*, President of the GJU, Jordan has experienced rapid population growth due to the many recent waves of refugees, leaving roughly 70% of its population under the age of 29. Since Jordan does not have a well-working industrial economy to accommodate such a large workforce, unemployment is on the rise. Similarly, *Assoc. Prof. Dr. Abdullah Omar Yassen*, Head of Cultural Relations Unit, Erbil Polytechnic University, Erbil, shared that Iraq suffers from a low employment rate due to unrelenting wars, economic reliance on oil, and a large percentage of the country's population being under the age of 24. This led many people to emigrate to other countries or other regions of Iraq. Since Germany had a large Kurdish population, many migrants prefer to search for employment in Germany, which was affirmed by *Asst. Prof. Dr. Paiman Ahmad*, President of University of Raparin, Ranya, Iraq. Other countries are also struggling with high unemployment as was acknowledged by *Dr. Hélène Syed Zwick*, Executive Director of the Research Center, ESLSCA University, Cairo, for Egypt, *Prof. Dr. Samir Djelti*, Department of Economics, University of Mascara, Mascara, for Algeria, as well as *Assoc. Prof. Dr. Chukwuedozie K. Ajaero*, University of Nigeria Nsukka, Nsukka, for Nigeria.

Other influential factors may be economic, geographic, or political. Egypt's economy, for example, is in a precarious state according to *Syed Zwick*. As inflation rises, the GDP per capita declines and debt levels remain high. Moreover, the country has a strong connection with migration due to its volatile political situation and its geographic location.

Furthermore, *Sauer* proposed skill partnerships as a pathway to legal migration for people from Kosovo, a country in which many citizens turn to migration to escape family hardship

and the lack of political infrastructure. As *Shege Bahtiri* and *Dr. Petrit Beqiri*, Institute of Southeast Europe for Health and Social Policy (ISEE-HSP) exemplified with the case of the Heimerer College, advantages of a partnership in the case of Kosovo include increased income, skill formation and mobility opportunities for graduates, improvements to Kosovo's Vocational Education and Training (VET) sector in terms of transformative sector development, improved social security and political stability, increased networks and expert perception in case of return, as well as the expansion of private industries.

Discussed benefits of skill partnerships for Nigeria differ slightly, as *Ajaero* demonstrated, and include the utilization of Nigeria's young population, a reduction in irregular migration and the connected costs on all sides, brain gain, remittances to Nigeria and, in the best case, even the reduction of inequalities among nations.

A presentation by *Dr. Ngozi E. Chukwu*, *Prof. Dr. Uzoma U. Okoye* and *Mary Olaitan*, all from the Department of Social Work, University of Nigeria, Nsukka, Nigeria, on the existing partnership between the THWS and the University of Nigeria, Nsukka (UNN) further highlighted some of the potential benefits of bilateral agreements in the field of higher education. Although the partnership is not to be considered a transnational skill partnership in the strict sense, as it does not aim at training and recruiting Nigerians for the German labour market, and despite having been established only in 2017, several benefits in terms of capacity building were already identified including the incorporation "of intercultural dimensions in teaching and research", hosting an international conference, developing a journal, increased respect from other departments at the University, advice on writing research grants, and using networking opportunities with the THWS to help Master and PhD candidates secure "admissions to institutions in Europe, Canada, Australia, and Hong Kong" (Chukwu et al., 2023, slides 9-10).

Ultimately, the benefits of partnerships are highly dependent on the needs of the stakeholders involved, and the importance of individualized projects was emphasized throughout the conference. *Bienefeld* exemplified and reiterated this sentiment, stating that the idea that migration should be fair and sustainable is at the core of DAAD's work. In other words, all projects and partnerships should be justifiable and beneficial for all actors involved. This means designing partnerships on a country-to-country basis. While some countries may be happy to establish a partnership and give their citizens the chance to emigrate, other countries may experience a loss of needed workers and would therefore not welcome the same proposed partnership. Therefore, transparency is key.

2.2 Concerns regarding Skill Partnerships

Although the triple win narrative is easy to understand and seemingly encompasses the interests of several parties, it is not without flaws. In this regard, *Sauer* pointed to disadvantages including trade-offs, its oversimplification of a complex issue, disregard for certain stakeholders including employers and civil society groups, a narrow and short-term outlook, and the lack of acknowledgement of potential power imbalances. In sum, it presents as good in theory, but all too often it does not hold up as well in practice.

One concerning reality of skill partnerships that cannot be ignored is the fear of a nation-wide brain drain for countries of origin who agree to partnerships. Brain drain refers to the emigration of highly qualified, skilled workers from the country of origin to countries where they may have better prospects. As was highlighted by *Olaitan*, *Chukwu* and *Okoye*, unfortunately, brain drain is already a highly relevant topic in Nigeria, where it is currently

occurring in key sectors such as the healthcare, education, and banking sectors. The healthcare sector is taking an especially hard hit, as the annual number of doctors emigrating out of Nigeria increased drastically from 2015 to 2021, leaving Nigeria with only 43,013 doctors for its population of more than 215 million people. To exacerbate to this already existing problem, *Ajaero* cited recruitment from abroad as a factor contributing to brain drain in Nigeria, especially in relation to the high number of Nigerian nationals becoming nurses in the UK. As *Roßkopf* flagged, however, when debating this topic, one should carefully separate unregulated international recruitment from abroad from transnational skill partnerships, which actually aim at preventing a brain drain by selecting the right partner countries and carefully designing the partnership. In the same vein, *Röntgen* argued brain drain should not become the ultimate argument against transnational skill partnerships. Instead, it should be taken as a reason to increase efforts to mitigate related risks and to maximize the benefits for both partner countries. *Ajaero*, too, concluded that skill partnerships could actually prevent brain drain if rightly implemented.

One might attempt to solve this problem by recommending policies encouraging the eventual return of migrants to their countries of origin. However, as one participant at the conference pointed out, the assumption that many migrants will return home to the origin country is unrealistic as migrants often have increased opportunities in destination countries and might even be afraid of being perceived as having failed if they return to the country of origin. *Dr. Katrin Marchand*, UNU-Merit at the Maastricht University, Netherlands, agreed, pointing out that many migrants are committed to their families rather than their countries of origin; therefore, one cannot assume automatic benefits for the country of origin. On the other hand, *Roßkopf* pointed to the case of Jordan where facilitating labour migration to abroad was perceived as a strategic goal of the national government to relieve the pressure on the labour market, social security and the overall political system. The given controversial examples might, again, reaffirm that transnational skill partnerships certainly do not fit for all countries, but definitely some.

During one of the panel discussions, the issue of social disruptions arose. It was acknowledged that social disruptions often occur in countries of origin as a result of labour migration, and *Sauer* contributed that the impacts of such migration are not only economic, but also familial and structural. He admitted that this is an area of study still in need of better understanding and coping. One potential solution is circular migration; however, the topic has to be further explored. *Röntgen* concluded the panel discussion by acknowledging that although this issue has not yet been directly addressed by his ministry, it is an example of how research could guide policy development.

Another prevalent concern is the short-term nature of many partnership agreements. As *Detlef Gürtler*, German Trade and Invest, Region Africa/Middle East, pointed out, to date, several small-scale projects have been implemented to promote the recruitment of skilled professionals from abroad. Although this might be a good first step, long-term projects are the only way to ensure sustainability over time. He suggested a scientific approach to transitioning from short-term to long-term projects. By evaluating the projects in a scientific and collective manner, new projects could learn from the successes or failures of previous projects, thus avoiding the repetition of mistakes and the waste of resources.

Challenges in relation to skill partnerships not only affect countries as a whole, but also the individual migrants themselves. According to *Bahtiri* and *Beqiri*, in the case of the

Heimerer College in Kosovo, an educational institution established based on a bilateral agreement between the Kosovar and German governments and modelled after German curricula, migrants might experience increased income and mobility opportunities. However, they also face many challenges such as non-transferable professional qualifications and the inability to find a job upon return to the country of origin. Alternatively, the students who choose to migrate often face struggles relating to integration in the destination country.

It thus became clear throughout the conference that achieving a triple win is not an easy task. In some cases, it simply fails, such as is the case with the European Blue Card system according to an intervention by *Syed Zwick*. Furthermore, one may question how often extensive and unbiased evaluations of skill partnerships occur. In fact, during the presentation of *Dr. Ngo Quynh An*, Faculty of Human Resource Economics and Management at the Hanoi National Economics University, Vietnam, *Andreas Meyn*, Saarland University, Germany, *Sauer* and *Marchand* on skill partnerships between Germany and Vietnam, it was noted that true evaluations on whether or not a particular pilot program qualifies as a triple win are rare, and, thus, a better understanding of the overall distribution of advantages and disadvantages for all stakeholders must be sought after.

To account for these concerns, *Sauer* proposed an alternative, supposedly more nuanced approach, which he called the sustainable labour migration framework. This approach is supposed to involve a more in-depth and long-term analysis of the impacts of partnerships on all interest groups, not only the three parties outlined by the triple win theory. By dividing different types of skill partnerships into typologies based on temporal types of migration, qualification levels, and types of labour migration, a cube is developed which could be used in practice to assess and evaluate the outcomes of labour migration.

3 Existing Skill Partnerships

Since the concept of skill partnerships is relatively new and their establishment procedure is not yet streamlined, figuring out how to initiate a partnership can be confusing. Thus, during the first panel discussion, *Roßkopf* provoked a conversation on missing, unclear, untransparent and overlapping responsibilities, procedures and budgets. Taking Germany as an example, he pointed to non-harmonized activities of different ministries and governmental or semi-governmental entities. This was even added by a regional layer with the European Commission, in an attempt to harmonize Member States's policies, tasking the International Centre for Migration Policy Development, a non-governmental organization from Austria, to implement, i.e., skill partnership projects for Germany.

Throughout the conference, many examples of pilot projects for skill partnerships were introduced. First, *Dr. Jennifer Tangney*, Senior Project Manager, Migration Partnership Facility, ICMPD, Brussels, Belgium, presented on the Migration Partnership Facility (MPF), an initiative sponsored by the International Center for Migration Policy Development (ICMPD) and financed by the European Commission's Directorate-General for Migration and Home Affairs (DG HOME). It aims to be a bridge between policies and practice by providing support for labour migration partnerships. This is accomplished by offering advice for the development and design of mobility partnerships and providing continuing support by way of technical assistance. One such practical support mechanism was the creation of a partner country dashboard which provides relevant information about

potential partner countries, laws and agreements, and pertinent economic sectors. Several MPF projects have been completed and several are currently underway (including Digital Explorers between Lithuania and Nigeria; PALIM between Belgium and Morocco; HOMERe between France and Morocco, Tunisia and Egypt; YGCA between Spain and Morocco, MOVE_GREEN between Spain and Morocco; MENTOR 2 between Italy, Morocco and Tunisia; PEM between Belgium and Senegal; Digi Talents between Slovakia and Moldova; and WAFIRA between Spain and Morocco). Their projects are divided into three phases: pre-departure, mobility, and reintegration into the country of origin. The overarching objective of all projects is to help meet labour demands in both the EU and partner countries.

The German Agency for International Cooperation (GIZ) has also been tasked with the promotion of transnational skill partnerships as was introduced by *Sonja Alves Luciano*, Advisor Labour Migration, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Bonn, Germany. Their projects are based on three models. The Triple Win Model I “Adaption Training” simplifies the qualification recognition process for migrants who are already qualified nurses in their respective countries of origin. Alternatively, the Triple Win Model II “Training in Germany” provides vocational training completely in Germany for trainees in the Vietnamese healthcare sector. The Triple Win Model III “Skills Partnership in the Country of Origin” is the opposite in that healthcare trainees receive full vocational training in the country of origin. The Triple Win Project and Global Skills Partnership Program are already underway in collaboration with countries such as Bosnia, Herzegovina, the Philippines, Indonesia, India, Jordan, Tunisia, and Mexico. The majority of costs for both programs are covered by the receiving employers. In total, GIZ programs have already recruited over 5,000 nursing professionals to work in Germany; however, future triple win projects will address labour shortages in other professional sectors as well.

Anna-Kristina Kaufmann, Division Foreign Professionals, Federal Ministry of Health, Germany, showed that in parallel, the German Federal Government’s Skilled Labour Strategy was established following the 2021 cabinet decision. The strategy aims to fill the gap that has been created by the growing shortage of skilled healthcare workers in Germany and is guided by five main measures: (1) state-of-the-art training, (2) specific continuing education, (3) more effective leverage of labour potential and increased labour force participation, (4) improvement of the quality of work as well as a change in work culture, and last but not least (5) the modernization of immigration policy. She pointed to findings of the Institut der Deutschen Wirtschaft [Institute of the German Economy] according to which the supply gap in the health care sector as a whole could increase to a total of just under 500,000 skilled workers by the year 2035. To mitigate this dramatic development, the working group, “Concerted Action for Nursing” [Konzertierte Aktion Pflege], was launched and has contributed to several projects including the Global Skill Partnerships program, implemented by GIZ, and the “Fair Recruitment Healthcare Germany” project which provides a legal basis for the distribution of seals of quality for institutions recruiting healthcare staff from abroad. As for the Global Skill Partnerships, the partnerships aim to enrich the Philippine and Mexican nursing education with additional content enabling the foreign nursing students to achieve a direct recognition of their qualification in Germany.

As already mentioned, Germany is not the only country implementing transnational skill partnerships. *Rob De Lobel*, Head of the Labour Mobility and Social Inclusion Unit at IOM Belgium and Luxembourg, presented on Belgium's response to its shortage of skilled workers. The country has established several economic migration programs based on three project models. First is the Hybrid Labour Mobility model which provides young workers from Nigeria and Senegal with the opportunity to gain professional experience and hybrid employment in certain EU countries (Belgium, Italy, Luxembourg, and the Netherlands). This project is carried out with the concept of a triple win in mind. Next is the circular mobility model in which companies in Belgium offer temporary internships to young graduates from Tunisia before they return to their country of origin. Last, the Displacement Talent for Europe (DT4E) project was developed to allow highly qualified, displaced people from Lebanon and Jordan an opportunity for employment in Belgium, Ireland, Portugal and the United Kingdom.

Egypt has also implemented various mobility projects with several European countries, including Italy as *Syed Zwick* referenced. A cooperative, trusting relationship between several stakeholders already exists. Furthermore, Egypt has a close relationship with Germany due to development projects, language schools, trade, and tourism. In total, an estimated 400,000 people are currently learning German. In 2019, the pilot project Holistic Approach to Labour Market Governance and Mobility in North Africa (THAMM) was launched between both countries, and meanwhile the Egyptian-German Center for Jobs, Migration and Return was established. As its mission is to promote safe, regular, and responsible migration, it could become the nucleus for a sustainable framework for future transnational skill partnerships.

As has been shown, Nigeria is already involved in several transnational skill partnerships. According to *Ajaero*, the harmonization of certifications and standards in West Africa between Nigeria, Ghana and Togo in order to facilitate the portability of skills between the three countries could also serve as a catalyst to boost the confidence of employers abroad to engage in transnational skill partnerships. The German Federal Ministry for Economic Cooperation and Development (BMZ), for example, has already been working with Nigeria's Federal Ministry of Budget and National Planning to develop an improved vocational training system in Nigeria with a focus on construction and agriculture fields – both sectors are in high demand in Germany.

Vietnam, on the other hand, has well developed bilaterally managed migration programs with industrialized countries in the ASEAN region – Taiwan, South Korea and Japan – as *Marchand* highlighted. Their partnerships are based on their well-established government structures and policy framework for labour migration. Germany, too, has identified Vietnam as a "Global Partner" in development cooperation with a focus on vocational training, energy, and environment. Together, both countries have piloted several skill partnership projects in the healthcare sector.

Skill partnerships, in a broader sense, are not only confined to the field of labour, but are also prevalent at the educational level. The German Academic Exchange Service [Deutscher Akademischer Ausstauschdienst – DAAD], for example, is an umbrella organization connecting German universities with students from around the world. In response to German labour market needs, *Bienefeld* reported DAAD has recently adopted a focus on the transition from students to workers. With regard to potentials of transnational education structures for international skill partnerships, he pointed to the

German curricula offered, the German language skills of many graduates, their experiences in Germany during an exchange semester and/or internship, the reputation of a German or European accredited degree as well as the disciplinary focus on engineering in many of those activities and binational universities.

The GJU offers an example of this as *Al-Halhouli* elaborated. The University is a public state university designed in conjunction with Germany's applied sciences approach and has many programs aimed at opening pathways for students into the German labour market if they choose so. All students are required to achieve at least a B1 German language certificate and spend one year in Germany studying and completing an internship. This requires a great deal of coordination with German universities and companies, which is managed by the International Affairs Department (IAD). Additionally, the Deanship for Innovation, Technology Transfer and Entrepreneurship (DI-TECH) provides further resources aimed at helping students to integrate into the job market, such as career fairs and workshops, lectures, and "offshore" working opportunities. Students are also aided in the search for an internship and in the visa process. While these efforts primarily target GJU students, the ultimate goal is to expand offers to students from other Jordanian universities and vocational training programs. Such interinstitutional collaboration has been managed before for the local Jordanian field in a program inclusive of refugees from Syria called EDU-SYRIA.

As *Greber* explained, the THWS has previously taken a similar approach, from the perspective of an institution in a receiving country, by developing so-called English-taught TWIN programs to existing German-taught study programs. This enables the University not only to offer the same courses in two languages but also to become very attractive for the roughly 2,500 international degree seekers out of a total of around 9,600 students. A new entity at the University, the Campus German Applied Transnational Education (GATE) has been recently established with the support of DAAD and the mission to establish binational programs abroad. The aim is to encourage students to start their studies at a university abroad and then complete them at the THWS with a prospect to integrate into the labour force in Germany with a German degree. Such transnational partnerships assist the University's goal of equalizing transnational skills, thus contributing to a balance of skills worldwide. On a smaller scale, an online Social & Impact Entrepreneurship course with students from all over the world has "allowed micro-level skill partnerships to emerge" as Prof. Dr. Bolsinger, THWS Business School, illustrated (Bolsinger, 2023, slide 4).

A further blueprint for a partnership in the education field, presented by *Bahtiri* and *Beqiri*, is the previously mentioned Heimerer College, established in Kosovo with the goal of providing legal pathways and opportunities for graduates to join both local and international labour markets.

4 Common Barriers and Suggestions for Improvement

Although the previous examples prove that many partnerships are already in place, several barriers still prevent new partnerships from forming. *Najim Azahaf*, Senior Project Manager, Bertelsmann Stiftung, took the perspective of German businesses and found many barriers hindering a company's ability or willingness to recruit from abroad including primarily language barriers, the assessment of foreign qualifications, and bureaucratic hurdles but also misguided expectations from employees, recognition of foreign credentials and entry restrictions. A survey identified 28 projects/programs with a focus

on medium-skilled professionals in Germany in 2022. The undefined responsibility, frictions and inefficiencies were illustrated by the fact that on the federal level alone, five ministries (Ministry for International Cooperation and Development; Ministry of Economic Affairs and Climate Protection; Ministry for Health; Ministry for Education and Research; Ministry for Labour and Social Affairs) were hosting a total of nine transnational skill partnership projects. While the most prevalent obstacle was seen in such a lack of efficiency, many companies believed an increased use of digital tools could lead to improvements in the processes for language qualification, training, and administration of partnerships. As classical barriers to the implementation of transnational skill partnerships, he listed high costs, lacking capacities for language courses (especially abroad), drop-outs, bureaucratic processes, hurdles for the recognition of qualifications and the buy-in of employers. Furthermore, during the related panel discussion, *Kaufmann* added that recruiting foreign professionals was expensive for companies, as they were often required to finance the training, language courses, and housing of said employees. To solve for this, three suggestions were made in *Azahaf's* presentation: increased policy coherence, project investors from both public and private sectors, and the development of practitioner communities across multiple, diverse sectors.

Gürtler then expanded the topic to a national level, outlining the primary hurdles standing in the way of Germany becoming an immigrant country to meet labour demands. First, bureaucratic red tape makes it extremely difficult for non-EU citizens to be granted a work permit. Second, foreign professionals are deterred from immigrating due to both racist attacks and the lack of a “welcoming culture”. Current immigration laws and societal discourse indicate a lack of openness and preparedness; hence, to break the gridlock, a mind-shift on all sides and best practice were called for. In his eyes, this includes shifting from “perennial projectitis” to long-term and large-scale structures, proposing Jordan to become a scientifically evaluated lab for labour immigration to Germany.

In some cases, the barriers for a partnership are found to be country specific. In Lebanon, for example, according to *Asst. Prof. Dr. Jasmin L. Diab*, Director Institute for Migration Studies, Lebanese American University, Beirut, Lebanon, there is a willingness of many refugees to work for significantly lower wages than Lebanese nationals. Refugees are also more likely to work in sectors of the informal economy, particularly construction and agriculture. This, in conjunction with Lebanon’s unstable political system, presents a unique challenge when organizations like the ILO attempt discussions on transnational skill partnerships. In Egypt, *Syed Zwick* identified a lack of a coordinated political framework, along with technological limitations and complex bureaucratic procedures, which act as prominent hurdles. Similarly, corruption, bureaucratic red-tape, and a lack of resources present a unique challenge for developing partnerships with Nigeria, as *Ajaero* took into consideration.

There may also be conflicts of interest as, according to *Yassen*, was the case in Iraq, where local governments are attempting to prevent emigration from Iraq or, as *Sauer* reminded the audience, in many countries of origin which are interested in circular migration, as opposed to receiving countries which often are interested in long-term migration. In the discussion portion of *Chukwu's*, *Okoye's* and *Olaitan's* presentation, *Brain Drain and its Impact on Access to Adequate and Quality Services from Key Sectors by Nigerians*, circular migration via skill partnerships was recommended as a tool for decreasing brain drain by establishing a policy framework that allows professionals trained abroad to return

to Nigeria and reintegrate into the Nigerian workforce. Whether this plan would be supported by Germany was not answered; however, perhaps a mutually beneficial solution would be the education model utilized by Heimerer College and introduced by *Bahtiri* and *Beqiri* in which there is a home track (for students who stay in the country of origin), an away track (for students who emigrate to a different country), and a returnee path (for those who study in Kosovo and then work in Germany for a limited period of time before returning to Kosovo).

Many suggestions were made throughout the conference on how to improve skill partnerships. Often, the suggestions overlapped, and presenters echoed the ideas of those before them. Already in the first presentation of the conference, *Sauer* proposed recommendations for improvement based on his proposed sustainable labour migration framework. (1) He called for a better interlinkage with other policy areas and integration into governmental strategies. (2) In the case of Germany, the BMZ should use its expertise to promote comprehensive bilateral labour migration agreements. (3) A more coherent and coordinated overall governmental approach is required. (4) The private sector, civil society and local actors should be systematically involved at an early stage. (5) Consistent expectation management as well as adequate time and planning horizons are seen key. (6) The availability of information and capacity development is stressed. (7) More complex skills partnership programmes should focus on transformation-relevant sectors. (8) If proven successful, sustainable funding should be made available for successful pilots. (9) Successful and innovative approaches have to be disseminated. (10) Finally, he asked for inter-, transdisciplinary and long-term analysis of labour migration.

Following this, *Röntgen* reiterated the importance of a relational approach which prioritizes rapport-building and a sustained effort from all actors involved, in addition to consistent funding. He also emphasized that there is no one-size-fits-all approach, as each country has unique wants, needs, and social structures. Moreover, he suggested starting with smaller projects and, if successful, implementing them in the private sector on a larger scale. Other practical and structural factors key in determining the success of skill partnerships include language learning opportunities, capacities of immigration services, policies and legal framework, the welcoming culture of the country of destination, and availability of living spaces.

An alternative approach is that of EU Talent Partnerships, elicited by the New Pact on Migration and Asylum. As *Angermüller* demonstrated, the overarching concept is to replace country-specific bilateral skill partnerships with joint European agreements with interested third countries. The goal is to harmonize EU skill partnerships, thus streamlining migration procedures for migrants from third countries interested in participating in a skill partnership program. The key factor for ensuring triple win success of such partnerships is involvement from all relevant actors, including public officials of all involved countries and spokespeople from the corresponding private sectors, from the inception of the project. This could be implemented via round table discussions.

In the panel discussion *Making Transnational Skill Partnerships a Triple Win: How to Establish a Suitable Framework*, a recurrent theme was that of cohesiveness and the long-term success of transnational partnerships. As the presentations revealed, many projects are currently being implemented; however, a lack of infrastructure and an unclear distribution of responsibilities prevents long-term results. Suggested solutions included utilizing structures already existing in countries of origin, round table discussions involving

all relevant actors, improved digitalization and streamlining of migration processes, giving small projects the opportunity to expand to a larger scale, intensifying the collaboration between counselling centres in countries of origin and employment agencies in the receiving country, and a move to determine a responsible body for coordinating partnership agreements. Proposed bodies include ministries of foreign affairs, ministries for economic development or ministries for international cooperation and development. Furthermore, to eliminate structural barriers such as limited resources and funding and a fragmentation of responsible parties, one panel member suggested migrant-led projects in which migrants could initiate partnerships in a self-steered way. An alternative solution to the funding barrier could be to obtain more funding from the private sector.

Suggestions made by *Bienefeld* for improvement in the educational field are addressed to the different stake holders: (1) Policy-makers are to improve access to higher education in Germany, simplify and accelerate visa procedures, support higher education institutions through funding programs and support long-term fair migration funding programs. (2) Universities are called upon to design and offer attractive programs and, regarding marketing, to improve completion rates, knowledge competencies and social integration, provide active support in the transfer to the labour market and strengthen further education offers and lifelong learning. (3) Finally, companies should recognize and make use of the existing potentials provided by transnational higher education arrangements.

In the context of Heimerer College in Kosovo, *Bahtiri* and *Beqiri* suggested key improvements such as the diversification and harmonization of professional standards to account for the non-transferability of qualifications across countries. Furthermore, to encourage the return of graduates to Kosovo, *Sauer* introduced an initiative by Germany's GIZ in which Germany offers funding to Kosovo to supplement local salaries.

The presentation on skill partnerships between Germany and Vietnam also concluded with several recommendations for more sustainable labour migration in the context of mid-level professionals. Bottlenecks should be addressed such as German language teaching capacities and the recognition of Vietnamese vocational certificates. Multiple pathways should be pursued by scaling up and supporting all three types of labour mobility, namely recruiting youth for apprenticeships, recruiting skilled professionals with direct work contracts, and offering initial vocational education and training programs in a dual-track approach. Germany and Vietnam should establish a formalized partnership and implement a flexible governance structure based on an intergovernmental agreement, defining long-term goals, targets, and minimum standards, as well as enabling flexible and decentralized implementation. This should be accompanied by the creation of a transnational support facility, which should pool resources in a trust fund (possibly managed by KfW) and complement existing funding facilities in Vietnam. Information availability should be enhanced, the private sector better involved and further research on costs and benefits carried out.

Reinforcing what has already been proposed, a few very practical measures for improving mobility partnerships were recommended by Assoc. Prof. Dr. Anja Zorob, Birzeit University, Palestine, including

“negotiating visa facilitations, improving consular services, enhancing information, facilitating mutual recognition of qualifications, improving migrants’ social integration, and enhancing social security coordination” (Zorob, 2023, slide 22).

5 Conclusion

Overall, the Conference “Safe, Orderly, and Regular Migration” created a space for multifaceted discussions on transnational skill partnerships via presentations, panel discussions, and networking opportunities. Several aspects of skill partnerships were addressed such as the concept of a triple win, advantages and disadvantages of partnerships, barriers to developing sustainable partnerships, and suggestions for improvements. An overview of select current agreements and projects was also given.

Although there is a clear interest for skill partnerships from multiple stakeholders, a long-term, comprehensive and unbiased analysis must be carried out to determine the true consequences, positive and negative, of such partnerships for all actors involved. It is clear that the impacts are not only economic, but also social. To avoid potential exploitation, plans must be put in place for what steps will be taken when an analysis determines a partnership actually is not a triple win. Furthermore, careful attention must be paid to class-related power-imbalances to ensure that opportunities for migrants to participate in a partnership are accessible to all, not just the upper-class.

Furthermore, considering skill partnerships from a postcolonial perspective reveals a new set of concerns. One might question whether skill partnerships are truly mutually beneficial or if they hold potential to create a new form of colonialism in which high-income countries control the narrative and hold all the power. As was mentioned during a discussion, this topic paves the way for a dialogue on power dynamics, culture, politics, and epistemology, and how this all relates to historical colonialism.

There is no single answer for the best way to move forward with transnational skill partnerships. As *Röntgen* highlighted, there is no one-size-fits-all approach. The unique wants, needs, and structures of each individual stakeholder must be taken into account and, as acknowledged by *Sauer*, the nuance and variability of skill partnerships should not be ignored in pursuit of a simple answer. Transparent and inclusive discussions serve as a tool to prevent harmful consequences – intentional or not – and design projects beneficial for all. Conferences, like the SORM Conference, serve as a good meeting place for stakeholders to exchange ideas and insights.

Within these limitations, some conclusions may be drawn, meant as connection points for the required scientific discourse and the practical implementation on the ground:

1. The definition of transnational skill partnerships needs to be further clarified. A clear differentiation from unregulated recruitment policies and arrangements is needed. In order to guarantee this, bilateral agreements are mandatory where at least the government of the country of origin is one of the partners, while private entities might be similarly involved.
2. The triple win in a broader sense should be regarded as the unique differentiation point. When looking to the country of origin and the receiving country, private players are also to be taken into consideration. The partnership needs to be defined including the perspective of the country of origin from the beginning. While a brain gain by returnees in a framework of circular migration should be considered such a benefit, reality shows it seldomly materializes even if intended in the beginning. This could be mitigated if a dual approach was taken from the start with one vocational track serving the local and another one the international

market – and maybe even a third opening the return path. To compensate for the country of origin's prior investments into the education of the candidates, both tracks should be primarily funded by the country of destination, particularly its industry that otherwise would have had to invest in their own education system, typically at higher costs, if there had been enough students in in Germany. The value of remittances for the economy and society of countries of origin should not be underestimated. In case of a closed labour market in the countries of origin, emigration can often be considered a relief on social subsidies otherwise needed to sustain the livelihood of a greater population as well as on pressure on the individuals, society and public authorities threatening to delegitimize the local government and system. In any scheme, the triple win should not only focus should on the academic elite of a country but also consider those vocationally trained.

3. A careful selection of the partner countries is decisive in creating a triple win even though that limits the number of possible partner countries significantly. Apart from a clear governmental commitment, there is a need for transparent structures and responsibilities, a saturated market minimally for the professions concerned, a young demography, and a functioning and somehow fitting educational system, specifically structures.
4. The candidates, too, have to be selected carefully. They need to combine a desire for vocational training with the capability and eagerness to learn the language of the receiving country.
5. Language training and acquisition can be seen as one of the main obstacles. If it starts abroad already, the needed teaching capacities and facilities would have to be available or organized. If language training was only provided in Germany, the question of what would happen to those failing needs to be addressed.
6. Pre-departure and post-arrival services have to be offered to the candidates, providing soft skills and preparing them for the new and potentially unfamiliar environment in the receiving society and new workplace.
7. All measures must be carried out in close partnership with the private sector, which needs to show a trustful commitment to actually make the positions needed to be filled by transnational skill partnerships available. Training someone for months and years to go abroad without reliable perspective would be unethical.
8. The receiving society needs to be prepared and provide a warm welcome culture. The labour market should grant equal treatment with nationals in all aspects. Sending conflicting messages from the side of the government or political parties might risk all efforts taken in attracting talents from abroad.
9. The potentials for upscaling and sustainability should be a strict requirement from the beginning; otherwise, costs and benefits will never be balanced.
10. Transnational skill partnerships have to move from mere projects to sustainable structures. On the governmental side, complexity needs to be reduced and responsibilities have to be clarified. The assigned governmental bodies need to receive the needed budget for sustainable funding and financing structures.

Instead of focusing on project cycled quick wins, durable institutional structures should deliver sustainable output. The revised German concept of Centres for Migration and Jobs as well as increased competencies of the Trade Chambers of Industry and Commerce Abroad has potential; having them under the (main) responsibility of the Federal Ministry of International Cooperation and Development might not be stringent considering their new missions.

11. Existing and future binational universities and transnational higher education structures bear high potential to be leverage by connecting activities of transnational skill partnerships into these existing structures, in which both countries have already invested in, which already have proven to be reliable and have gathered local expertise over the years. They can be trusted and responsible facilitators for the needed capabilities, capacities and responsibilities, when amending their missions.
12. There is a high demand for scientific evaluation of transnational skill partnerships in order to make sure that money and capacities are spent efficiently, no harm is done, and the pursued triple win is actually achieved. Careful attention should be paid to who is conducting the evaluations and if there are any conflicts of interest or biases at play. The results and lessons learned should be shared in the related practical and scientific community.
13. Last but not least, transnational skill partnerships should complement, not replace, safe humanitarian pathways to safe havens. They are to be considered as an alternative offer for some wishing or being in need of migrating, thus reducing the risks of irregular migration at least for them.

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RESEARCH ARTICLES

From Triple Win to Sustainable Labour Migration: Dancing the Dance of Complexity with Transnational Skills Partnerships¹

Michael Sauer²

Abstract

What does ‘desirable’ or ‘sustainable’ mean in the context of labour migration? And what should programmes geared towards making migration more compatible with development look like? These questions provided the starting point for the ‘Sustainable Labour Migration’ research project implemented by Hochschule Bonn-Rhein-Sieg University of Applied Sciences between December 2020 and August 2022. The project looked at how sustainability in different transnational skills partnership schemes was perceived by different stakeholders in three countries chosen as case studies: Georgia, Kosovo and Vietnam. Embracing the notion of a ‘triple win’, many transnational skills partnership schemes aim to deliver benefits for their main stakeholder groups. As well as reflecting critically on this triple-win narrative, this paper also argues for a more nuanced approach in order to grasp the complexity of skilled labour migration. The paper introduces one such approach, namely the sustainable labour migration framework, and highlights the key elements of the research project. It details the methodology used in the study (systematic literature review – employer survey – semi-structured, in-depth interviews – focus group interviews) and explores the perception of sustainability in skilled labour migration with a focus on the cost/benefit ratio, the relationship between vocational education and training and labour migration, and the various arrangements for the partnerships employed in the schemes. In introducing the key findings from the three countries selected for the case studies, the paper highlights that the perception of sustainability is not underpinned by a comprehensive understanding of the term amongst most stakeholders. Within all the schemes, however, some stakeholders identified elements which make a positive contribution to development in the respective countries of origin and thus identify elements of sustainable labour migration with room for improvement in multiple areas. The paper concludes with a presentation of overall policy recommendations: The ongoing reform of Germany’s labour migration policy should be accompanied by more development-oriented activities. As part of this, the German Federal Ministry for Economic Cooperation and Development (BMZ) should stand up more forcefully for the needs of migrants and potential partner countries in order to reduce existing inequalities.

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Key Words:

labour migration, triple win, skills partnerships, sustainability, vocational training, Georgia, Kosovo, Vietnam,

1 Introduction

Migration is a *condition humana*, and people have moved around since time immemorial. In the age of migration (Castles et al., 2014) that we have entered, however, mobility is likely to increase.

In Germany, as in many other highly developed countries, the demographic change is one of various dynamic social transformation processes. This has increasingly shone a spotlight on the global competition for skilled workers. Ultimately, it makes little real difference whether 300,000 or 400,000 labour migrants (net immigration) are needed every year to keep Germany's pool of skilled labour at roughly a constant size. The scale of the issue and the gap between current immigration rates and those figures present the challenge. It is highly likely that demand for skilled labour migration will rise in the near future, and there are already many different examples of unsustainability in labour migration in practice.

The coalition treaty that underpins the current German government refers to the need for a paradigm shift and a fresh restart of migration and integration policies (Die Bundesregierung, 2021: 137–142). The German government's strategy for skilled labour has experienced considerable changes over the last ten years. Back in 2011, labour migration was not viewed as a priority tool for closing the skilled labour gap. This has changed with the latest strategy, published in October 2022 (Die Bundesregierung, 2022), which makes explicit reference to a holistic approach that incorporates the interests of the migrants' countries of origin and destination as well as their own, directly identifies Global Skill Partnerships (GSP) as a potential approach to a partnership, and namechecks the Centres for Jobs, Migration and Reintegration³ in their role as resource centres in the countries of origin (ibid.: 27). With skilled labour immigration moving into the centre of the debate and policy changes being testified to by both recent changes in the German Skilled Immigration Act (Bundesgesetzblatt 2023), the further development of more holistic analyses and approaches is of major importance.

The paradigm shift in politics, science and academia, in terms of considering the migration-development nexus, pinpoints the idea that, if migration is properly managed, the positive impact from migration could be maximised for the relevant stakeholders: this is the if-paradigm of the migration-development nexus.

In a research project entitled 'Sustainable and Socially Acceptable Labour Migration Management',⁴ or 'Sustainable Labour Migration' for short, we put the countries of origin

³ In the Western Balkan countries where the centres have been piloted since 2015, the term 'DIMAK' has been used. DIMAK stands for 'German Information Centre for Migration, Training and Career' (Deutsches Informationszentrum für Migration, Ausbildung und Karriere).

⁴ The core research team consisted of Andreas Meyn, Jehona Serhati, Jurica Volarević and Michael Sauer. The operationalisation of the research design was supported by the Policy and Management Consulting Group in Georgia, the Institute of Southeast Europe for Health and Social Policy in Kosovo, and the National Economics University Hanoi in Vietnam. The research project was funded

front and centre and explored how sustainability in different labour migration schemes is perceived by different stakeholders in three countries chosen as case studies: Georgia, Kosovo and Vietnam. The main objective of the research project was to apply an analytical concept of sustainable labour migration to selected case studies in order to research the varying degrees of understanding, relevance, application and effects of transnational skills partnership schemes and to highlight viable ways forward for developing these policy options further. In this research, the scope of the (potential) benefits and costs generated by labour migration schemes between Germany and Georgia, Kosovo as well as Vietnam was explored. The study identified more precisely which types of costs and benefits accrue and how they are distributed amongst the actors involved. A greater understanding of these dynamics supports a better understanding of what makes certain types of labour migration more desirable or more sustainable than others.

The overarching and guiding question of the research project focused on the stakeholders' perceptions as well as the relevance of sustainability to skilled labour migration in the countries selected as case studies. Focusing on perceptions in this way allowed us to explore the breadth of understanding of sustainable labour migration. The breakdown of the overall research question into sub-questions was guided by the definition of sustainable labour migration and existing biases in research that had been identified based on a systematic review of the literature. In this process, 1) the expected and/or actual costs and benefits of labour migration, 2) the role of skills (development) in labour migration, and 3) the importance of the partnership principle in planning and implementing labour migration schemes were addressed. The overall research question and the sub-questions were as follows: How do stakeholders perceive the sustainability of selected mid-level skilled labour migration schemes? Sub-question #1 on costs and benefits: How do stakeholders perceive the actual and expected costs and benefits of selected labour migration schemes? Sub-question #2 on skills: How do stakeholders assess the potential of vocational education and training (VET) to make labour migration beneficial for all? Sub-question #3 on partnership: How do stakeholders assess the partnership underlying the labour migration scheme?

Amongst other objectives, existing concepts such as the triple-win narrative were discussed by exploring the cost/benefit structure of selected labour migration schemes, its trade-offs and polarisations, economic and social costs, short- and long-term effects, and intended and unintended consequences in various migration aspects along the migration cycle. The discussion involved a selection of stakeholders in the countries of origin as well as the countries of destination. With the selection of case studies, heterogeneous labour migration schemes reflecting different types of transnational skills partnerships as defined by Sauer and Volarević (2021) were depicted. In the case of Georgia, a bilateral agreement between Georgia and Germany on seasonal employment in agriculture was covered. The Kosovo case explored an initial vocational training partnership scheme through which young Kosovars commenced vocational training in construction-related businesses in Bavaria. In Vietnam, a partnership approach for

by the German Federal Ministry for Economic Cooperation and Development (BMZ) through a grant provided by the "Programme Migration and Diaspora" of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. For further information on the research project, please refer to the project website: <https://www.h-brs.de/en/sv/h-brs.de/en/sv/sustainable-labour-migration>.

development-oriented vocational training and labour migration in the metalworking industry was addressed.

In this paper, I will draw on the main body of information from the research project, link it with the concept of transnational skills partnerships and present the sustainable labour migration framework as a potential response to the call to develop the triple-win paradigm further towards a more nuanced approach. The following questions will guide the paper's structure: 1) How can skills partnerships be defined and classified?, 2) How do skills partnerships contribute to sustainable labour migration?, and 3) What is the potential of skills partnership models for contributing to sustainable labour migration? The paper will start with a brief presentation of the methodology applied to the research project. Chapter 3 will introduce the conceptual framework, which includes a reflection on the term 'transnational skills partnerships', a proposal for getting a handle on and sorting through the variety of empirical schemes, a critical reflection on the triple-win approach, and an introduction to sustainable labour migration. Chapter 4 is a synopsis providing an overview of results from the research project's country-specific case studies. The results are followed by ten recommendations for the further development and practical realisation of transnational skills partnerships shaped by the idea of more sustainability in labour migration. The paper then concludes with a brief summary.

2 Methodology

The decision to opt for a mixed methods approach in the study – quantitative (online surveys) and qualitative tools (semi-structured interviews, focus group interviews) were applied – builds on theoretical, methodical and practical arguments. The research design builds on a comprehensive approach, which incorporates a holistic understanding of costs and benefits and targets multiple actors involved in the selected managed labour migration schemes. The research design comprises of the review of the existing literature as well as field research in Georgia, Kosovo, Vietnam and Germany.

Intense desk review including a systematic literature review was applied to take stock of the knowledge in regard to key analytical terms. Further, country information as well as project related information regarding the case studies was systematically reviewed. The following table summarises the main results from the systematic literature review, which followed the structure introduced by Khan et al. (2003).

Table I. Systematic literature review

Search Date	Database	Search Terms	Number of Results	Result Code for Annex ⁵
10.8.2021	Web of Science	'sustainable labour migration' OR	1	# 1
10.8.2021	SocINDEX		0	-
10.8.2021	Google Scholar	'sustainable labor migration'	50	#2-51
10.8.2021	Web of Science	'sustainable migration'	10	# 52-61
10.8.2021	SocIndex		1	# 62
10.8.2021	Web of Science	'fair' AND 'labour' OR 'labor' AND 'migration'	32	# 63-87
10.8.2021	SocIndex		37	# 88-124

(Source: Author)

⁵ The annex is available on the project's website.

Inclusion and exclusion criteria were defined as follows:

- Language: German and English
- Date of publication: 2000-2022
- Access: Only publications whose full texts were accessible via the mentioned databases and/or other channels accessible via the library services of the H-BRS were included.
- Thematic: Only publications with a holistic understanding of sustainability were included. This criterion has been checked by studying the abstracts of the sources. A non-holistic understanding was attributed if sustainability was one-dimensionally defined, e.g. the study of Qin (2015). Others, such as the studies of Lixi (2016) or Scarrow (2014), rather use the term as a synonym for long-term effects. Publications solely addressing flight migration and/or forms of mobility other than labour migration (e.g. sustainable return in post conflict contexts, Black & Gent, 2006) were excluded as well.

Several screening phases were carried out to identify the articles. In the first screening phase, titles and excerpts were reviewed in order to determine if a publication is relevant for the study. In this phase, the objectivity criteria for the selection process were checked. In the second screening, the full texts were screened to find literature that corresponded to the research question and the topic of the present work. The ultimately selected seven sources have been intensively studied and build the basis for the critical reflection of the term 'sustainable labour migration'.⁶

Quantitative survey methodology: To gain more insight on the country of destination employer's perspective, an online employer survey was conducted in cooperation with the State Association of Bavarian Building Guilds (LBB). The quantitative survey was substantiated and followed up by three semi-structured interviews with employers from the construction sector in Bavaria and a managing director of the LBB. For the development of the questionnaire, a review of existing surveys was applied. Through this, 22 questionnaires, which were tested for elements to be adopted, were identified. The final questionnaire⁷ entailed a total of 35 questions. The recruitment of survey participants was organised by the LBB. All 3,000 LBB-member companies were invited to take part in the survey. In total, 332 participants opened and 81 participants finalised the survey. This number is comparable with participation rates of former surveys conducted by the LBB. The collected data were analysed through descriptive statistics.

The applied qualitative methodology is based on semi-structured, in-depth qualitative interviews with key stakeholders representing the private sector, public ministries and agencies, civil society and international donor organisations involved in the selected labour migration schemes. The following table provides an overview of the interviews in the individual countries.

⁶ The studies are covered in Chapter 3.3.

⁷ Refer to the project's website for the questionnaire's codebook.

Table II. Overview of interviews

Germany	Georgia	Kosovo	Vietnam
GIZ International Services	Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia	Heimerer College, Deutscher Campus	Department of International Cooperation, Ministry of Labour, Invalids and Social Affairs
GIZ Programme Migration and Diaspora	Ministry of Foreign Affairs of Georgia, Consular Department	GIZ Kosovo, DIMAK	The Office of the Ministry of Labour, Invalids and Social Affairs (MOLISA)
Bavarian construction company #1	Ministry of Education and Science of Georgia	Ministry of Labour and Social Welfare	Labor Policy Department, Department of Labor, War Invalids and Social Affairs of Dong Nai province
Bavarian construction company #2	Skills Agency	Ministry of Labour and Social Welfare	Institute for Labour Sciences and Social Affairs (ILSSA)
Landesverband Bayerischer Bauinnungen Oberbayern	State Commission on Migration Issues	Employment Promotion Agency Kosovo (APPK)	Vietnam Association of Mechanical Industry (VAMI)
diaspora organisation DIJA e.V. München	State Employment Support Agency #1, #2, #3	Employment Agency #1, #2, #3	International Technology College LILAMA 2, Dong Nai #1, #2
	GIZ country office Georgia		Vietnam Association of Manpower Suppliers (VAMAS) #1, #2
	International Organization for Migration	Agency for Vocational Education and Training for Adults (AVETAE)	
	EU technical support program	GOPA consortium independent expert of migration Governance policy	GIC-AHK Ho Chi Minh City #1, #2
		GAP Institute	Center of Overseas Labour, MOLISA
		VET Centre of Competence	Department of Overseas Labour (DOLAB), MOLISA
		National Qualifications Authority (NQA)	ISHISEI Vietnam, HCMC
		Focus group: current and former apprentices in the IVET-LBB programme	Department of Formal Training, Directorate of Vocational Education and Training, MOLISA
			Hanoi Liaison Office of Mecklenburg-Vorpommern, MV Ministry of Economics, Employment and Health

			GIZ PAM Vietnam Component GIZ TVET Reform Programme
			GIZ TripleWin Project
			Focus group: students of PAM Metal Working pilot programme at the International Technology College LILAMA 2, Dong Nai

(Source: Author)

The data analysis followed the method of content structuring qualitative content analysis (Kuckartz, 2018; Mayring, 2015). First, interviews were transcribed using standard transcription rules. For coding and analysing, the software MAXQDA was used. The analysis followed a mix of deductive and inductive approaches for the formation of the coding structure. The coding structure covered the following categories: sustainability (sub-categories: definition, expectations, evaluation, definition), partnership (sub-categories: framework, goals, instruments, exchange, temporality, stakeholders), skills development (relevance, recognition) and costs-benefits (types, allocation/attribution, contribution, distribution). By comparing and contrasting the case studies along aggregated categories, the analysis became more sophisticated, complex and gained explanation power. The content analysis essentially informed the analysis in all case study reports and resulted in case related summaries and in in-depth individual case interpretations. The synopsis presents a multi-dimensional analysis of relationships between categories, which draws the connection to the research questions on a comparative level.

The research followed strict ethical procedures. Data protection standards and ethical principles were rigorously applied. Approvals of ethical norms were asked for and granted e.g. by the German Society for Psychology.

The methodology is less about the rigorous testing of hypotheses and more about the exploration of empirical interrelations in space and time, grounded on the close interplay of theory, methodology and empirical data. Consequently, the research needs to be seen as a first step to raise concrete, though complex, questions and to test the developed methodology with selected stakeholders. The SARS-COV2-pandemic heavily impacted the nature and the organisation of the project. Moreover, in individual cases, the recording of the interviews was rejected. These interviews were transcribed on the basis of notes and memory logs. In Georgia, focus group interviews were cancelled after political interference. As a consequence, the data collection from interviews is limited for the Georgian case.

3 Conceptual Framework

3.1 Transnational Skills Partnerships (TSP)

3.1.1 Terminology

In previous research, Sauer and Volarević (2021) developed an understanding of transnational skills partnerships as “[...] agreements between institutions that aim to link up issues associated with skills and training placement, the recognition of qualifications and (circular) migration across different policy fields. If this creates (a fair distribution of)

benefits to key stakeholders, skills partnerships contribute to the idea of triple-win migration and/or sustainable labour migration” (ibid: 12). Hence ‘skills partnerships’ is an umbrella term for transnational models linking development-oriented migration policies with vocational training and education (VET) policies. Skills partnerships can answer the question of how to distribute the benefits generated by skilled migration. They have the potential to provide empirical answers to the call for action as formulated in the UN’s Global Compact for Safe, Orderly and Regular Migration. The Global Compact on Migration highlights the commitment to invest “[...] in innovative solutions that facilitate mutual recognition of skills, qualifications and competences of migrant workers at all skills levels” and the promotion of “[...] demand-driven skills development to optimize the employability of migrants in formal labour markets in countries of destination and in countries of origin upon return” (United Nations, 2019: 26). In objective 18, number 34e, the Compact refers to skills partnerships as one of the few empirical models that have been included in the Global Compact: “Build global skills partnerships amongst countries that strengthen training capacities of national authorities and relevant stakeholders, including the private sector and trade unions, and foster skills development of workers in countries of origin and migrants in countries of destination with a view to preparing trainees for employability in the labour markets of all participating countries” (ibid: 27). TSP encounter a diverse range of approaches and frameworks across different countries and thus incorporate complex governance structures. TSP models can be utilised to manage labour migration in a holistic way and to modify the structure of VET systems in both countries of origin and countries of destination.

3.1.2 Typology

The scope of practical examples of managed labour migration schemes which connect the mobility of migrants with the topic of skills governance has widened tremendously over the past few years, and several distinct terms have been used to describe the variety of schemes, including global skills partnerships (Clemens, 2015), skills and mobility partnerships (Organisation for Economic Co-operation and Development [OECD], 2018), talent partnerships (Rasche, 2021), transnational skills and mobility partnerships (Sauer & Volarević, 2021), and transnational skills partnerships (Azahaf, 2021).

With their typology, Sauer and Volarević (2021) proposed a method for sorting practical cases and clarifying the diversity of skills partnership models. They critically reflected on existing typologies (Hooper, 2019; OECD, 2018) and proposed the typology based on several guiding questions: ‘Where are the training measures being offered and in what form?’, ‘What sort of recognition for existing qualifications is being sought?’, and ‘What is the migration dividend and how is this distributed?’. Figure 1 presents the further development of this typology. Besides classifying skills partnership schemes along three different types, the skills partnership cube incorporates the dimensions of skill level and duration. The continuum of skills points to a need to better differentiate between skill levels and go beyond the duality of low vs. high skills. This differentiation hints at the various ways in which migrants’ skills are produced (Which skills are produced where and how?) and how their mobility is governed at the interface between the VET systems in the country of origin and country of destination. Research into this has attracted scant attention, with the focus being more so on the country of destination “as a filter for entry” (Raghuram, 2008: 86). The temporal dimension places schemes somewhere between the two poles of short-term mobility (e.g. seasonal work or temporary return) and long-term

partnerships, such as global skills partnership models. The third dimension spans a continuum between three types of skills partnership schemes. The idea is that a continuum is designed to provide space for hybrid and mixed scenarios which might not be allocated clearly to one of the given types.

Type 1, adaption qualification in the country of origin, is focused on labour migrants with a formal qualification and grants them access to mobility by having their existing credentials validated and acknowledged in their country of destination. Type 1 schemes cover short-term, low-skilled workers (e.g. doing seasonal work in agriculture) and, increasingly, medium- to high-skilled workers with an emphasis on permanent migration. The Triple Win project is one example of a type 1 TSP scheme. Drawing on bilateral agreements between the German Federal Employment Agency and the respective ministries of labour in the partner countries, GIZ and ZAV (the International Placement Services of the German Federal Employment Agency) have been implementing multi-stakeholder triple-win projects in Bosnia and Herzegovina, Serbia (until 2020), the Philippines and Tunisia. All the legal and formal aspects of information regarding skilled workers, their selection and preparation, as well as the distribution of costs and the recognition of professional qualifications in the destination country are agreed on in advance by both governments, which then sign a bilateral agreement. The Triple Win project, which has been running since 2013, is often viewed as a flagship project among German TSP schemes because it focuses heavily on the needs of employers, skilled workers and countries of origin and continues to deliver essential insights relevant to the development, implementation and transferability of comparable approaches.

Type 2, vocational training in the country of destination, covers schemes in which training and skills development largely take place in the destination country. Prior to moving to the destination country, potential migrants might receive language training and develop intercultural skills through specific programmes. An example of a type 2 scheme is the 'Ausbildungsinitiative' (training initiative) in the construction sector between Germany and Kosovo, which will be outlined in Chapter 4.

Type 3 schemes refer to what has been introduced by global skills partnership models as *dual-track approaches* (Clemens, 2015). Here, vocational training is mainly delivered in the country of origin following an international curriculum or one employed in the country of destination. Through the double-track structure – providing a qualification for the purpose of migration on the away track and a qualification for the purpose of local employment on the home track – an explicit impact for development is envisaged for the country of origin through knowledge transfer, the further development of VET structures and better employability of a workforce looking to forge a career for themselves in their homeland. If migrants on the away track send financial and/or social remittances and/or return, the positive impact for the country of origin might even increase. Needless to say, type 3 schemes are the most ambitious and complex. The GSP model has not been widely applied, with only a handful of examples such as Heimerer College in Kosovo, a pilot nursing training partnership which is currently being implemented by the Bertelsmann Stiftung and GIZ in cooperation with their clinical partners in Germany and the Philippines, and the development of VET structures in metal-cutting in Vietnam, which will be outlined in more detail in Chapter 4.



Figure 1: The skills partnership cube (Source: Author, based on Azahaf [2021] and Sauer and Volarević [2021]).

3.2 Triple Win⁸

In the field of migration, the term triple win is frequently associated with the idea that migration produces benefits for multiple stakeholders, rather than just focusing on one actor. The idea of a triple win has been widely employed in international settings since 2003. This dates back to the creation of the Global Commission on International Migration by former UN Secretary-General Kofi Annan. According to Annan's statement at the UN General Assembly's High-Level Dialogue on international migration and development (United Nations, 2006), a triple win means a chance to create benefits through migration for migrants, the countries of origin (CoO) and the countries of destination (CoD). Thus, triple-win migration refers to labour migration strategies that consider the diverse interests of the three stakeholder groups involved in the migration trajectory.

⁸ For an in-depth discussion on the triple-win approach, see Bauböck and Ruhs (2022), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (2019), Angenendt (2015), Brennan and Wittenborg (2015), Castles and Ozkul (2014), Abella et al. (2014), Wickramasekara (2011), or Thränhardt (2008).

Even though countries or institutions have agreed on appropriate regulations and standards for labour migration (e.g. the WHO's Global Code of Practice on the International Recruitment of Health Personnel, [World Health Organization, 2010]), there is currently no comprehensive framework for regulating the fair or socially ethical recruitment of workers from third countries. The normative narrative of a triple win takes a step towards providing this. The idea of a triple win is a convincing one thanks to its simplicity and its embodiment of multiple perspectives and interests in order to generate mutually beneficial outcomes. It also provides specific criteria for collaboration and determining both benefits and costs.

In practice, however, triple-win models occasionally fail to meet the requirements set out above and can, therefore, be accused of amounting to little more than empty talk and paying lip service. Moreover, the debate about triple wins has largely been guided by some fairly blanket definitions of (costs and) benefits which do not adequately address the diverse needs and priorities of various stakeholders in different contexts. Several biases exist in the triple-win debate: 1) the distribution bias, i.e. the tendency to neglect the costs and benefits in the country of origin; 2) the costs bias, i.e. the tendency to take economic costs and benefits into account but ignore non-economic ones; and 3) the duration bias, i.e. the tendency to favour short-term costs and benefits over long-term ones.

Furthermore, the unequal distribution of power and resources between stakeholders is often only recognised implicitly, making it difficult to deliver genuine benefits for all parties. Less powerful stakeholders may end up with fewer benefits than more powerful actors. Benefits from labour migration may be cumulative rather than balancing gains, and those in a better position are more likely to benefit: “[...] migration-induced social change in sending countries and regions tends to be more far-reaching than in receiving societies” (Portes, 2010: 1555). This can be explained by asymmetric power relations, the distribution of technical expertise and differences in the strength of institutions (Portes, 2010: 1555). The overall impact of skilled migration on the stakeholders and societies involved as a whole is controversial, depends to a great extent on the context, and varies from sector to sector. Moreover, “consequences [of skilled labour migration, M.S.] may sometimes be in conflict with each other, and therefore policies cannot be made without certain trade-offs” (International Organization for Migration, 2005: 203).

Consequently, the empirical evidence on the relationship between migration and development is not as clear-cut as the triple-win narrative might suggest. This indicates a need to develop and apply a more nuanced understanding of triple win. Identifying conflicting impacts will be an important task in this endeavour. Acknowledging trade-offs and embedding these findings in a debate on basic principles will provide valuable insights for evidence-based policymaking in the context of skilled labour migration. A more nuanced understanding would need to go beyond a pure economic assessment of costs and benefits in order to reveal the real complexity of labour migration in its entirety. Costs and benefits need to be addressed in a comprehensive way, while at the same time acknowledging the limitations of quantifying these and regarding some of them as unquantifiable. “Benefits of migration tend to be immediate, measurable and concentrated, while costs of migration, if any, tend to be diffuse, deferred and harder to measure” (ibid: 189). While economic benefits might be measured with relative ease, the character of social costs (such as those stemming from the weakening of family ties and altering the demographic structure with the potential to change cultures and values) and

social benefits are particularly more difficult to grasp.⁹ Social and long-term effects are difficult to account for due especially to the lack of data.

In the light of the paradigm shift and the call for a more nuanced approach, it is of secondary importance which term one uses in the debate over good migration. One may call it triple win+, quadruple win, multiple win, dynamic rectangle of labour migration or sustainable labour migration. What is important is the underlying understanding adopted and the specific approach taken. The framework as outlined in the sustainable labour migration research project responds to the criticism levelled at the triple-win narrative (and others) and adds additional elements. In the following sections, I will introduce the framework, present its operationalisation within three country-specific case studies, and contribute overall policy recommendations.

3.3 Sustainable Labour Migration Framework

The Addis Ababa Agenda for Action (United Nations, 2015), the New York Declaration for Refugees and Migrants (United Nations, 2016a), and the 2030 Agenda for Sustainable Development (United Nations, 2016b) all expressly recognise international migration as a multidimensional reality of major relevance for the development of the countries of origin, transit and destination for migration and one that requires coherent and comprehensive answers (United Nations, 2013). But what does desirable or, as some would say, good migration mean? Established concepts that provide possible answers to this question are: 1) the sustainable development goals of orderly, safe and responsible migration; 2) the Global Compact for Safe, Orderly and Regular Migration; 3) the IOM's mission statement: humane and orderly migration for the benefit of all; 4) the ILO's rights-based migration approach; 5) the triple-win debate; and 6) the fair/ethical migration debate.

Erdal et al. (2018: 6-7) identify five common perspectives that can be attributed to these concepts: 1) the diversity of stakeholders; 2) the diverse (positive and negative) consequences of migration; 3) the dispersion of migration impacts along the migration trajectory; 4) the idea that, with the right management of migration, positive migration results could be maximised and negative ones minimised; and 5) the primarily positive attitude towards migration. The exercise to develop and define sustainable labour migration builds on an understanding of the existing approaches, focuses on the common ground, reflects the critical views voiced and goes beyond the established concepts by responding to the criticism and adding additional elements.

Sustainability is not rocket science – it is much more complex than that. Consequently, the complexity, the wicked nature of underlying problems,¹⁰ and the deep gamut of sustainability, must be addressed and operationalised rather than being avoided. Within the labour migration project, this exercise was approached while introducing, defining and operationalising the term sustainable labour migration. Sustainability is considered to be a concept that questions the consequences of an action at the present and for the future in its local and global dimension. The term provides the gravity and elasticity needed for its further application in the context of skilled labour migration.

Academics have hitherto only employed the term sustainable labour migration sporadically and not systematically. Although the pairing of the concepts of 'sustainability'

⁹ On social costs, classically refer to Kapp (1971).

¹⁰ On wicked problems, refer to Churchman (1967), Rittel and Webber (1973) or Armstrong (2013).

and '(labour) migration' is found in the literature, it does not follow a consistent pattern and is hence not systematically established. Authors' understanding of the pair of terms is very heterogeneous, inconsistent and usually limited to single aspects of the integrated sustainability approach.¹¹ Analytical clarifications of sustainability in combination with (labour) migration are scarce. Recently, however, some prominent exceptions have emerged: "The Migration-Sustainability Paradoxon: Transformation in Mobile Worlds" (Gavonel et al., 2021), "On Societal Security of the State: Applying a Perspective of Sustainability to Immigration" (Beňuška & Nečas, 2021), "A new narrative for European migration policy: Sustainability and the Blue Card recast" (Lange, 2020), "Defining Sustainable Migration" (Erdal et al., 2018), "Sustainable Migration Framework" (Betts & Collier, 2018), and "Creating a Triple-Win through Labor Migration Policy? Lessons from Germany" (Angenendt et al., 2015).

Building in particular on the key tenets of the studies by Erdal et al. (2018) as well as Betts and Collier (2018), I came to define sustainable labour migration as those schemes of labour migration that build on a specific distribution of costs and benefits, which (1) is informed by a sound understanding of the mechanisms producing costs and benefits, (2) reflects the wide-ranging needs of diverse stakeholders today and in the future, and (3) is formally or informally accepted by the stakeholders involved. This definition informs a specific way of thinking for implementing and assessing labour migration schemes, incorporates a variety of stakeholders and suggests ways of differentiating better between them. In particular, the role played by employers has not been adequately assessed in many labour migration schemes, which tend to focus more on the major role played by state actors and individual migrants.

Labour migration results in positive and negative outcomes for a diverse set of social and economic costs and benefits that are dispersed over a wide range of stakeholders. The country of origin (and transit country) perspective on this has started to gain importance. Applying the classic idea of sustainability, taken from forestry, namely "do not cut more wood than grows back" (Carlowitz, 2022 [1713]), clearly signals a need to focus more effectively on the impact that labour migration has on the countries of origin. With regard to the important aspect of the distribution of costs and benefits, the proposed definition suggests that the dilemma that a universal prescription for the distribution is impossible might be circumvented, at least partially, if the distribution is agreed upon by all the partners involved. This can be achieved in the form of bilateral labour agreements or memoranda of understanding. An important element of all agreements is the principle of good partnership. Such a partnership model could deliberately account for the structural power imbalances of involved stakeholders, develop ways of balancing these out (e.g.

¹¹ A widely perceived understanding of sustainability nowadays builds on the integrated sustainability approach. This model goes beyond various three-pillar models of sustainability, as it does not limit its perspective to three disjunct dimensions standing side by side. Whilst the three 'circles of sustainability' – ecology, economy and social – prevent an autonomous logic and autonomous goals, the integrated approach implies cross-dimensional discourses, elements and goals and the interaction between the circles. Beyond the cross-dimensional interaction, the integrated approach is founded on overall principles: intergenerational justice, quality of life, social cohesion and global responsibility. Questions that can be deduced from these principles include: 'What are the effects of our actions for future generations?', 'What are the effects of our local actions around the globe?', and 'How willing are stakeholders to compensate for damages and costs incurred?' (Reich, 2021: 38–42).

through capacity development) from the very beginning and lay the ground for the sound management of labour migration.

At the centre of the conceptual framework, various migration dimensions are linked along the migration cycle (e.g. Katseli, 2006) and across the spatial dimension of countries of origin and destination.

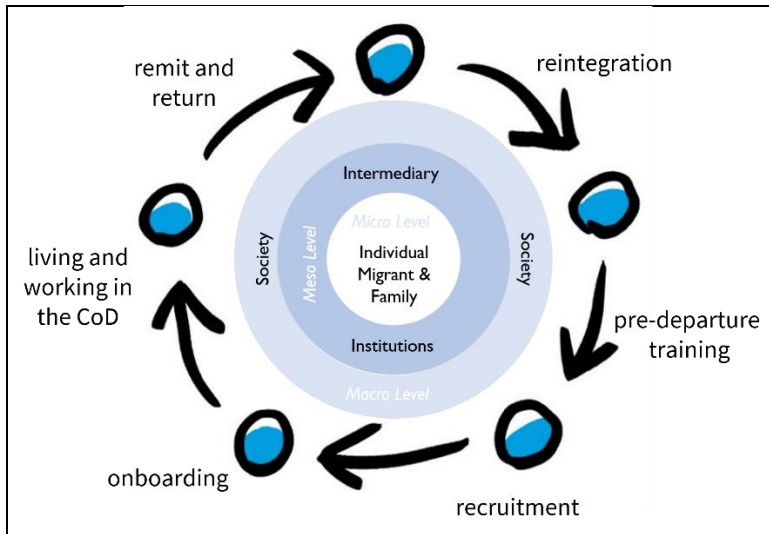


Figure 2: (Source: Author)

The analytical framework builds on a transnational perspective to incorporate and analyse migrant agency without being “structure-light” (Bailey, 2001: 421), in order to incorporate the perception of skilled labour migration not as an irrevocable process but rather as repeated pluri-local transactions and practices related to people, state and non-state organizations and resources that transcend national borders (Faist et al., 2013: 1). Because of this, migrants and non-migrants create and sustain social relations across borders (ibid.: 8). Consequently, the interconnectedness between the country of origin and the country of destination needs to be focused. The framework of transnationalism allows one to go beyond methodological nationalism, “[...] to capture a sense of how migration is experienced across two countries” (Raghuram, 2008: 83) and to focus on cross-border interconnections and institutions at various analytical levels as well as their potential to contribute to sustainable development.

4 Results from the Case Studies: The Road to More Sustainability in Transnational Skills Partnerships

The selection of countries for the study incorporates heterogeneous labour migration schemes that reflect the different types of transnational skills partnerships as defined by Azahaf (2021) and Sauer and Volarević (2021). In Georgia, the bilateral placement agreement between Georgia and Germany on seasonal employment in the agriculture sector (type 1) was addressed. In Kosovo, a vocational training or apprenticeship partnership scheme (type 2) which was initiated under the guidance of the Ministry of Labour and Social Welfare of the Republic of Kosovo (MLSW) and implemented together

with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the State Association of Bavarian Construction Guilds (LBB) was targeted. In Vietnam, the field research focused on a recently launched pilot project that involves an apprenticeship in metal cutting in Vietnam for the first time (type 3). The explicit goal of this dual-track project is gaining recognition for the Vietnamese qualification in Germany for participants on the away track, thus creating various potential pathways to Germany under the German Skilled Immigration Act (direct employment, adaptation training, or further apprenticeship qualification).

4.1 Countries of Origin

All schemes observed in the study make a contribution to sustainable development, albeit to varying degrees. The seasonal employment scheme in Georgia exhibits some limited but clear-cut benefits for the migrants. In particular, it respects the creation of employment opportunities, the paramount importance of return.

“Germany, as I mentioned before, is one of the leading countries in terms of emigration from Georgia. Accordingly, what we expect from this German scheme is primarily to minimize illegal migration to Germany by providing opportunities for legal employment” (GE8, 5).

In the case of Kosovo, the initial high expectations of the scheme have only been partially met. The benefits have so far been restricted to an increased number of skilled workers in Germany and the positive effect on the migrants’ incomes. The initial idea of contributing to the further development of the VET system in Kosovo has only been realised to a limited extent.

„We aimed higher, we did not achieve everything, but this was the start of what we envisioned, and it began well. Then, as I previously stated, we considered going to a higher level by linking a Kosovo employment centre with a German partner so that they might come and offer training here; but we couldn’t realize it. Part of our purpose as a ministry was realized, but not all of it, because there was a changing of government, and then others took over and continued the process“ (XK5, 107).

In Vietnam, the major benefit so far has been the transfer of knowledge and the development of the VET system in the country.

“When this program ends, I confirm ... that LILAMA2 can train learners and students so that after graduation they can go directly to work in Germany. It shows that the training quality in Vietnam, especially at LILAMA2, ensures vocational training standards that allow entry into the global labour market” (VT6, 120).

The following section contains a summary of the results achieved for each of the project’s research questions.

4.1.1 Perception of Costs and Benefits

There is ample evidence that migration brings both benefits and costs for stakeholders in their countries of origin and destination and that costs and benefits are shared to varying degrees by employers, (potential) migrants, state authorities and development cooperation agencies. The focus of almost all stakeholders was on short-term economic costs and benefits (and specifically on income effects, employment effects and human capital effects), with potential non-economic and long-term effects being underestimated. In all cases, only a few interviewees mentioned non-economic costs and benefits such as social remittances or psychological effects.

„But the social aspect, that in the beginning it is difficult to go to another country and there is a psychological burden, missing family and so on” (XK4, 30).

This indicates a lack of awareness and understanding of different cost/benefit categories. With regards to an understanding of the cost/benefit distributions among stakeholders, many interviewees referred to the triple-win narrative. Little, if any, mention was made of the relative distribution of costs and benefits or the level of distributional inequality.

“So, these are schemes which realistically, theoretically should be schemes of common interest, but the devil is in the details ((laughs))” For tomorrow when they qualify, have Kosovo construction companies been on board for these people? In order to have a healthy competition over who will get these people. I am keeping this very simple! So, if at the beginning you have created an advantage for German companies, which train them, by default they will remain there, because otherwise where is the perspective for these people? Finish two years or how long does that program last and come back? Without any plan in Kosovo where they will be settled? At the start of the scheme there are disadvantages for our country, because the first motive to migrate, from the beginning, since the genesis, the scheme as a scheme is such that people who are interested in migrating to go abroad, as the program is being held there” (XK9, 25).

None of the schemes exhibit a built-in mechanism for the redistribution of costs and/or benefits. The understanding of the migration-development nexus varies considerably amongst stakeholders in all countries. Besides the importance of financial remittances, which is widely accepted by most interviewees, the return of skilled migrants was also highlighted as a key positive impact factor for development in all countries.

“But at our company those that migrate are talented and even excel over there. Vietnamese people who migrate are considered lucky and are very eager to have the opportunity to move and once they do, their first goal is to earn an income to improve their family finance, secondly to learn skills, technology of the country of arrival, thirdly to learn the language. Those points are very important to labour abroad and especially in the future when they return to Vietnam if we have those skills we will have jobs and a good income so everybody understands that” (VT13, 20).

“Even with the case of the seasonal migration scheme with Germany, although only minor positions are available for Georgians in the agriculture sector of Germany, since there are a number of highly developed plantations in Germany, these workers at least get the chance to see how these plantations are grown, cared for, etc. This, of course, means that they can successfully use this knowledge and practice on their own farms after returning home. This is highly important, as in Georgia, most farmers use obsolete technology in agriculture and have outdated approaches and as the climate and the environment is changing constantly, new approaches and know-how about modern ways are useful for the development of Georgia’s agricultural sector” (GE8, 3).

4.1.2 VET’s Potential to Make Labour Migration More Beneficial

The fundamental potential that enhanced skills governance offers development was universally recognised by almost all interviewees across all cases. However, this potential is often referred to as ‘theoretical potential’, with high barriers existing in practice. The lack of any private-sector engagement in the countries of origin was highlighted for all three countries. Practical learning is relatively limited in vocational education and training, and the private sector plays only a marginal role in the school-based VET systems in Georgia and Kosovo. In the case of Germany and Vietnam, the two countries’ long tradition and shared experience of cooperative vocational education and training provides for a much more advanced understanding and actual cooperation with the private sector in implementing VET programmes that have been modelled on and benchmarked against the German dual system. VET partnerships and GSP models are widely seen as viable

options for increasing the level of local human capital, responding to local and international labour market needs and enhancing the VET system in the country of origin. The potential development impact was obvious to all interviewees who reflected on this specific type of cooperation.

“We are now in a situation where we at least know a lot about or let’s say, about most of the technical health profiles, the process of recognition, validation and so on, but also the construction of a communication channel with the German institutions of most subjects and the federal aspect, and these processes were pushed forward by a relatively small private institution like us” (XK8, 10)

However, the limits and the requirements of such models were highlighted in the Kosovo interviews in particular. This ambivalence reflects the power and limitations of mutual learning and the ‘export’ of VET system elements from Germany to another country. Several interviewees identified a robust expectations management setup as a precondition for the implementation of VET partnerships or GSP models. The complicated and costly process of and requirements for getting certificates obtained in the country of origin recognised were additionally emphasised by interviewees in all three countries. The perception of skills transfer, e.g. the transfer effected by returning migrants, differs according to the maturity level and nature of the individual migration schemes and is highly dependent on context. However, our analysis supports the assumption that little is known about skills addressed through the lenses of emigration and re-emigration in the three countries. Across the board in these three countries, emigration is seen as one of the ultimate causes of the loss of skilled labour. However, skilled migration is not only perceived as a brain drain but also as brain overflow or as “brains in the drain” (International Organization for Migration, 2005: 175). The policy interventions presented in the case study interviews for improving this brain outflow/inflow focused on migrants’ contractual obligation to return (Georgia), their voluntary return and the utilisation of expertise to develop the VET system (Kosovo), and the built-in skills transfer agreed upon for the development of the VET system (Vietnam).

4.1.3 *Assessment of Partnerships*

Most interviewees pointed to the importance of partnership as a precondition for sustainable labour migration programmes. Empathy and trust were regarded as having only developed to a limited extent in those schemes which have been running for a while (Kosovo). The idea of a democratic partnership¹² with the firm involvement of social

¹² These include but are not limited to: trust, fairness, shared goals, common values, mutual respect, loyalty, equity, participation, transparency, empowerment, legitimacy, flexibility, diversity, the harnessing of the skills of actors involved, the transformative potential of partnerships, innovation, etc. Amongst these elements, the relevance of trust stands out. According to Sockett (1998: 77), trust entails two primary conditions: “there must logically be (a) predictability of behaviour and (b) agreement on ends.” Amongst other implications stemming from such conditions, the careful definition and clarification of the undertakings made by the partner, such as in bilateral labour agreements, needs to be highlighted. Such written forms of clarification establish shared decision-making and could potentially mitigate a significant risk of partnerships, namely the unequal distribution of power and resources. Democratic partnership can be achieved in the form of bilateral labour migration agreements (BLMAs) that are specific enough to create sufficient transparency for the partnership while retaining enough flexibility for adjusting individual parameters. BLMAs

partners and civil society and the means to enhance transparency has played only a subordinate role in the management of the schemes so far. Overall, the complexity of building trusted partnerships is often acknowledged but rarely sufficiently addressed in terms of timeframes and resources or is pushed back to later stages in an evolving project.

“It depends on how such a project is continued. I think it needs several rounds more than just a pilot phase to really identify reliable partners” (VT16, 41).

Although the formal character of partnership arrangements is marked by equal relationships between the partners, the interviews highlight the existence of informal power imbalances founded on varying levels of resources such as financial resources, human capital, experience, access to actors, etc. These kinds of implicit and unaddressed power imbalances have an impact on processes designed to build trust.

“As you are aware, Germany is a noteworthy and strategic partner for us and when country like Germany with such an economy, gives consent to work with us, Georgia to implement similar schemes, it is already a big thing” (GE3, 3).

“It's called an agreement, if based on the sense of an agreement, it's not an agreement yet, but it's called a joint statement or letter of intent. (...) Regarding the agreement, it must be made clear that this is also the intention of the Vietnamese side, which has been proposed many times to the German side. The Vietnamese side has always wanted a government-level legal framework. (...) I also think that, firstly, in the current context, if the two sides do not take the necessary next steps, they will miss opportunities for cooperation in various fields. And if we do it in a floating way like today, it even brings many unnecessary negatives.” (VT15, 26 and 34)

The interviewees highlighted two ways in particular in which power imbalances could be tackled and potentially reduced: agreements with a higher level of formalisation (e.g. bilateral labour migration agreements) and capacity development (Sauer, 2024).

“Each of these schemes has perfectly shown us how well they work in terms of training and qualification enhancement.” (GE3, 3)

4.1.4 *Perception of Sustainability*

The perception of sustainability is not underpinned by a comprehensive understanding of the term amongst most stakeholders. Nevertheless, putting the single pieces and elements together, as they were highlighted by the interviewees, it would be possible to piece together a more holistic understanding of sustainability which goes beyond a standard perception of the term, taking its long-term and ecological aspects into account as well. In most of the interviews, the arguments made in relation to sustainable labour migration drew on the balance and distribution of economic costs, the positive impact for countries of origin stemming from remittances and returning migrants, and skills transfer (in Vietnam) as well as the power imbalances which implicitly shape the partnership arrangements. Within all the schemes, the stakeholders identified elements which boost development in the countries of origin and thus exhibit elements of sustainable labour migration. All managed labour migration schemes considered in our study demonstrate some aspects of sustainable migration in their current form and thus contribute to sustainable development. Although the schemes have to be considered superior in

increase the scope of state involvement and can be signed in the form of formalised treaties, less formalised memoranda of understanding (MoUs), or even as an informal practical arrangement.

comparison with most unmanaged, individualised labour migration patterns, even in their current state, all schemes still have significant room for improvement. All the schemes could be developed further in order to realise their full potential for development.

4.1.5 Synopsis

Table III provides short abstracts from the case studies in Georgia, Kosovo and Vietnam, focusing on essential results and country-specific recommendations for how the sustainability of the programmes could be enhanced.

Table III. Sustainable labour migration illustrated by way of examples – the main points from three case studies

Country	Georgia: bilateral placement agreement between Georgia and Germany on seasonal employment (agriculture), type I, temporary, low-skilled variant	Kosovo: vocational training/apprenticeship partnership scheme (construction), type II, mid-level skill level, medium term	Vietnam: Global Skill Partnership model (metal cutting), type III, mid-level skill levels, long-term partnership
Key findings	<ul style="list-style-type: none"> • The seasonal labour migration scheme exhibits limited but clear-cut benefits for migrants and for employers in the country of destination and the country of origin. • Key benefit and positive impact: return of skilled migrants (built-in contractual obligation to return) having accumulated significant funds. • Skills development has not been an issue (so far). • Lack of awareness and information on the structural risks of seasonal labour migrants being exploited. 	<ul style="list-style-type: none"> • The short-term benefits are clearly attributed to the employers in Germany and to the migrants; positive effects for Kosovar society/economy have been limited so far. • There is a huge desire for an empowering and engaging skills transfer. • Prior assessment has remained limited to head-counting, economic indicators and short-term effects. • Tendency to neglect non-economic costs and benefits. • Tendency to favour short-term over long-term costs and benefits. • Engagement through skills partnerships in producing qualifications that are transferable and/or equivalent to those of Germany's education and training system is perceived as important in helping to reform the VET system in Kosovo. 	<ul style="list-style-type: none"> • High potential and positive framework conditions for sustainable labour migration pathways between Vietnam and Germany. • The Vietnamese government has expressed a clear interest in working more closely with industrialised countries such as Germany. • Persistent bottlenecks: German language teaching capacities, recognition of Vietnamese vocational certificates. • There are opportunities for expanding all three TSP types of labour mobility pathways. • While dual-track approaches are seen as more beneficial than other approaches, pursuing and supporting the scaling-up of all three pathways at the same time will have additional, mutually reinforcing and synergetic effects.

Recommendations	<ul style="list-style-type: none"> • Set up expectation management to support informed decision-making. • Offer comprehensive and unbiased return and reintegration counselling. • Strengthen the link between return and reintegration support. • Incorporate active labour market policy measures (e.g. career guidance). • Offer skills development before, during or after migration (e.g. through micro-credentials for the flexible and demand-oriented acquisition of competences). • Refine selection criteria in order to enhance development effects and contribute to poverty reduction. • Enhance the protection, monitoring and enforcement of legal rights and the extension of social protection coverage to migrant workers. • Build capacity to enable Georgian institutions to respond to these challenges. 	<ul style="list-style-type: none"> • Make skills partnerships a priority for the Kosovar government's migration governance agenda. • Define and agree on the role and involvement of partners in all phases of the migration cycle, including the resources available. • Improve future forms of evaluation by taking better account of long-term effects. • Identify arrangements, instruments and environments that support the return of migrants' 'vocational expertise'. • Conduct further research/studies, cost analyses and evaluations of measures in place to identify the costs and benefits of 'dual-track' skills partnerships in particular. • Invest more in the capacities of public and private actors in order to define roles and responsibilities more effectively. • Address regional mobility as part of partnership schemes. 	<ul style="list-style-type: none"> • The guiding principle of Germany's future approach towards Vietnam should be to establish a more formalised long-term partnership and specific overarching transnational governance framework. • Starting point: intergovernmental agreement. • Pool resources (private, public, technical and financial assistance) as part of a flexible transnational support facility and introduce co-funding instruments in support of private-sector investment (e.g. develoPPP facility¹³). • Have German stakeholders invest more in language training and testing capacities. • Make more information available in Vietnamese across institutions. • Involve German private-sector companies and/or their business membership organisations in the design and governance structures of pilot projects from an early stage. • Conduct further research/studies into the actual costs and benefits of the dual-track mobility scheme in particular and make the actual cost per trainee transparent.
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¹³ The BMZ supports private-sector initiatives through develoPPP where business prospects and potential for development policy intersect. Companies can obtain financial and technical support through the programme if they want to expand their local operations while making a sustainable investment in a developing or transition country (develoPPP, n.d.).

4.2 Countries of Destination

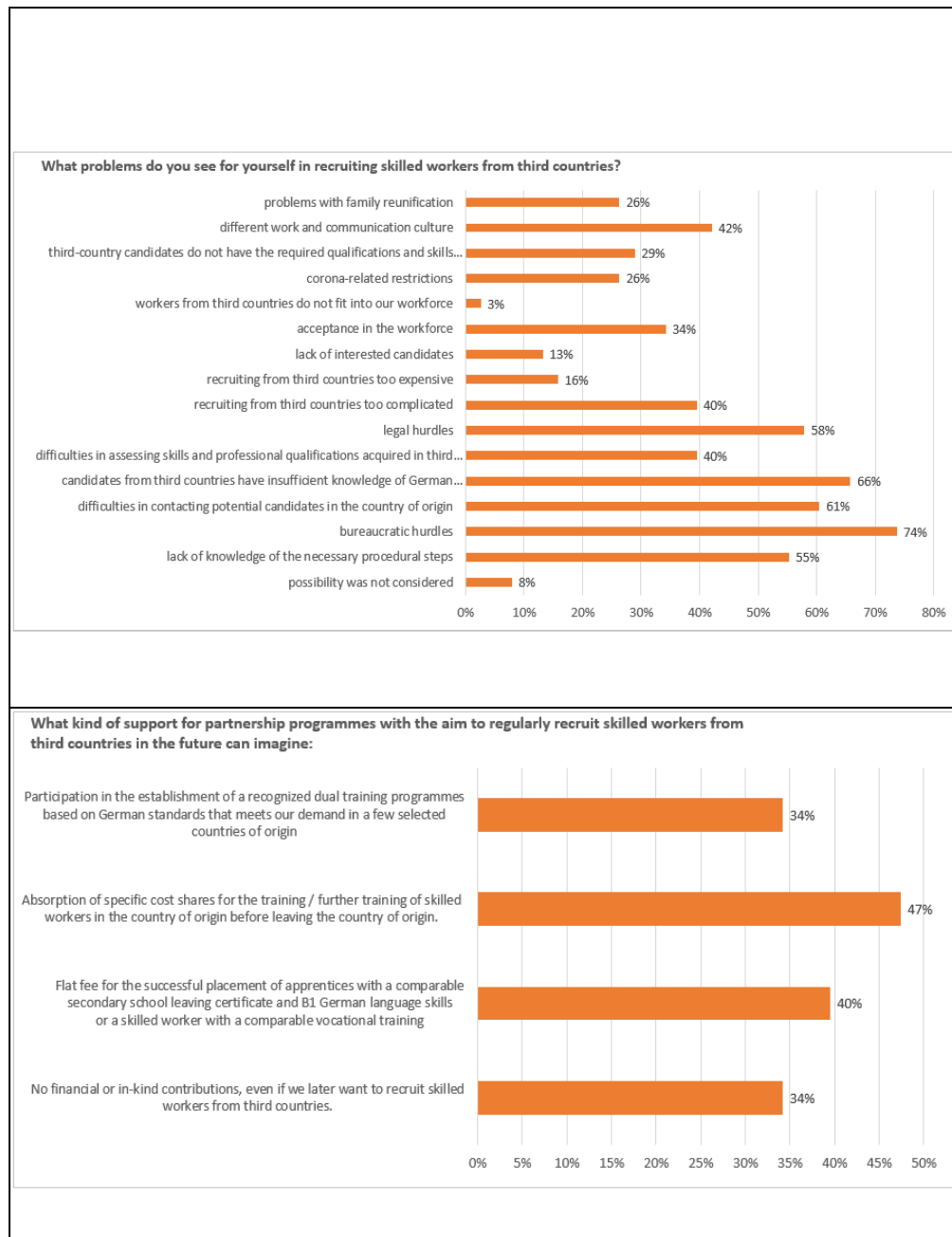
Although the research focused on the country of origin perspective, it was also vitally important to include the country of destination perspective as well.

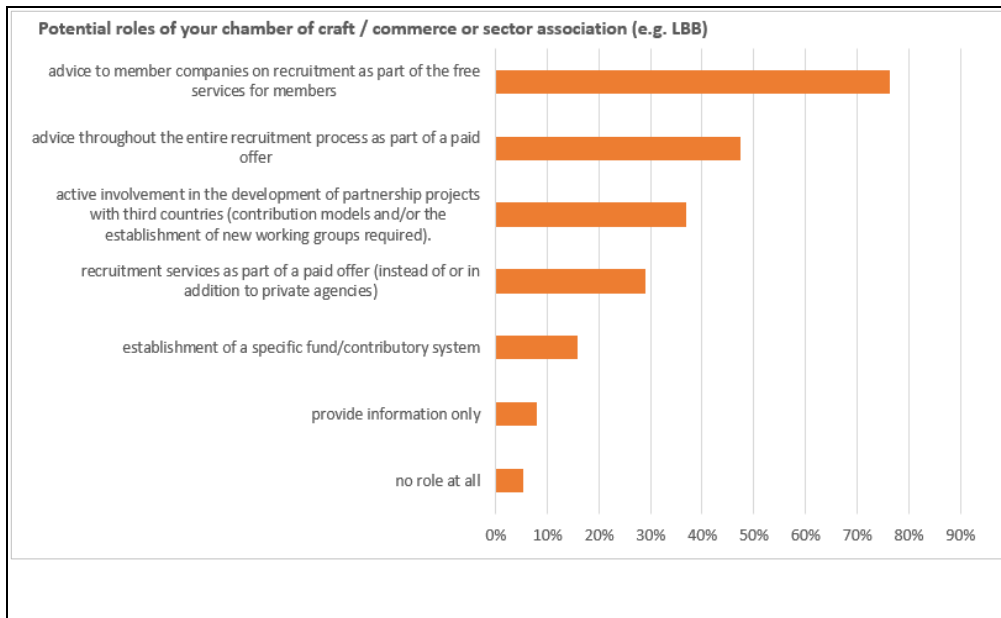
In the following, the results of the employer survey, which was methodologically covered in Chapter 2, are displayed in a nutshell and substantiated by a selection of charts:

- There are widespread labour shortages and growing demand for international skilled labour and trainees.
- International recruitment is a viable recruitment strategy.
- People's experiences of recruiting trainees/workers from third countries are largely positive.
- Informal networks are the most important recruitment channel.
- The budget available for recruiting skilled labour/trainees is comparatively low.
- The main problems are bureaucratic and legal hurdles, insufficient knowledge of the language and a lack of knowledge of procedural steps.
- There is a positive attitude towards workers/trainees from third countries in companies.
- There is strong support for managed migration and further formalisation or recruitment.
- Companies would like to see more support from their sector associations in the form of advice.

Figure 2: Selected results from the employer survey







(Source: Author)

The data shown in Figure 2 clearly indicates that recruiting workers/apprentices from abroad is a viable strategy but not the top priority for most companies. Hiring skilled workers/apprentices from EU countries and third countries is an important or very important recruitment pathway for 65% and 60%, respectively, of all respondents. Other pathways, such as putting more effort into vocational education and training (which is considered important or very important by 91% of respondents), improving working conditions (84%), and hiring and training new starters switching from other sectors (83%) are considered to be more relevant. By contrast, other main options such as working with (international) subcontractors (27%) or employing more women (24%), elderly people (23%) or people with disabilities (8%) are deemed less viable recruitment pathways.

Amongst those respondents who were already actively recruiting from abroad, the majority experienced bureaucratic hurdles (74%), challenges related to the candidates' language skills (66%), legal hurdles (58%), and insufficient knowledge of the processes (55%). Legal and administrative challenges are currently being debated, and the envisaged revision of the German Skilled Immigration Act, which is expected to come in autumn 2023, will most likely address corresponding problems such as the recognition of qualifications and skills.

In answer to the question "How much is your annual budget for recruiting trainees/professionals?", the respondents indicated a budget for trainees of between €250 and €5,000 (average: €1,450) and for skilled workers of between €150 and €5,000 (average: €1,863). This budget is clearly insufficient to cover all costs related to recruitment from abroad even for a single person. Although empirical data is scarce, evidence taken from recruiting healthcare workers from abroad would suggest a range of €5,000 to €20,000 per person recruited is required. Recruitment costs in the construction sector might be slightly lower due to less strict language skill requirements and less expensive recognition procedures. Nevertheless, the discrepancy is obvious. Even though

the private sector is willing to (co-)finance certain activities to a certain extent, the question of financing remains unanswered. What are potential sources of additional financing? How can the private sector be encouraged to fund a larger share of the recruitment (and integration and potentially also return) process(es) in compliance with international and ethical standards? How can the investment risk be pooled or hedged? This debate needs to be facilitated in order to identify innovative proposals or funding arrangements.

The survey results are not representative due to the low number of participants. In order to apply more sophisticated data processing and analysis techniques, more survey participants would have been needed. One recommendation is, therefore, to run a (modified) survey with other regional partners in the construction sector and/or in other sectors.

5 Recommendations

The overall recommendations stemming from the research project are to seek, recognise and realise scaling-up potential, to go beyond pilot projects and to make labour migration more sustainable. In order to make TSP schemes more relevant and highlight their potential, and in order to be able to shape the narrative of labour migration, more effort should be devoted to this quest. Where pilots prove to be at least partially successful, adjustment and scaling-up plans should be devised. Most of the tools required to develop a sustainable labour migration approach at scale are already available in the German labour migration toolbox. However, such tools must be coordinated properly in order to make them available and to create an accessible and affordable migration infrastructure. Following a joint narrative based on a whole-of-government approach could enable different types of labour migration schemes to be combined in an incremental trust-building process and could highlight and illustrate Germany's unique selling point in the international search for skilled labour. This would enhance coordinated legal pathways and facilitate the mobility of essential workers and talented individuals (i.e. seasonal employees, apprentices, and low-, medium- and high-skilled workers). This would allow

“[...] more channels of regular and safe migration to be integrated into an expansive labor policy for sustainable development, while cooperating with the CoO [county of origin, M.S.] for local development, in a perspective of economic and social convergence” (Farris, 2021: 9).

Designing and implementing a German-style skills partnership model could be a showcase for sustainable labour migration. To succeed in this endeavour, the following aspects would need to be considered and addressed, amongst others:

1. Many pilot projects are demanding, expensive and difficult to implement. If pilot programmes prove successful, appropriate resources should be made available to scale them up.
2. Labour migration should be better integrated with other policy areas and with government strategies, such as development, labour market and poverty reduction strategies in the countries of origin and destination. In this context, the German Federal Ministry for Economic Cooperation and Development (BMZ) should act as a broker between the interests of the migrants and those of their countries of origin more prominently than it has in the past.

3. Many respondents see bilateral labour migration agreements as practicable instruments for documenting cooperation in a transparent manner. The BMZ should use its expertise to advocate for comprehensive TSP-agreements.
4. A more coherent overall governmental approach, coordinated between line ministries, will be able to contribute to a more accessible and inclusive migration infrastructure with simplified and accelerated administrative procedures. 360° approaches that encompass the entire migration cycle and overcome silos within institutions and specialist departments will help with coordination and navigation requirements. The subsequent coordination task will face the challenge of addressing the underlying complexity and mediating where there is tension. This will be difficult to achieve without additional resources.
5. The private sector, civil society and local political actors should be involved systematically in recruitment programmes from an early stage. There must be more transparency about the costs and benefits and their distribution. Adequate financing concepts must be established.
6. In addition to a baseline analysis, consistent expectation management and adequate time and planning horizons are needed: less pilotism and more effort to build communities of mutual trust.
7. Many actors lack the resources required to meet the demands of sustainable labour migration, meaning that caretaker structures are needed that reflect the complexity. Appropriate information and training should be made available.
8. More complex approaches to labour migration should focus on transformation-relevant sectors and occupations.
9. There is a wide range of experiences and tried-and-tested instruments in the German migration landscape. These innovative approaches should be promoted consistently and made accessible to interested actors. Promising initiatives such as the 'Fair Recruitment Healthcare Germany' seal of quality should be made available for cross-sector learning.
10. The scientific and academic community should embrace the inter- and transdisciplinary analysis of labour migration and contribute more than it has done so far to an evidence-based design of labour migration. The actions of many actors are based on gut feeling rather than on evidence-based criteria, particularly with regard to long-term and non-economic effects.

The complexity inherent in these processes must be better coordinated. The Bertelsmann Stiftung's think tank for transnational skills partnerships can serve as a good example of how different perspectives can be brought together. No counterpart to this think tank in the migration policy framework exists to date. The German Federal Chancellery and/or the German Federal Foreign Office and/or the German Federal Government Commissioner for Migration are called upon to tackle this task.

6 Conclusion

This paper builds on the 'Sustainable Labour Migration' research project as a starting point for identifying existing concepts which address skilled migration and which provide

answers to questions such as: ‘What is good labour migration?’, ‘What does the concept of “sustainability” mean in migration?’ and ‘What does the proper management of sustainable labour migration look like?’. The relevance of this endeavour is obvious: debates over the shortage of skilled labour seem to spring up at lightning speed in politics, economy and society. Moreover, negative externalities of international migration are becoming increasingly obvious in some countries of origin. This has become apparent in the (health-)care sector in particular (e.g. Schmitz-Pranghe et al., 2020).

The shift in its migration policy over the past few decades has gradually turned Germany into a modern immigration country. The expected amendments to the German Skilled Immigration Act will raise this process to a new level. If labour migration is shaped accordingly, it will be able to produce positive development effects for all actors involved. When assessing these interrelationships, it is important – at least from a development policy perspective – to give greater consideration to the distribution of development dividends and to examine the promising practical examples with regard to their scaling-up potential.

The German government’s strategy for securing skilled labour addresses the question of how to leverage previously untapped skilled labour potential and identify different channels for securing skilled workers. Labour migration is one of these channels, and it is obvious that further work is required on all the channels mentioned in the study in order to help meet the challenges resulting from the skilled labour shortage. This will not succeed without good concepts and sufficient resources. Assuming that resources are limited, the question arises of which areas to prioritise for the application of holistic approaches such as transnational skills partnerships. The triple-win idea has been presented as one approach of several that can deliver corresponding answers. A critical reflection on the concept leads to the conclusion that a more nuanced understanding of what triple win actually means is needed. The research on sustainable labour migration described here contributes to these efforts with a proposal for this kind of more nuanced, some would say holistic, approach.

The operationalisation of this framework in the three countries chosen as case studies led to the assessment that managed labour migration schemes are more sustainable than uncontrolled, individually implemented forms of labour migration in principle. This underlines the if-paradigm of transnational skills partnerships, i.e. that, if migration is properly managed, the positive impact from migration could be maximised for the relevant stakeholders. So, if the available potential is realised, such sustainable models of skilled labour migration can serve as a unique selling point in the international competition for skilled labour. However, this would require a shift to perspectives and paradigms that place the generation and distribution of development effects and partnership-based transnational management front and centre.

The interviews conducted within the research project highlighted that the understanding of the migration-development nexus varies considerably amongst stakeholders in all countries. Besides the importance of financial remittances, which is widely accepted by most interviewees, the return of skilled migrants was highlighted in all countries as a key positive impact factor for development. Return migration, as a pivotal element for making labour migration more sustainable for countries of origin, might create an area of conflict in current and future partnerships. The German government’s skilled labour strategy, published in October 2022 (Die Bundesregierung, 2022), makes direct reference to the

idea of sustainability: the strategy states that immigration can only make a sustainable contribution to ensuring a skilled workforce if the migrants stay in Germany permanently (Die Bundesregierung, 2022: 29). Besides taking a simplified view of sustainability, this perspective also fails to take the diverse motives and return practices of many migrants adequately into account. This conflict highlights the need for a comprehensive approach towards labour migration and for truly sustainable solutions. In this regard, the debates being held over temporary return migration and virtual return migration are promising.

At the end of the day, which terminology one uses in the in the debate over good migration is of secondary importance. One may call it triple win+, quadruple or multiple win, the dynamic rectangle of labour migration or sustainable labour migration. The exact term is largely immaterial. More important is the underlying perspective adopted as well as the specific approach taken. One thing should be clear though: If Germany is unable to translate the existing legal framework into practical implementation and scale up innovative approaches, many potential skilled workers will simply migrate elsewhere. Courage and a creative sense of innovation are needed in order to cope with the complexity of migration processes.

The sustainable labour migration framework presented here brings the idea of making labour migration more sustainable to the fore. With this paper, I aimed at contributing to structural ordering, providing food for thought and facilitating a discussion on possible avenues for further research into the field of skilled labour mobility. This will hopefully influence the opportunities for a new narrative of labour migration in a positive way.

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Transnational Skill Partnership between Germany and Vietnam: Stakeholder Perceptions on Costs, Benefits, the Role of Skills Development, Partnership and Sustainability ¹

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Abstract

This paper presents the preliminary results of the Socialist Republic of Vietnam country case study conducted as part of the research project Sustainable Labour Migration implemented by the University of Applied Science Bonn-Rhein-Sieg. The project focuses on stakeholder perspectives on countries of origin benefits and the sustainability of different transnational skill partnership schemes. Existing and ongoing small-scale initiatives indicate that opportunities exist for all three types of labour mobility pathways, from recruiting youth for apprenticeships and subsequent skilled work to recruitment and recognition of skilled 'professionals' certificates for direct work contracts to initial vocational education and training programs in a dual-track approach. While the latter has the highest potential to be more beneficial than other approaches, pursuing and supporting the scaling up of all three pathways in parallel will have additional, mutually reinforcing and supporting effects. The potential for benefits over and above those already realised by existing skill partnerships appears high, especially considering the favourable framework conditions specific to the long-standing German-Vietnamese relationship. If the potential of well-managed skill partnerships was realised, such sustainable models of skilled labour migration could serve as a unique selling point in the international competition for skilled labour.

Key Words:

skill partnership, labour migration, Vietnam, vocational training, sustainability

1 Introduction

At the international level, there has been an increase in the recognition that labour migration channels need to be developed based on the labour market conditions of all involved countries. This is where the model of transnational skills partnerships comes in. Generally, these agreements between at least two countries focus on skills development

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and migration opportunities, not one or the other. The attention to these partnerships is grounded in the United Nation's Global Compact for Safe, Orderly and Regular Migration (GCM) refers to the Global Skill Partnership (GSP) model as the only specific policy tool in Objective 18, number 34 e. Specifically, the GCM calls on States to

"[b]uild global skills partnerships amongst countries that strengthen training capacities of national authorities and relevant stakeholders, including the private sector and trade unions, and foster skills development of workers in countries of origin and migrants in countries of destination with a view to preparing trainees for employability in the labour markets of all participating countries" (United Nations, 2019: 26).

The GSP model was initially introduced by Michael Clemens of the Center for Global Development (Clemens, 2015). Since then, a range of different interpretations and definitions has evolved. The evidence base on transnational skills partnerships, their implementation and their impacts is, however, still limited. Few practical examples have actually been implemented, especially of a proper GSP approach where training takes place in the country of origin to prepare a group for the domestic labour market and another group for migration to the partner country. One such example is a pilot program currently implemented between Vietnam and Germany with the support of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in cooperation with the Directorate Vocational Training of the Ministry for Labour, Invalids, and Social Affairs (MOLISA) in Vietnam. This is done within the larger Partnership Approaches for Development-oriented Vocational Training and Labour Migration (PAM) project. In the pilot's dual-track approach, vocational training in the metal processing profession is implemented and certified in Vietnam in line with a training standard adopted from Germany. The away track provides an enriched qualification for migration, while the home track targets local skills needs. Overall, there is an explicitly intended development impact for the country of origin through knowledge transfer, the further development of vocational system structures and increased employability of the workforce for careers at home.

Between December 2020 and August 2022, the Hochschule Bonn-Rhein-Sieg University of Applied Sciences (H-BRS) conducted a research project on 'sustainable and socially acceptable labour migration management', funded by a grant from the German Federal Ministry for Economic Cooperation and Development (BMZ) through a grant provided by the GIZ Program Migration and Diaspora. The research focused on three countries of origin (Kosovo, Georgia, and Vietnam) and specifically analysed the perceptions of benefits and sustainability of managed transnational labour migration schemes among the main stakeholders involved. The pilot project between Vietnam and Germany was one of the case studies analysed within the project. Based on desk review and stakeholder interviews conducted within this framework, this paper presents the initial findings of this study concerning the types and incidences of cost and benefits, the role and relevance of skills development for increased benefits, and the potential for sustainability of particular skill partnership approaches.

The rest of this paper is structured as follows. The next section presents the research context regarding the relationship between Vietnam and Germany in the past decades, focusing on labour migration and the specific case study. Section 3 then presents the methodology employed to collect and analyse the data used in this paper. After that, the main findings are discussed in Section 4 before Section 5 puts forward recommendations and Section 6 concludes.

2. The Relationship between Vietnam and Germany with a Focus on Labour Migration

The history of migration between Vietnam and Germany began in the 1950s. Following the end of the Vietnam War, most of the estimated 38,000 Vietnamese migrants came to the Federal Republic of Germany as political refugees. With approximately 66,000 workers, the Vietnamese comprised the most significant proportion of contract workers in the German Democratic Republic (GDR). Most Vietnamese contract workers were employed in the industrial sector in East Berlin, Cottbus, Leipzig or Chemnitz. With the fall of the Berlin Wall, just under 90,000 contract workers in the GDR were affected by sudden unemployment and uncertain residence status. The employment contracts, some of which were limited until 1995, lost their validity with reunification, so many contract workers saw themselves forced to return to their home countries due to their sudden unemployment. By the end of 1990, only about 28,000 of the 90,000 former contract workers were still in Germany, most of them Vietnamese. Following the reunification, the Federal Republic of Germany and the Socialist Republic of Vietnam soon established diplomatic relations. Since the end of the Cold War, political-diplomatic relations between the two countries have changed significantly. For Vietnam, the first visit of a President to Germany in 2015 was a message affirming Vietnam's consistent policy of considering Germany as its most important and long-term partner, wishing to comprehensively promote and deepen the relationship between the two countries into an extensive strategic partnership (ASA-FF, n.d.; Ha & Thach, 2021; Schaland & Schmiz, 2015).

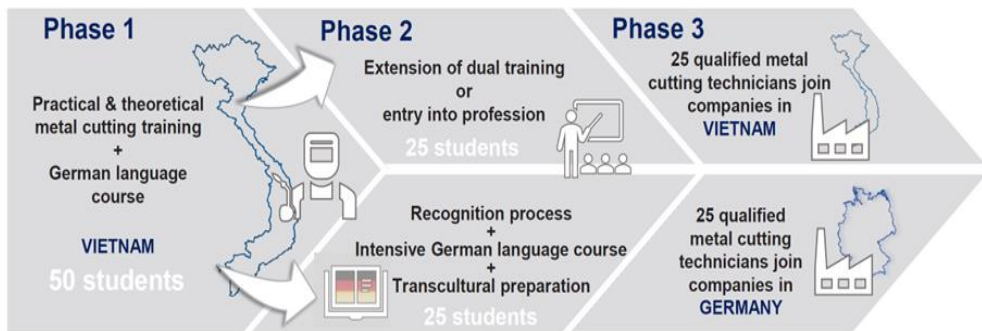
Today, the German government identifies Vietnam as a "Global Partner" in development cooperation under the new "BMZ 2030 Strategy". Since 1990, Germany's development assistance for Vietnam has been allocated to priority areas of Vietnam, with the current focus on the fields of vocational training, energy and environment (Ministry of Planning and Investment Vietnam, 2021). Vietnam's Vocational Education and Training Strategy 2021-2030 provides a strong foundation for linking the vocational education and training (VET) system development with the Socio-economic Development Plan and international labour markets and benchmarking it against international quality standards. The recent decision to transfer and pilot 22 German occupational standards and grant more autonomy to selected high-quality VET institutes indicates the importance of benchmarking VET programs against international standards, making it a more attractive career path for Vietnamese youth.

German and Vietnamese stakeholders only recently started piloting small-scale formalised programs on recruiting skilled labour and migration. Mainly focused on recruiting healthcare workers or candidates for apprenticeships in Germany in different occupations, these approaches preceded the German "Skilled Immigration Act" of 2020. More recent initiatives for training and recruitment of skilled workers and apprentices are also implemented in line with the provisions of the Act and expand to other vocational shortage profiles (Bildungswerk BAU Hessen-Thüringen e.V [BiW], 2021; GIC-AHK Vietnam, 2021; GIZ International Services, 2021).

This study focuses on the pilot program implemented by BMZ/GIZ as part of the PAM project mentioned in the introduction. Its explicit goal is to make migration paths sustainable and development-oriented through multi-stakeholder partnerships and customised mobility approaches. In a "dual track" approach in Vietnam, 50 young persons

are being trained in metal cutting. This pre-existing two-year program is aligned with already developed Vietnamese curricula benchmarked against the corresponding German qualification. As can be seen in Figure 1, about 25 of the 50 students are anticipated to be taking the "abroad track" to Germany with the aim of full recognition of their qualifications after receiving B2-level intensive German language training integrated into the curriculum. The other students are anticipated to remain in the "home track" with basic German language training and support packages for transition into the local labour market (GIZ PAM, 2021). This is an example of a GSP or type 3 model in the classification of Sauer and Volarevic (2021), which is the most ambitious and complex and has not been widely applied (Adhikari et al., 2021; Azahaf, 2021; Sauer & Volarević, 2021), making this an interesting case study to understand how stakeholders perceive it.

Figure 1: Qualification and Mobility Scheme in Metal Cutting



(GIZ, 2022)

The PAM project applies a vocational training and work approach for development-oriented migration between Vietnam and Germany. It is implemented in Vietnam with the MoLISA, Directorate of Vocational and Education Training (DVET). Vocational training activities are conducted in cooperation with LILAMA 2 International Technology College and private sector enterprises in Vietnam and Germany. Fifty youths were selected for the program and are currently being trained for 18 months at LILAMA 2 College, in line with the Vietnamese occupational standard for Metal Cutting Technicians for graduation on intermediate diploma level (meeting the requirements of MoLISA Circular No.03/01.03.2017/TT-BLDTBXH) (GIZ, 2020). The technical and vocational training is complemented with modules on German language skills, soft skills and intercultural awareness. The migrating graduates will be supported to get their Vietnamese certification officially recognised in Germany against the German target standard of skilled metal workers, specialising in cutting procedures (Fachkraft für Metalltechnik in der Fachrichtung Zerspanungstechnik), which is a 24-month dual vocational training program. Additionally, PAM establishes mutual learning, dialogue and networking formats between Vietnam, other partner countries and Germany on the topic of vocational training and sustainable labour migration (Bundesinstitut für Berufsbildung [BIBB], n.d.a; GIZ, 2022).

3. Methodology

At the centre of the conceptual framework for the overall research project was the link between various migration dimensions along the migration cycle and across the spatial

dimension of countries of origin and destination (e.g., Katseli et al., 2006). In the absence of a general theory of migration (Castles, 2019), we take a middle-range perspective in our analytical model, which mainly builds on the prior work of Erdal et al. (2018) as well as on Betts and Collier (2018). Following Castles (2019, p. 1569), we try to provide an overarching and integrative framework instead of focusing on either structural forces or individual motives (and aspirations) to explain specific migration decisions. Congruent with our understanding of sustainability, we apply a transnational perspective in our analytical framework to emphasise and analyse migrant agency without being “structure-light” (Bailey 2001: 421). We apply this perspective in order to incorporate our perception of skilled labour migration not as an irrevocable process but rather as repeated pluri-local transactions and practises related to people, state and non-state organisations and resources across state borders (Faist et al. 2013: 1). By this, migrants and non-migrants create and sustain social relations across borders (Faist et al. 2013: 8). Consequently, settlement and interconnectedness along the country of origin and the country of destination dichotomy need to be focused on. The framework of transnationalism allows us to go beyond methodological nationalism “(...) to capture a sense of how migration is experienced across two countries” (Raghuram 2008: 83) and to focus on cross-border interconnections and institutions at various analytical levels, as well as their potential to contribute to sustainable development.

This, therefore, also guides the methodology used for the Vietnam case study and this paper specifically. The overall research question focuses on stakeholders' perceptions of costs and benefits, the role of skills development and partnership, and aspects of sustainability in managed skilled labour migration programs. More specifically, the research questions of this paper are as follows:

- *Overall research question:* How do stakeholders perceive the sustainability of the skills partnership between Vietnam and Germany?
- *Sub question #1 on costs & benefits:* How do stakeholders perceive this scheme's realised and expected costs and benefits?
- *Sub question #2 on skills:* How do stakeholders assess the potential of Vocational Education and Training (VET) to make labour migration beneficial for all?
- *Sub question # 3 on partnership:* How do stakeholders assess the partnership underlying the labour migration scheme?

The initial research design of the Sustainable Labour Migration project was adapted to the COVID pandemic-induced restrictions and eventually implemented jointly with the National Economics University Faculty of Human Resource Economics and Management Hanoi. An in-depth literature review was followed by a series of semi-structured, in-depth qualitative interviews with key stakeholders representing the private sector, public ministries and agencies, civil society and international donor organisations involved in managed labour migration or the specific skill partnership pilot project. Semi-structured interviews allowed for flexibility to encounter actor-specific narratives not foreseen in the interview guide.

All interviews' joint objective is to assess the stakeholders' perceptions. For this, the research questions were translated into a menu of 47 interview questions using the following categories and elements of the migration cycle: icebreaker, introduction,

motivation and aspiration, pre-departure preparation in the country of origin, selection, recruiting, placement, preparation & skills development, arrival and onboarding in the country of destination, living and working in Germany, return and reintegration. Cross-cutting topics along the migration cycle were covered by questions relating to overall costs and benefits, skills, partnership, and sustainability. The below Table 1 presents a summary of the stakeholders interviewed.

Interviews in Vietnam were a mix of online and face-to-face interviews due to the pandemic context. Where permission was granted, interviews were recorded, translated and transcribed. Some interview partners were interviewed more than once, while the average interview time was 90 minutes. Interviews in the presence of the H-BRS researcher were conducted with interpretation. Interviews with Vietnamese stakeholders were conducted and – where recording was agreed to – transcribed in Vietnamese and translated into English. Interviews with international stakeholders were conducted and transcribed in English for coding.

The interviews that related directly to this particular pilot approach faced some limitations. At the time of conducting interviews with stakeholders, the PAM implementation process was at an early stage. This means that interviews with directly and indirectly involved stakeholders needed to be conducted following the official approval and communication thereof to concerned stakeholders. Consequently, apart from interviews with direct partners and beneficiaries, most interviews were kept more general on experience with managed labour mobility programs in Vietnam. Interviews with directly concerned stakeholders needed to focus on expectations towards and perceptions of the potentials of the concerned program rather than on actual experiences throughout the migration cycle. The project was yet to identify future employers in Germany to recruit graduates. Hence, no interviews could be conducted with this group of key stakeholders.

The initial explorative data analysis, the findings of which are presented here, follows the method of content-structuring qualitative content analysis (Kuckartz, 2018; Mayring, 2015). Further in-depth data analysis applying MAXQDA tools was part of the initial design, but due to delays caused by the pandemic could not be implemented within the time frame of the research project. Therefore, this paper offers preliminary results and recommendations from the literature review and interviews conducted before finalising the rigorous data set analysis.

Table 1: Stakeholders interviewed in Vietnam by institution

Institution	Function
The Office of the Ministry of Labour, Invalids and Social Affairs (MOLISA)	Deputy Chief of Office
Department of Overseas Labour (DOLAB), Ministry of Labour, Invalids and Social Affairs (MOLISA)	Director General; Deputy of Taiwan, Europe, Americas Division; Head of Legal & Inspection Department
Department of Formal Training, Directorate of Vocational Education and Training, MOLISA	Director
Institute for Labour Sciences and Social Affairs (ILSSA), MOLISA	Deputy Director General
Center of Overseas Labour (COLAB), MOLISA	General Director

Department of International Cooperation, Ministry of Labour, Invalids and Social Affairs	Deputy Director
Department of Labour, Invalids and Social Affairs, Dong Nai Province	Deputy Head of Labour Policy
Vietnam Association of Mechanical Industry (VAMI)	President
Vietnam Association of Manpower Suppliers (VMAS)	Vice President
Vietnam Association of Manpower Suppliers (VMAS)	Vice Chairman, Secretary General
GIC-AHK Ho Chi Minh City	Project Manager – Hand in Hand for International Talents
GIC-AHK Ho Chi Minh City	Consultant – ProRecognition project
ISHISEI Vietnam, HCMC	Deputy General Director
Hanoi Liaison Office of Mecklenburg-Vorpommern, MV Ministry of Economics, Employment and Health	Adviser to the Office (Staff of the Office)
GIZ PAM Vietnam Component GIZ TVET Reform Program	GIZ Advisor GIZ Team Leader Policy Advice
GIZ TripleWin Project	Project Officer
International Technology College LILAMA 2, Dong Nai	Rector
International Technology College LILAMA 2, Dong Nai	Students of PAM Metal Working pilot program
International Technology College LILAMA 2, Dong Nai	Student of PAM Metal Working pilot program
International Technology College LILAMA 2, Dong Nai	Student of PAM Metal Working pilot program

4. Preliminary Results from the Country Case Vietnam

4.1 Findings from the Desk Review

4.1.1. Institutional Coherence for Migration and Development

With MoLISA being the umbrella Ministry for the three closely interrelated policy fields of the labour market, vocational education and training, and migration, the already existing key governance structures in the centrally governed system have a high potential for policy coherence. With the Department of Overseas Labour (DOLAB) at the centre of migration management, substantial and recent progress has been made regarding an improved legislative framework, with further regulatory documents currently being developed. The Strategy for the Development of Vocational Education (2021-2030) refers to the potential for skilled migration in several fields of action. However, despite attempts to integrate the Sustainable Development Goals (SDG) into national development plans at the overarching policy and strategy level, the strategic nexus and potential of labour mobility for economic and social development do not feature or at least only implicitly. Policies on migration also do not feature explicitly but also do not appear to have been mainstreamed into other policy fields. In its 2018 Voluntary National Review of the SDGs, Vietnam's report refers to (legal) migration under SDG 10:

"Regarding migration and movement of people, Viet Nam is participating in the consultation to develop the content of the Global Compact for Safe, Orderly and Regular Migration, proposed by the UN in September 2016." (Socialist Republic of Viet Nam, 2018).

Apart from this, no further actions are mentioned.

The Resolution on the five-year Socio-economic Development Plan for 2021-2025 (National Assembly, 2021) also remains largely silent on labour mobility policies and strategies. It only indirectly refers to the potential in section

"3.6. Improving the quality of human resources together with promoting innovation, application and robust development of science and technology: (...) effectively attract and promote the participation of brilliant scientists and experts who are foreign nationals or overseas Vietnamese"

and in section

"3.8. Promoting the cultural values, the human strength of Vietnamese people and the strength of the all-people national unity, the social progress and justice, improving the people's life, ensuring the harmonious connection between economic development and cultural or social development: (...) Continue to perfect policies and laws on population, make effective use of the golden population structure."

Vietnam already requested to be included in the 2023 Voluntary National Review process of the UN High-level Forum on Sustainable Development (Socialist Republic of Viet Nam, 2022), which may provide a good opportunity to further strengthen the nexus between existing migration and development policies and strategies, possibly including the Green Growth Strategy (Socialist Republic of Vietnam – The Prime Minister, 2021).

4.1.2 The Financial Cost of Migration

Evidence from research on the costs and benefits of migration are scarce for Vietnam and mainly analyse labour export schemes of the early 2000s, which have since improved their terms and conditions in both sending and receiving countries. The Institute of Labour Science and Social Affairs (ILSSA) conducted a survey in 2011 with employees that had worked in Taiwan, Japan, South Korea and Malaysia and who had returned between 2004 and 2008. The report concludes that "labour export" resulted in economic benefits to workers in terms of higher incomes and savings. It also found contributions of labour export to the transformation of the employment structure of returning workers, away from agricultural, low-paid, and informal jobs. Further-more, it found significant improvements in workers' foreign language and technical skills, working style and social awareness (Institute of Labour Science and Social Affairs [ILSSA], 2011).

A 2017 ILO/IOM study conducted in July–August 2016 with a total of 1,808 return migrant workers from Cambodia, Lao, Myanmar and Vietnam found that migration can have a significant impact on poverty reduction within the South-East Asia region, reducing those living below the poverty line by double digits (11%) from before to after migration. The results were particularly positive in Vietnam, where poverty was found to be reduced by 17%. The study also found that most migrants were employed in agriculture before migration (52%) and that working abroad proved more effective in facilitating the industrialisation of the workforce in some countries than in others. Vietnam was most successful in this regard, with 27% of migrants shifting from agriculture into manufacturing and other sectors upon return (Harkins et al., 2017a).

In general, Vietnamese migrants had better migration outcomes than return migrant workers from Cambodia, Lao, or Myanmar. Vietnamese migrants reported positive improvements in income (91%) and savings (73%). On average, they spent a much longer

period working abroad (four years) than Cambodian migrants (one year). They were most successful at upskilling (31%). A few Vietnamese migrants (4%) faced difficulties upon return due to social, health, and psychological problems resulting from migration varied dramatically. However, this study also showed that Vietnamese workers had to pay the highest costs (USD 709) to work abroad compared to the other countries in the region. They also had to borrow the most (USD 1,044) and worked for the longest period (up to 11 months) to repay the debt. Over three-quarters of interviewed Vietnamese workers (77% male and 75% female) answered that their labour rights were violated abroad. Although Vietnamese migrant workers bring in new vocational skills from abroad (70%), only a small percentage can apply those skills back home (3%) (Harkins et al., 2017b).

At the same time, the temporary labour migration programmes with South Korean and Japan faced several challenges, particularly with a high rate of “runaway workers”. Ishizuka (2013) analysed the phenomenon in South Korea and Japan. The high rate of desertion was attributed, among others, to the high pre-departure cost, at the time being estimated on average to be as high as some 15 times as much as the average income of these workers in the respective countries, resulting in workers having to borrow the equivalent of nearly the total amount of the costs. Also, the ILSSA survey showed that up to 76% of migrant workers could not find a job after returning to Vietnam. The Law on Vietnamese migrant workers included provisions for employment support for returning workers at the time. However, in practice, local governments generally do not have policies supporting returnees or do not even know the number of returnees. This situation was also thought to drive more migrant workers to choose to overstay their contracts irregularly (Ishizuka, 2013). A 2017 ILO/IOM reported cost for Vietnamese migrants heading to Malaysia for employment of USD 1,166 (equal to 4 months of wages). The study also found that the financial inclusion of migrants in the South-East Asia region is very low, with a small minority of migrant workers opening bank accounts in their countries of origin (11%) or destination (22%). Vietnam was an exception in this regard, with 28% of the Vietnamese migrants having a bank account at home and 4% while abroad, which is largely due to a more formalised remittance market (Harkins et al., 2017a). The most recent World Bank (2021) report still reports high costs for Vietnamese workers heading to the Republic of Korea, incurring costs close to nine months of their salary abroad (over USD 9,200). Taking a cue from such findings, the government has since introduced several mitigating measures to address issues of illegal brokerage and other costs to migrants under newly signed temporary labour-sending agreements with its key destination countries.

4.1.3 Promoting the Protection and (Re-)Integration of Migrants

The South Korea-Vietnam Employment Permit System (EPS) is an example of a non-seasonal temporary labour migration program that operates through bilateral government-to-government memoranda of understanding (MOU) at the complete exclusion – in principle – of private sector recruiters or agencies, which is relatively rare, as much in the global context as in the Asian context (Kim, 2015, p. 1). The EPS was designed to stop corruption, extortion, and human rights abuses characteristic of private sector-based recruitment in the region. This is perhaps the most important and most promoted merit of the EPS. On June 23, 2011, the scheme was awarded the UN Public Service Award for increasing transparency and combatting corruption, primarily due to this exclusive government-to-government arrangement. EPS is a regime that allows Korean enterprises

with a shortage of domestic human resources to legally recruit foreign workers in small and medium-sized manufacturing industries with less than 300 regular employees and industries lacking workers, such as agriculture and livestock, fishery, and construction. The program has transparent procedures for recruiting, preparing, and sending qualified Vietnamese workers, ensures the basic rights, and applies relevant labour laws such as Labour Standards Law, Minimum Wage Law, and Occupational Health and Safety Law to foreign workers equally as domestic workers. According to Cho et al., the EPS achievements include significantly reducing the cost burden on migrants, improving transparency, reducing the proportion of overstays, and improving accessibility to worker protection (Cho et al., 2018; Kim, 2015). The study by Kim (2015) analyses in detail the strengths and weaknesses of the EPS as it was designed at the time of the study.

Initially, the migration cycle of the EPS was considered complete after the migrant worker returned to his or her home country. In the subsequent stage, the Korean government added a reintegration and co-development component to the EPS, the "Happy Return Program". This facilitates EPS workers' long-term employment or business start-up plans upon return. The EPS has evolved from a closed labour migration system centred on domestic labour dynamics and policies to a more open-ended, flexible instrument that extends Korean government involvement into the reintegration of migrant workers and responds to the prescriptive elements of the migration and development discourse. However, the analysis found that the

"(...) the greatest shortcoming of the EPS, from which all the other weaknesses originate, is the imbalanced distribution of resources and focus among the three stages (pre-admission, post-admission, return and reintegration) in which the social partners – in particular the labour unions – are largely absent" (Kim, 2015, p. 29).

According to Kim, the focus of both governments for the program lies on ensuring transparency and preventing corruption in the pre-admission and recruitment phase. The partnership structure for later stages is considered less clear, particularly regarding the roles of supporting non-governmental organisations. Kim hence advocates for more substantial involvement of workers and employers' organisations as formal partners (Kim, 2015).

Another example are memoranda of cooperation (MOC) on the mobility of workers and interns that have been concluded and reviewed between Vietnam and Japan. The most recent include the program on "specified skilled labour" (signed 01/07/2019) and the MOC of the programs of sending and receiving Vietnamese technical intern trainees to Japan that has been operating since 2006. With both MOCs, more favourable terms and conditions were complemented with elements to support the return and reintegration of Vietnamese participants of the programs.

The above examples indicate the overall importance that support to return and reintegration measures currently receive at the strategic and operational levels. Given that measures are easier to design and integrate into temporary schemes than in open-ended ones, this is certainly an area with the potential for stronger consideration of the potential for developmental effects in the context of managed labour migration programs.

4.1.4 Development Impact of Diaspora Engagement, Skills and Migrants' Finances

International migrant workers contribute significantly to the economic development of Vietnam through remittances (Anh & Anh, 2018). According to an assessment of ten years

of implementation of Directive No. 16-CT/TW (May 8, 2012) on "strengthening the leadership of the Party in the work of sending Vietnamese workers and experts to work abroad", MoLISA reported annual increases of about 7-10% of jobs being created. The income of workers working abroad is relatively stable, with an average of 200 million VND/year. On average, workers and experts each year send home about 10 billion USD, a 5-fold increase compared to the period before the directive was issued (MOLISA, 2022). The World Bank (WB) and World Bank forecast the financial remittances to Vietnam in 2021 at 18.1 billion USD, ranking 8th in the world and 3rd in Asia-Pacific, accounting for 4.9% of its GDP. In 2020, remittances to Vietnam amounted to 17.2 billion USD, ranking 11th globally (World Bank, 2021).

The countries with the most prominent Vietnamese diaspora populations are the United States (1.2 million), France (250,000), Australia (200,000), and Canada (151,000). The Vietnamese populations in these countries are representative of the majority of the diaspora who left under the conditions of the post-1975 refugee exodus and are characterised by permanent resettlement patterns rather than temporary migration. The majority of remittances also come from these countries. The normalisation of economic and diplomatic relations between the United States and Vietnam since 1995 has helped to strengthen the flows from there (Chuyen et al., 2008).

Regardless of the motives for emigration, the Government of Vietnam has recognised the importance of Vietnamese expatriates for the country's economic development, over and above remittance payments. It also focuses on knowledge and technology transfers as well as direct investments made by returning Vietnamese. Some of these return to Vietnam temporarily, as shown by individual initiatives by medical professionals who operate on children during their free time in Vietnam or volunteer as guest lecturers. As a result, the Vietnamese diaspora is an important social and cultural link and is increasingly involved in development cooperation, also in the case of Germany (Schaland & Schmiz, 2015; 2017).

One of the key tasks in the Politburo's Conclusion 12-KL/TW is to "continue to raise awareness and sense of responsibility in the effective implementation of the policy of great solidarity in Vietnam," thereby

"promoting the great strength of national unity, encouraging and creating conditions for the Vietnamese people to make active contributions to national construction and defense" (Politburo, 2021).

On January 14, 2022, the Investment Support Forum for Overseas Vietnamese (Invesfov) was launched as one measure to operationalise this conclusion. Established by the Association for Liaison with Overseas Vietnamese, the forum is set to attract more resources from Vietnamese abroad and create optimal conditions for them to contribute more to national development (Vietnam Plus, 2022). However, the engagement by the Government of Vietnam with the diaspora appears still far from its strategic potential and is mainly focused on attracting academics and scientists back to Vietnam.

4.2 Preliminary Findings from the Field Research

4.2.1 Overall Costs and Benefits along the Migration Cycle

The key stakeholders of the pilot program consider the highest potential benefits to be realised by the future migrants or trainees that remain in Vietnam, followed by benefits

allocated to prospective German employers eventually receiving the trained Vietnamese graduates. Generally, Vietnamese key stakeholders have a comparative view of potential or expected benefits, contrasting the ongoing pilot program with existing temporary labour migration schemes with Asian industrialised countries such as South Korea, Taiwan, Japan or Malaysia.

"I see that the greatest interest is not for the nation, nor the school, nor for the participants, but the greatest interest is the benefit of Vietnamese people who go there to work safely, with high income. That is the biggest benefit and I find this to be a really humane program." (V006, 176)

The overall perception and notion of the Government of Vietnam regarding the benefits and costs of outward labour migration was nicely summarised by one official:

"...the perspective of the PM [Prime Minister] is that workers can be wherever they want, they all contribute to enriching our country by enriching themselves. I think that is a very liberal mindset, as Vietnam now has demand for skilled labour, but many that studied abroad and stayed, and they contribute like many successful scientists in many prestigious universities around the world are Vietnamese. That is proof for how we can still benefit from those resources abroad, and they do not necessarily have to return to Vietnam." (V014, 20)

Like in other countries, emigration from Vietnam is still widely perceived as a necessary form of employment creation, with the acknowledged side effects of losing, usually low to medium-skilled, workers. So, overall, labour migration is considered an opportunity for migrants and a potential benefit to the country in the long term. With the overall positively changing socio-economic context, increasing skilled employment opportunities at home, and overall industrial growth, reasons to migrate are considered to remain a temporary issue. Skilled migration to industrialised countries, including destinations in Europe, is therefore seen as having a high potential to create more benefits for Vietnam if managed at a medium scale.

By design, skills transfer and mutual learning from other countries of origin is prominent in the Vietnam PAM pilot project, and key stakeholders perceive skills transfer as beneficial. The in-principle importance of skills transfer, particularly through returning migrants from existing temporary labour migration schemes with Asian countries, which feature some built-in instruments to support returning contract workers, was highlighted by many interviewees. However, the experience with technical design and implementation of return programs for open-ended programs like the pilot project – such as incentive payments, civil society and, in particular, Diaspora networks, career and reintegration guidance – seemed somewhat limited.

4.2.2 Pre-departure Phase

The pilot program could build on long-term partnerships and investments in the TVET sector in general and the selected occupational profile in particular. Hence, the PAM pilot "development" costs for the VET program can be considered "marginal" in an economic sense, i.e., they were limited to adaptations and enrichments of already existing and tested cooperative vocational programs (previously implemented with German FDI companies in Dong Nai). During the implementation, operational costs are incurred for the use of machinery, consumables, depreciation, etc. For the metal cutting profile, this is certainly a relevant cost factor. While workshop equipment and material cost seem similar to Germany, the Vietnamese partner estimated the overall program cost to be about half of the cost of a similar program in Germany, indicating an overall benefit and comparative

advantage for implementation in Vietnam:

"But when the students who have already completed the program join the market, it is certain that the benefits will be much greater than the costs. And if the students go to Germany for training, for example, they need 35-50 thousand EURO to complete the training within two years. However, if in Vietnam, now I am building the program with only about 18-20 thousand EURO. The program we are building now is about a year and a half, so it costs less than 10,000." (V006, 79)

The institute also appeared to have the sufficient (possibly excess) capacity in terms of material and personnel resources, so no additional investment into these two cost positions needed to be made to realise the specific course at this small scale. This was indirectly confirmed by one official, who estimated the overall VET system to operate at about 75% of its capacity:

"Definitely yes, as we have spare capability, occupational education system now can train high-quality programs, meaning their capability is unprotested. The national scale has only trained about 2.5 million, 500.000 of which are in intermediate graduate school and about 2 million in beginner graduate school. In reality, we are only training at about 2/3 productivity, if the organising systems of occupation orientation for students after high school is good, then the occupational education system can completely take care of the demand." (V014, 10)

Apart from covering part or all of the developmental cost for the additional, non-VET modules, the project also decided to cover some positions typically charged to or provided by other sources. For the pilot phase, the cost of integrated language, soft skills and transcultural training is borne by the project. At the point of interviewing, it was not yet defined how these cost elements would be reallocated post-pilot. However, these elements, together with some administration and transportation costs will be subject to negotiations of prospective employers' contributions.

"It depends on how such a project is continued. I think it needs several rounds, more than just a pilot phase to really identify reliable partners. [...] It depends on who continues the program. Certain points would be distributed accordingly." (V016, 41-43)

The coverage for recognition of certificates and transportation costs to Germany had yet to be decided.

For the Vietnamese side, it was important to confirm the inclusive (of girls/women, poorer communicates, ethnic minorities) approach by means of ministerial approval before promoting it. To make it free and accessible for such groups but at the same time credible, it was important to promote it with an official quality "seal". As one stakeholder expressed it:

"In that program, students don't have to pay and have allowances during the course of study, and then they can go to Germany to work. Without the Prime Minister's approval, no one would believe that." (V006, 35)

Nevertheless, the expectation on the part of the Vietnamese stakeholders was relatively clear that redistribution of program costs will need to happen post-pilot or post-external project funding and that at least part of the cost could or should be borne by the students.

"When this program ends, I confirm [...] that LILAMA2 can train learners and students so that after graduation they can go directly to work in Germany. It shows that the training quality in Vietnam, especially at LILAMA2, ensures vocational training standards that allow entry into the global labour market. That's the thing I can confirm that those who want to go to Germany to

work after the project ends, should participate in this program and we will continue to implement this program. To ensure that, we will collect tuition fees from students, and not offer it for free as presently." (V006, 120-122)

This view was generally confirmed by national-level stakeholders, who considered students paying for programs at least in part both feasible and sensible to ensure the attractiveness of the program and sufficient commitment to the performance by the students.

"Actually, I don't think it's effective for students to study without fee. Because people don't pay, there is no motivation to learn it. [...] Payment is required. [...] don't give it all, people can just say yes and don't have to pay for it, what matters is the study spirit for people who want to go. [...] For example, people think this is a free program, so they get nothing from it [...] So you have to warn people, DON'T give it away. [...] At least including partial fee payment for student [...] It is an investment. When you pay for study, you know how to make a plan. If you don't pay, then you don't study, just come and play for six months or just leave when you're bored." (V001, 231-255)

As to the prospective contribution of German employers, expectations of the training institution were that these would and should shoulder the cost of training and preparation in Vietnam, but which cost elements and/or which concrete amount was yet to be clarified.

One expert in the field of labour export, but not involved in the pilot program, emphasised that the country of destination should bear the cost related to training for labour migration and the cost incurred by the country of origin prior to the specific labour migration program needs to be considered. Furthermore, social security costs in case of return at the retirement stage need to be considered.

"Germany wants us to train for them and send workers there, that's a different story. Germany has to invest to serve their demand, not Vietnam. Therefore, labour exporting countries like us are very disadvantaged because we are poor, have low wages, and have not enough jobs for workers, so we have to do vocational training to let workers go abroad to work. So, our country has to invest in training, workers go to work for foreign countries. We raise a person until the age of 20 and then teach them to study until the age of 25, they have a job. This process is extremely expensive but they go abroad to work. [...] For example, in our country, workers go to work abroad, then stay for the rest of their lives, that country has to take care of their pension insurance. However, if they go to work for 10 years and then return. At the youngest, healthiest time, they dedicate to foreign countries. When they are weak, they come back, the labour exporting country has to take care of their retirement ... that is a weakness that needs to be overcome." (V007, 50)

4.2.3 Arrival and Onboarding in the Country of Destination – Germany

This phase is currently outside the time horizon of the commissioned PAM pilot project. No concrete plans were in place yet. Other stakeholders that are not directly involved with the pilot program, but have gathered experience with accompanying or advising professionals in their migration path stated a lack of support for this crucial phase in the migration process.

"...it is also about supporting the professionals not only with the recognition, but also with further steps. Because we have also noticed that the bridge between Vietnam and Germany has not yet been taken over by any institution. This means, for example, that the skilled worker is very well looked after here in Vietnam, but when he or she comes to Germany to integrate, there is no authority or institution that looks after this. [...] And some professionals have difficulty finding accommodation, they first have to find accommodation via Airbnb or in a hotel and then they

look for a flat. Or the GEZ fee comes, and the professional doesn't know what it's about in German either and just throws it away – and then they get the reminder and so on." (V010, 42)

4.2.4 *Integration in the Country of Destination – Germany*

Longer-term integration measures were not the focus of the current pilot project partners, and stakeholder interviews did not contribute assessments to this dimension.

4.2.5 *Return and Reintegration*

Stakeholders of the PAM pilot project had no concrete measures planned to address the return and reintegration phase. Generally, expectations were that if migrants returned, the benefits for the individuals and the country of origin would be higher than in existing temporary labour migration schemes.

Skills investments are anticipated to generate a positive return in the long run. Such benefits are clearly expected by directly concerned stakeholders on the Vietnamese side, in particular in comparison to existing temporary labour migration schemes with Asian countries that tend to be based on lower-skilled labour.

“When returning, they have two options. One is to look for work in foreign enterprises, the country where you have worked that have investment enterprises in Vietnam. For the second option, then can go back and then continue to stay in those countries. When they return, they will have some advantages. For example, they know the language of the country they have gone to, they learned the culture, working style, and discipline of that country, so it is easy for them to find a job when they come back to Vietnam. And of course, when they go to work abroad, it's also easy because they already have experience, so they don't have to retrain.” (V006b, 186)

One of the key benefits mentioned by several stakeholders of the piloted program is that it is open-ended without a return obligation. Stakeholders acknowledged that the current tendency for labour migrants is to seek long-term, permanent work in the countries of destination:

“Well, most Vietnamese people want to go abroad to work and settle for a long time, but especially going to Germany, I'm sure 99% of people will work and stay, then look forward to working there in the long term.” (V006b, 227)

Long-term effects were mentioned in the interviews; however, the emphasis was usually on short-term economic costs and benefits (with a focus on income, employment, and human capital effects), underestimating non-economic and long-term effects. Those with personal experience from temporary migration schemes also mentioned non-economic costs such as psychological effects, e. g., stemming from the absence from the family. Regarding understanding cost-benefit distributions among stakeholders, most interviewees implicitly or explicitly referred to the general triple-win narrative. The relative distribution of costs and benefits or the level of distributional inequality was rarely highlighted.

4.2.6 *The Potential for Vocational Training in Making Labour Migration more Beneficial*

The principle potential for the development of enhanced integration of vocational training into migration schemes was recognised by almost all interviewees. The potential benefits were usually attributed primarily to the migrants and the receiving employers in the country of destination ("the different labour markets"), to which programs have to be tailored to match the demand. Even though high barriers exist in practice, all interviewed

persons' overall expectations were for positive contributions. Foreign language skills were often referred to as the biggest bottleneck for Vietnamese workers that want to migrate – particularly when it comes to German language requirements at the level required by the Skilled Migration Act. Table 2 below summarises the main barriers and potential for connecting skills development with labour migration in Vietnam.

Table 2: Main barriers and main potential of skills development for sustainable labour migration with Vietnam

<i>Vietnam-Germany transnational skill partnership</i>	
Main barriers to skills development	<ul style="list-style-type: none"> • Limited capacity of VET Institutes and system to train for a “dual track cooperative GSP” model at a large scale – particularly in finding sufficient in-company training places/firms for practical training. • Currently unknown “willingness to pay” of future German employers to contribute sufficiently and with a long-term perspective to the operationalisation of the model. • German language training and assessment capacity in Vietnam.
Main potential for skills development	<ul style="list-style-type: none"> • Option for moving from “Type 0” to establishing multiple managed and mutually beneficial mobility pathways of Types 1-3. • High potential to establish sustainable medium-scale “dual track cooperative GSP” programs with full recognition of qualifications in selected VET professions. • Medium-term potential for an increase in private sector-led initiatives that only require “start-up” accompanying technical and financial assistance

Regarding mutual learning and the “import” of VET system elements from Germany to Vietnam, the Government of Vietnam has a clear policy and actively committed substantial resources to operationalise such learning and transfer from German VET institutions. Several interviewees identified sound expectations management as a precondition for implementing VET-partnership or GSP models. Despite its complexity, the potential of VET-partnership or GSP models was recognised as increased skill levels are expected to increase migrant agency, which is expected to generate increased benefits.

The generally complex process of skills recognition was highlighted by interviewees in Vietnam and confirmed by relatively low numbers of Vietnamese professionals succeeding in achieving full recognition of their certificates despite two dedicated German-funded projects (ProRecognition and Hand in Hand for International Talent). In the specific case of the PAM pilot project, preliminary assurance by a German Chamber involved in the transfer project for possible full recognition of graduates from that profile was already in place before the start and constituted a key selection criterion for the chosen pilot approach. The Vietnamese side's expectations were clearly towards a quasi “automatic” recognition due to previous assurances by German Chamber partners, but legally, each applicant will still have to go through an individual recognition process after graduating with the Vietnamese certificate.

The systemic differences in both VET systems (school-based in Vietnam and company-based in Germany) and curricular differences have been mainly overcome by the explicit transfer efforts before the pilot. However, despite the chosen adaptive process, this effectively meant a “one-way” transfer of key elements of the German dual system into the Vietnamese system, including occupational or training standards. In the process, there did not appear to be any built-in learning or adaptation efforts on the part of the German VET system.

4.2.7 Stakeholder perceptions of the underlying partnership

In Vietnam, the core partnership consists of the Department for Vocational Education and Training (DVET) of MoLISA, the LILAMA2 College and the GIZ TVET Program with the linked PAM project. The understanding and definition of partnership appear to be influenced by the mode of operation of bilateral development cooperation, i.e., a differentiation between political partner, implementing partner and others. Agreements or Governmental (Prime Minister) approval was key to the foundation of the formal partnership. Operationally, MoUs are the instrument of choice to agree on further details with the core partners and later extended partnership members or other “actors”.

“Regarding the partners: we would not be assigned to the GDVT as a program if we did not have the education component as an essential part of regular development-oriented labour migration. That's why it's essential for the partner. If this component were missing, we would be assigned to a completely different unit in the Ministry of Labour. [...] As I understand it [...] with regard to other cooperations on skilled labour migration, I think there is even more emphasis on providing training locally. Because often skilled workers who emigrate to other countries, like now to Japan, don't get these opportunities for career development because everything that happens in terms of certificates in the country is not recognised and not registered. [...] At country level – or at component country level it is Vietnam – it is MOLISA and then DVET, and the LILAMA College. Then we try to involve other actors as well. [...] I think companies will play a more important role in the next project phases. Companies in the country, companies in Germany. And in MOLISA, depending on how such a project or skilled labour migration cooperation between Germany and Vietnam would be structured, the responsible unit in MOLISA might no longer be DVET but DOLAB. We are now trying to keep them in the picture, because we have the migration component within the framework of our project.” (V016, 83-85)

Interviewees pointed to the importance of partnership as a precondition for sustainable labour migration programs. It seems that the complexity of partnership is generally underestimated. Empathy and trust have developed over a long period of cooperation in the VET sector before the pilot program. It is also expected, but not guaranteed by the main funder BMZ, that there will be a follow-on phase, which will then, in part, replicate and continue operations relating to the next migration phase of the first batch of students.

Statements of core stakeholders confirm the need for a long-term partnership that grows and extends to further partners over time, particularly when it comes to cooperation with the private sector.

“It depends on how such a project is continued. I think it needs several rounds than just a pilot phase to really identify reliable partners.” (V016, 41)

Stakeholders from Vietnam usually wished for governmental-level bilateral agreements on labour migration (BLMAs) to formalise the scope of the overarching cooperation at an appropriate level. Often, historical reference was made to the bilateral agreement with the GDR during the 1980s. At times, the wish for mutual recognition of professional

qualifications agreements was also mentioned or hoped for, as is in development within the ASEAN region. Concerning one of the early pilot projects to recruit graduated or graduating nursing professionals for apprenticeship training and work in Germany, one expert involved emphasised the interest on the part of the Vietnamese government to enter into a more formal – governmental-level – agreement:

"It's called an agreement, if based on the sense of an agreement, it's not an agreement yet, but it's called a joint statement or letter of intent. Referring to these documents in 2015, that is, after more than two years as a pilot project [...] a joint statement and letter of intent have been signed. But this is a common framework showing the goodwill of the two sides in cooperation in this field, not a government-level agreement, between representatives of MOLISA and the German Ambassador. Regarding the agreement, it must be made clear that this is also the intention of the Vietnamese side, which has been proposed many times to the German side. The Vietnamese side has always wanted a government-level legal framework. At least at the ministerial level of the management function on labour migrants between the two countries to create a legal framework to carry out this activity in a more methodical and quality manner, which the Vietnamese side has not yet met. Vietnam has proposed to the German side many times, as far as I know, but the German side thinks that everything should be done according to the law, there is no need to sign an agreement. But the law of Vietnam and the law of Germany besides the similarities, are different. It is better that the two countries should have an agreement, this has not been achieved, of course, it depends on the situation, and other factors [...] I also think that, firstly, in the current context, if the two sides do not take the necessary next steps, they will miss opportunities for cooperation in various fields. And if we do it in a floating way like today, it even brings many unnecessary negatives." (V015, 26 and 34)

This view on the hope for and expected benefits of a more formalised government-level partnership was equally taken concerning the PAM model when introduced.

4.2.8 Stakeholder Perceptions of Sustainability

Across most interviews, arguments connected to sustainable labour migration referred to the balance and distribution of economic costs, the positive impact for countries of origin stemming from remittances, potentially returning migrants and skills transfer. For Vietnam, concrete benefits could already be realised – such as skills transfer through the VET cooperation and by increasing the attractiveness of the chosen profile of metal cutting for future VET students. For Vietnamese stakeholders, the focus on skilled migration matching international labour market demands and proper social security framework conditions were key factors mentioned for sustainability.

5 Recommendations

The Vietnamese and German governments have committed to the goals and principles of the GCM. The guiding principle of Germany's future approach towards Vietnam should be establishing a more formalised partnership and specific overarching transnational governance framework for implementing key elements of the GCM and facilitating a long-term partnership to create sustainable labour migration pathways. As a point of departure, a government-level agreement on joint long-term goals, targets, and minimum standards could be concluded to enable the further development of these specific pathways flexibly and decentralised.

From the limited analysis of this study, it also appears that Vietnam still has much potential to leverage more strategically the synergies of different sector policies (vocational training, migration, industrial and social development) when it comes to

increasing the benefits and sustainability of outward labour migration for Vietnam. To realise such potential, more and continuous learning, collection of data and concrete evidence of the actual social and economic costs as well as actual and potential additional benefits of different forms of labour migration will be required. To realise such learning and turn it into a strategic approach domestically, inter-departmental dialogue formats could be established between concerned sector ministries and agencies on sustainable labour migration models. These exchanges could include MoLISA with its TVET and Labour Migration departments, the Ministry of Trade and Industry and the Ministry of Natural Resources and Environment. Key to this dialogue and process could be to identify and prioritise areas with a high potential for synergetic development between Vietnamese stakeholders as well as transnational stakeholders in Germany, Vietnam and possibly other supporting countries of destination.

Since 2013, with the publication of the “Strategy paper of the Federal Government on international vocational training cooperation from a single source” (Die Bundesregierung, 2013), the German government has attempted to follow a “whole of government” approach in the field of international vocational training cooperation. This strategic approach was re-emphasised with the 2019 updated “Strategy of the Federal Government for international Vocational Education and Training Cooperation” (Die Bundesregierung, 2019). The strategy covers all aspects of vocational education and training cooperation, including the “export of German VET services” (which could more comprehensively be addressed as trade in education services). Unfortunately, it does not mention or cover explicitly or implicitly the area of labour migration. A key recommendation at the German policy level would be to revisit the 2019 strategy to explicitly include the different pathways of skilled migration of the Skilled Migration Act (FEG) as part of the goals and governance structure of the strategy and the respective mandate of its implementing actors.

Stakeholders across the board have emphasised German language skills as one of the critical bottlenecks to increased awareness of possible VET and labour mobility pathways between Vietnam and German and successful participation in such mobility schemes. The earlier teaching German as a second or third language is integrated into the general Vietnamese school curriculum, the better the prospects for potential apprentices to choose one of the available migration pathways to Germany rather than other competing industrialised countries. For this to happen, Germany will need to keep increasing the network of competent local German language teachers – through the Goethe-Institut or other programs – at a much larger scale than is currently the case in Vietnam.

The research has also confirmed the high importance of accessible, transparent and targeted information on the different and complex mobility and labour migration pathways, emphasising the need for such information to be readily available to stakeholders from Vietnam. It is recommended to focus on enhancing the institutionalised availability of such information in the Vietnamese language with a particular focus on using existing officially curated platforms such as “Make-in-in-Germany”, “Anerkennung-in-Deutschland”, and “Deutschland.de”.

As a general recommendation, preliminary findings call for more and earlier incorporation of – in particular, destination country – private sector companies and/or their business membership organisations into pilot project design and governance structures. Such private sector participation will also be a key facilitating factor in mobilising private sector actors in the country of origin. They need to be aware of the potential benefits for its sector

development and play a crucial supportive role in "dual track" mobility programs. Internationally oriented private German providers of education and training services can also play a significant part in establishing sustainable cooperation models. Training institutions in Vietnam hope to improve their image through co-operation with German partners, and Vietnamese stakeholders generally hope that the country gains competence through qualified returnees. At a recent I-MOVE matchmaking event, German providers that can facilitate the recognition process in Germany through their accreditation for specific occupational profiles and can arrange concrete apprenticeship places were in particular demand (Bundesinstitut für Berufsbildung [BiBB], n.d.b; Kassberg & Dornberger, 2022).

6 Conclusion

Vietnam and Germany have a long and complex history of transnational relationships. Along with Vietnam's impressive economic development, these relations have intensified not only in the economic and development cooperation spheres but also in technical education and other fields. Findings of this study show the high potential and favourable framework conditions that Vietnam has to offer when it comes to establishing sustainable labour migration pathways with Germany. The Vietnamese government has expressed a clear interest in stronger cooperation with industrialised countries like Germany in this field. Germany is clearly viewed by all concerned country of origin stakeholders as an attractive country of destination – given its highly developed social protection and labour standards system and the options for open-ended residency. However, in reality, persisting bottlenecks (German language teaching capacities, recognition of Vietnamese vocational certificates) prevent Germany from becoming a destination of choice rather than a chance for skilled labour with a vocational professional degree or background.

Already established small-scale initiatives indicate opportunities for all three types of labour mobility pathways existing: recruiting youth for apprenticeships and subsequent skilled work, recruiting and recognising skilled professionals' certificates for direct work contracts, and setting up initial vocational education and training programs with a dual-track approach. While the latter has the highest potential to be comparatively more beneficial than other approaches, pursuing and supporting the scaling up of all three pathways in parallel will have additional, mutually reinforcing and supporting effects.

The potential for benefits over and above those already realised by existing skill partnerships appears high, especially considering the favourable framework conditions specific to the long-standing German-Vietnamese relationship. If the potential of well-managed skill partnerships is realised, such sustainable models of skilled labour migration can serve as a unique selling point in the international competition for skilled labour.

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The Diagnostic of Skilled Migration between Algeria and Germany: The Osmosis Theory Analysis

Samir Djelti¹, Yasmine Musette², Hafida Lahmeri³

Abstract

The aim of this paper is to diagnose skilled migration between Algeria and Germany in the context of the global race of talents. The osmosis theory of human migration has been adopted to demonstrate that skilled migration is not significantly different from global migration movements. Moreover, the results have shown that migration between the two countries is guided by the natural determinants of human migration. In the same vein, borders permeability diagnostics have shown that networks are weak and control policies are severe. Despite this low selective permeability, expectancy of young Algerians to migrate to Germany is very important. This paper has been concluded by an overview about the evolution of German language learning in Algeria, which can be an efficient tool to strengthen migration networks and, consequently, make borders more permeable and skilled migration more beneficial.

Key Words:

skilled migration, Algeria, Germany, osmosis,

1 Introduction

The Fragomen (2022) report estimates that skills and worker shortages have increased from 40% in 2006 to 75% in 2022. A skilled workforce is the most important production factor. It is, thus, a root driver of economic growth, competitiveness, and innovation. These facts make skilled migration a necessity to cover skilled work shortages and offset the negative effects of skilled work ageing. According to this same report, education, health, and governments are the most concerned by this shortage, followed by IT and technology, manufacturing, banking and finance, wholesale and retail trade, restaurants and hotels, and construction.

This situation has increased in complexity during and after the COVID pandemic, a fact that has forced employers to develop new ways to engage skilled workers. The acceptance of remote workers has exploded during the last two years. Before the pandemic, 70% of work was established in the office, 20% was hybrid, and only 10% was remote, but after the pandemic, only 19% of work is in the office, 57% hybrid, and 24% is remote (Fragomen, 2022). Such a situation has influenced even migration policies, which have been more relaxed in order to facilitate skills migration.

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In this context, attracting and retaining talents has become a priority of the political agenda of developed countries. Nowadays, attraction of talents has evolved into a race or a war of talents. "Countries that do not join the global competition for highly skilled migrants risk lagging behind" (OECD [The Organization for Economic Cooperation and Development], 2023a). According to the OECD, the best countries for global talent are New Zealand, Sweden, Switzerland, Australia, and Norway. In the same vein, the most attractive countries for entrepreneurs are Sweden, Switzerland, Canada, Norway, and New Zealand. Regarding international students' attraction, the United States, Germany, the United Kingdom, Norway, and Australia are the best.

More precisely, Germany is ranked number 15 among the most attractive OECD countries for highly qualified workers according to this report.

"The new health dimension, introduced as an optional dimension in the Talent Indicator framework (...), generally results in an improvement in the ranking by between 2-5 places for the Nordic countries, Austria, Belgium, German, Italy, and the Netherlands" (OECD, 2023a).

In comparison to the last OECD ranking, this new one highlights the effect of the adopted reforms in migration policies on their effective performance.

"While countries such as the United Kingdom have implemented more favorable policies for qualified workers, other countries have introduced stricter conditions for international migrants, such as higher student fees for international students in France and more strict capital requirements for entrepreneurs in Canada and New Zealand. Migration policy reforms have important impacts on the relative talent-attractiveness of countries which is reflected in the OECD Talent Indicators" (OECD, 2023a).

Because of their weak economic performance, limited opportunities, and high unemployment rate, especially for the young educated, Africa skilled migration outflows are very important. Increasing from 0.7 to 3.6 million, the number of skilled Africans living and working in OECD countries has been multiplied by 5 between 1990 and 2015 (OECD, 2015). More precisely, the five largest source countries for African skilled emigrants in 2015 were Morocco (470,593), Algeria (369,518), Nigeria (367,233), Egypt (256,393), and Kenya (137,745).

Algeria has been concerned by the emigration of talents, especially to France and Spain, because of the historical colonial ties and the geographical proximity. Nowadays, new countries without historical ties and from distant continents are seducing and attracting Algerian talents. Like the majority of developed European countries, the

German labor market needs skilled workers. Compared to the countries cited above, Germany is geographically very close and more connected to Algeria. This begs the question: What is the reality of skilled migration between Algeria and Germany and how can it be optimized? Before answering this with rationale, it is necessary to know how skilled migration can be diagnosed.

In order to analyse skilled migration between Algeria and Germany, the osmosis theory of human migration has been adopted to demonstrate that skilled migration is not significantly different from global migration movements. In practice, the results have shown that migration pressure in Germany is more than twice that of Algeria, a fact which demonstrates that skilled migration is guided by the natural determinants of human migration and shifted by opportunities and selective migration policies. In the same vein,

a borders permeability analysis has shown that networks are weak and control policies are severe. Despite this low permeability, expectancy of young Algerians to migrate to Germany is very important. An overview of German language learning in Algeria has been presented as a tool for an efficient migration policy.

2 Migration Theories and Skills

The migration of labor is directly linked to the economic causes and consequences of migration on the economies of both origin and destination countries. The economic theories of migration at the micro and macro levels have provided some answers to these questions. In the following, we will present them from the micro to the macro levels of analysis.

In economics, the neoclassical theory has explained the decision of migration at the microeconomic level. The first theory defined it as an investment in human capital (Sjaastad, 1962). According to this economist, migration is a result of rational analysis that compares the costs of migration to its benefits. He advanced that, on the one hand, potential migrants choose destinations that maximize the net value of expected future income. On the other, this destination should minimize the direct and indirect costs of migration.

Later, the model proposed by Lewis (1954) and improved by Harris and Todaro (1970) theorized internal migration between the traditional agricultural sector and the manufacturing sector. This migration of labor, or rural exodus, tends to stimulate the economic development of the country. Despite the differences between the two theoretical models, they have both considered the individual decision of migration as a simple cost/benefit calculation leading to the development of the manufacturing and the agricultural sectors of the region.

At the macroeconomic perspective, the global systems theory (Wallerstein, 1974) connected migration to the development of the capitalistic system, characterized by the global market. Essentially, the economist has divided the world into multiple migration systems. Each system is characterized by a core connected to its semi-peripheral and peripheral regions. The economist believes that unlike migration, flows of goods, services, and capital tend to move from the core to the peripheries. This mobility is driven by the search for "land, raw materials, labor, and new consumer markets" (Massey et al., 1993).

The theory of the dual labor market (Piore, 1979) has predicted that the causes of immigration are not summarized in the repulsion factors in the origin countries, such as low wages and unemployment. According to him, attraction factors in the host countries, summarized by a chronic and inevitable need for foreign workers, represent the main cause of migration (Massey, 1993). This theory is based on the observation of migration flows that have been compatible with the characteristics of labor demand in the destination countries. According to the author, the wage is not only a price of labor, but also a measure for the social hierarchies of employees. Specifically, when there is a shortage of work at the bottom of the social hierarchy of labor, employers will directly recruit migrants. Entrepreneurs will avoid workers of high social status in order to pay low wages.

Unlike the previous theories, the New Economics of Labor Migration developed by Stark & Bloom (1985) does not consider that migration is based on individual decision, subject to

push and pull forces, or the result of both forces. Rather, the decision to migrate is made by the family. The authors suggest that in order to climb the ladder of relative privation, the family decides to choose one of its members for migration under an implicit contract. Specifically, family members help the migrant to settle in the host country, and once stable, it will be his or her turn to return the favor. The migrant must transfer money to help his or her family members who remain in the country of origin to achieve relatively less deprivation and climb the social ladder. This theory has led to the resurgence of the migration and development subject and an explosion of literature on the subject during the 1990s.

3 The Global View Methodology

An overview of the economic theories of migration shows that there is a complementarity between them, especially if we consider sociology, geography and theories from the other disciplines. Such theories and their practical literature are in osmosis, which is why a general comprehensive framework is a must in order to organize them and reduce confusion, e.g., the classification the types of migration and the levels of analysis regarding the subject of labor migration. Specifically, the individual decision theory of migration is an economic theory that deals with the micro level of analysis but does not encompass labor migration. In other words, an economic theory of migration can address skilled migration, but skilled migration is not fully addressed by economic theories. A forced migrant, a climate migrant, an irregular migrant, or a temporary migrant can also be a skilled migrant. In this case, the decision is not economic at all. Thus, by only using an economic theory, migration in general, and skilled migration in particular, can never be understood, measured and forecasted. That is why a unified theory is needed. To do so, the methodology has to be rethought.

The majority of the existing migration theories are based on the same methodology. They observe individuals or the societies in which they are a part of, formulate hypothesis that are related to their specific disciplines, analyze limited samples and try to conclude general rules. Gathering this huge number of literature and comparing their results is impossible.

The global view methodology has tried to take the opposite approach. Imagine you hold the globe in your hands, and you can observe human mobility through time and space. Once the general flow of mobility is understood, a zoom can analyze the special cases of migration between continents, countries, and cities, down to the individual decision of migration.

In practice, Djelti (2017a) has conducted an evolutionary study on human migration based on the Haidt (2012) timeline. The evolution of human migration has been divided into two major periods: simple and complicated migration. Simple migration, representing more than 99% of human evolution, has been derived by the natural determinants of human migration, namely water, climate, security and population density. Using the osmosis logic, the natural determinants of human migration are used to estimate migration pressure. This is the major force that guides migration worldwide. The permeability of borders has regulated migratory flows and impacted migration pressure, especially during complicated migration.

Using the global view methodology, a zoom on a special migratory flow has been diagnosed. Based on this observation and a highly speedy outflow of migration from Afghanistan (Djelti 2018b) and from Syria (Djelti 2018a), using the same analogy, the forced migration theorem has been developed and the trajectories of migration forecasted. Following this methodology, a zoom can focus on a city, a village or a person.

In this article, the global view methodology is used in order to zoom in on skilled migration between Algeria and Germany.

4 The Osmosis Logic of Skilled Migration

The theory of osmosis is an explanatory approach related to the biophysical phenomenon in which water ions move from a cell with low migratory pressure towards a cell with higher migratory pressure through a semi-permeable membrane. According to the analogy proposed by Djelti (2017b), humans migrate from a country with low migratory pressure to one with high migratory pressure. In this analogy, countries represent cells, humans represent water, and borders represent the semi-permeable membranes.

The second principle of thermodynamics is usually used to measure osmotic pressure through the number of molecules, temperature, the ideal gas constant and volume. These variables have been spontaneously replaced with the natural determinants of human migration. Empirically, this model has shown that individuals migrate from countries with low migration pressure to countries with high migration pressure. In addition, borders permeability is defined as the outcome of two contrasting factors: migratory networks and control policies. In general, the osmosis theory considers permeability as the regulator of migration and migration pressure as its engine.

Migration theories have not offered an explanation for skilled migration, whereas, like forced and colonial migration, the osmosis theory offers an explanation for this particular migration. According to this logic, skilled and unskilled migration are derived from migration pressure, calculated by natural determinants.

Regarding borders permeability, networks also represent the bridge for skilled and unskilled migrants. Unlike migration pressure and migration networks, control policies have divided migration into skilled and unskilled. The skilled migration concept is strongly correlated with selectivity. In practice, introduced visa policies by the destination countries has really divided the origin population into those who are authorized to move and those who are obliged to stay home.

To sum up, on the one hand, the destination countries are reserving more attraction for skilled migrants in the context of the current international race for talents. On the other hand, the skilled population is more sensitive to migration because of their qualifications. This is also because they are aware about what the selective migration policies can offer to them.

5 Algerian Labor Market Indicators

Before introducing the Algerian labor market, a brief note on the global context of the economy and demography is of high importance.

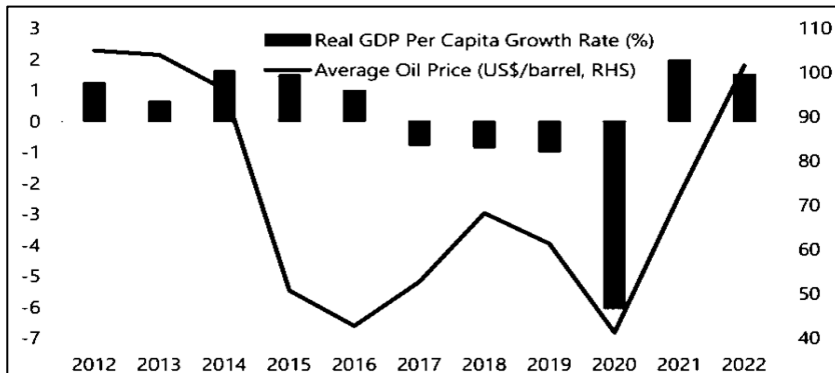


Figure 1: GDP per capita (Algeria) (Source: International Monetary Fund, 2023)

Like the majority of countries, the Algerian economy remains on a path of recovery following the impact of the pandemic, in addition to increasing inflation and the potential for a worldwide economic slowdown (International Monetary Fund, 2023). The Algerian economy is known to have an important dependency on the oil sector. An important number of studies have analyzed the Algerian economy using the frameworks of the Dutch Disease (Benabdellah, 2006), the curse of the natural resources (Chekouri et al., 2017) or even the theory of voracity (Chibi et al., 2022).

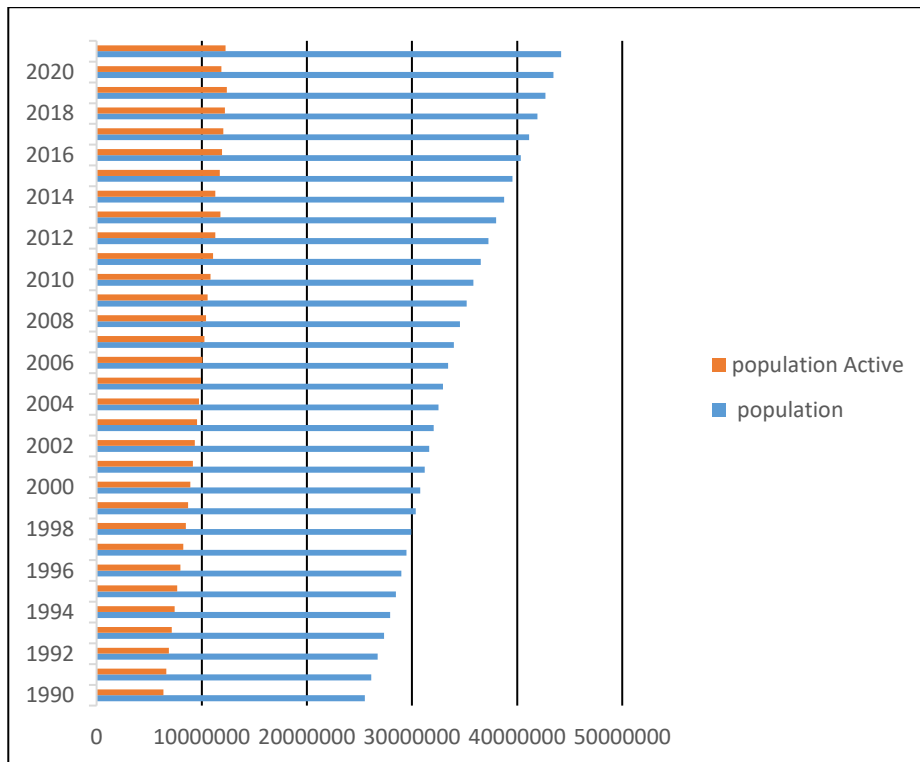


Figure 2: Population Growth and Labor Force (Algeria) (Source: World Bank, 2023)

According to the World Bank statistics, the evolution of population growth has known a long increase even during the black decade⁴ and the Covid pandemic. The population reached 44.17 million in 2021. In parallel to this increase in population growth, the active population in Algeria has increased from about 11.8 million in 2020 to 12.6 million in 2021. It is worth mentioning that the population pyramid of Algeria is characterized by a large base, which means a dominance of young people. In 2021, 0–14-year-olds represented 30.71% of the population, 15–64 represented 63.11% and 6.18% are more than 65 years old (countryeconomy.com, n.d.). Such a population pyramid means that even during the coming decades, young people will continue to dominate, and consequently, the active population will be more and more important.

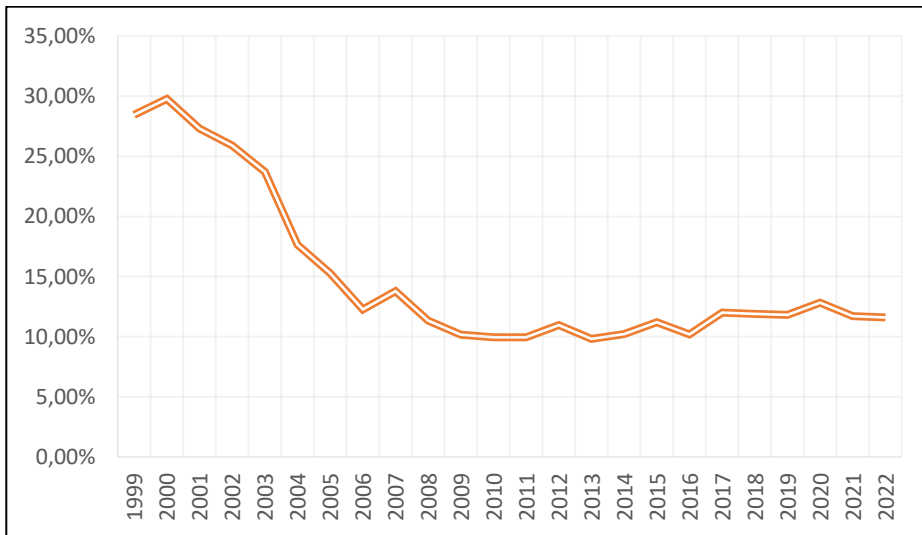


Figure 3: Unemployment rate evolution (1999-2022) (Source: World Bank, 2023)

Figure 3 shows that the unemployment rate in Algeria reached 11.6% in 2022, 12.83% in 2020, and 11.81% in 2019. In the same vein, Figure 4 shows that the unemployment rate in 2019 was characterized by a high level of educated people. It is clear that 17.40% of unemployed people have a higher education level, followed by those who have an intermediate level of education at 11.80%. In the third position comes the category of people with a secondary level of education at 10.60%. Only 6.80% are those who have a primary education level.

⁴ Armed conflict in Algeria against terrorism with a low level of security between 1990 and 2000.

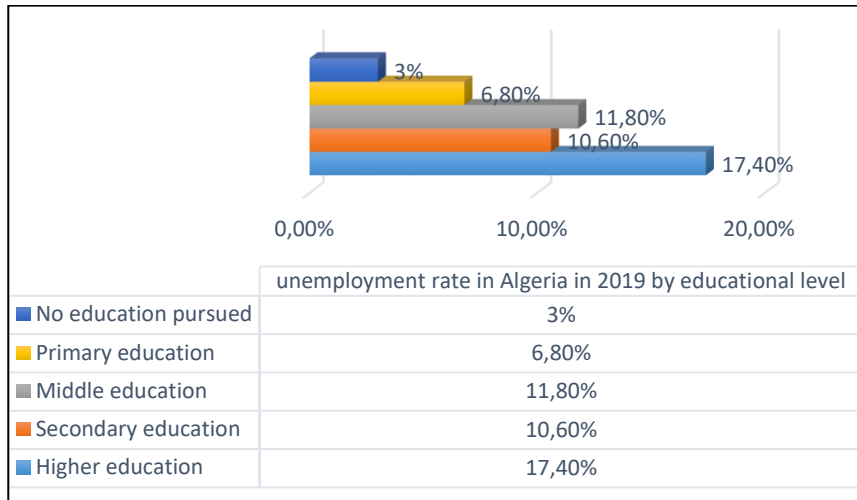


Figure 4: Unemployment rate in Algeria in 2019 by educational level (Source: Statista, 2023)

In April 2021, more than a third of jobs registered in the National Employment Agency were in the service sector and a bit less than a third were in the industry sector. In the same vein, the majority of employment supply is provided by the private sector. Similarly, most of National Employment Agency placements during the month of April 2021 were in the service sector and industry (ANEM, 2021). According to the same agency, the main reasons for rejecting the other sectors' job offers were related to the private sector, which is rejected by unemployed persons due to weak remunerations (ANEM, 2021). Moreover, a quarter of the available job applications come from university graduates, followed by middle school and just under a quarter from secondary school (ANEM, 2021).

6 Algerians Abroad

According to UNDESA (2019), more than 90% of Algerian migrants are living in high-income countries, predominantly in the most developed regions of Europe and North America. Specifically, over 80% of them are in Western Europe. However, approximately 5% of people from Algeria are living in the less developed regions or Northern America. In addition, over 4% are living in Southern Europe or other less developed regions, excluding the least developed countries. Moreover, just 2% of the population resides in either Asia or Africa. Furthermore, a minority of this population can be observed in the middle-income countries, Northern Europe, or Northern Africa (UNDESA, 2019).

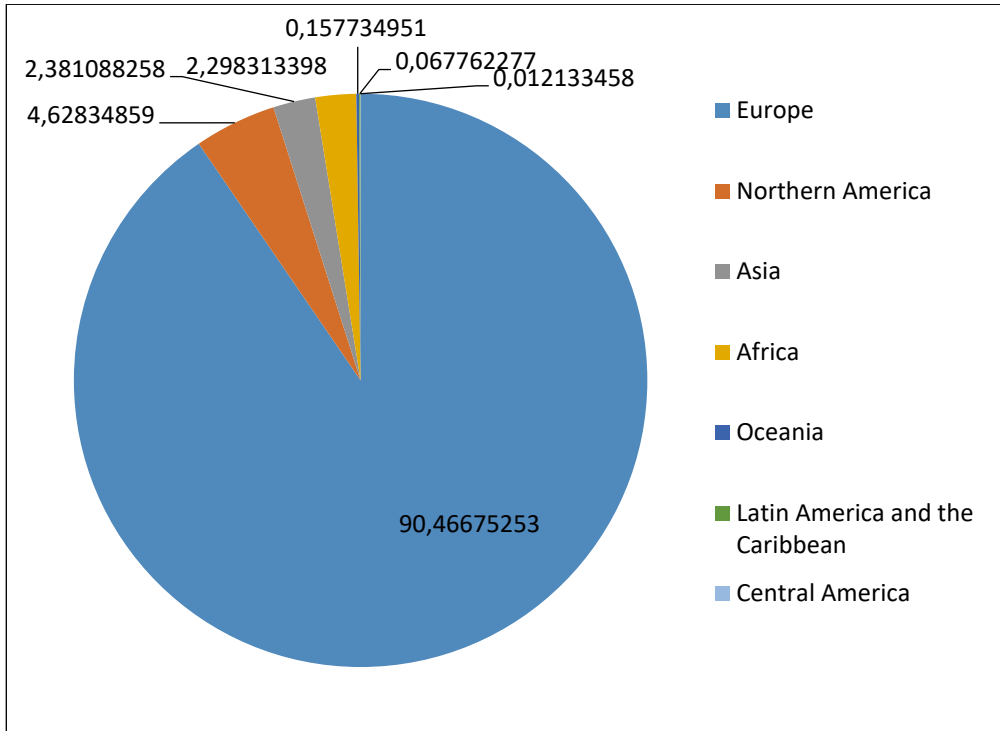


Figure 5: The Top Destination Countries of Algerian Migrants (%) (Source: Designed from UNDESA, 2019)

Based on the OECD data presented in Table 1 the top 10 countries hosting the highest number of people born in Algeria are as follows: France, Spain, Belgium, Italy, Israel, Switzerland, the Netherlands, Sweden, Australia, and Austria.

Countries	People born in Algeria
France	1,397,407
Spain	58,981
Belguim	27,971
Italy	21,488
Israel	12,510
Switzerland	10,231
Netherlands	4,201
Sweden	3,471
Australia	1,730
Austria	1,553

Table 1: The countries with the highest number of people born in Algeria (Source: OECD, 2023b)

It is important to mention that the OECD statistics show that among the top ten countries of destination, Germany does not exist. We need to examine migration between the two countries in order to understand the reasons. In this respect, the Global View Methodology and the Osmosis model are used in order to diagnose flows between the two countries.

7 Global View on Migration between Algeria and Germany

Based on the osmosis logic of skilled migration, the map in Figure 6 has been presented. Empirically, we have calculated migration pressure based on the following model:

$$\text{Mig press} = \text{Water} \times \text{Climate} \times \text{Security} / \text{Population Density}$$

Based on the UNDESA and the World Bank data, we have compiled data on the natural determinants of human migration and calculated migration pressure in the North African and European countries. In practice, we have revisited the osmosis model (Djelti, 2017b) and improved it. Water is calculated by cubic meter and climate by average temperature presented in degrees (we have supposed that 27° is the perfect temperature). For security, we have revisited the model and used life expectancy. Such proxy is more significant regarding security than the number of conflicts used in the initial model (Djelti, 2017b). It can also be very sensitive to genocides in the case of armed conflicts, or death in the case of natural disasters.

The map in Figure 6 shows that the average of migration pressure in the North African countries is about 20 and about 50 in the selected European countries, a fact that confirms the existence of an important difference between migration pressure in North Africa and Europe. The migration engine is then highly active.

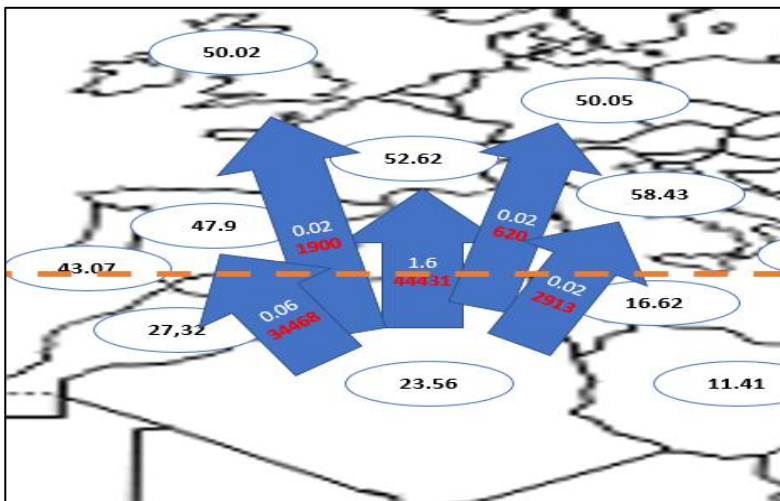


Figure 6: Migration pressure and borders permeability in North Africa and Europe (Source: Authors' elaboration)

Regarding the regulator of migration, borders permeability is the result of the two inversed forces: migration networks and control policies presented in the blue arrows. In practice, we have used migration stock as a proxy to measure migration networks. The map shows that 20,000 Algerian people are working and living in Italy, Germany and the United

Kingdom, 60,000 Algerian people live and work in Spain, and 1.6 million Algerian people are living in France. For control policies, the number of issued visas has been used as a proxy. Germany issued only 620 visas compared to France with 44,431 in 2022. In the same vein, 1,900 visas issued by the UK, 2,913 by Italy and 34,468 by Spain.

Based on the used proxy, France has the strongest networks with Algeria followed by Spain and Germany, Italy, and the United Kingdom. Likewise, France has the least restrictive control policy, followed by Spain, Italy, the UK, and Germany.

The diagnosis has shown that the lack of borders permeability, especially due to control policies, are asphyxiating migration from Algeria to Germany. This severe control policy affects skilled migration particularly negatively because of the absence of a sophisticated selective pump and because of the unskilled irregular migrants that have found leaks to enter Germany.

The figure bellow confirms the predictions of the osmosis model. France is the main destination of Algerian migrants with 22,752 migrants, followed by Spain (5,107), Canada (3,593) and Germany (2,856). The osmosis model has also considered distance as an important variable, but we have observed the entrance of Canada and the USA in the talents race and their high capacity to shift Algerian skilled migrants. Their selective migration policies are then efficient, with a worldwide influence.

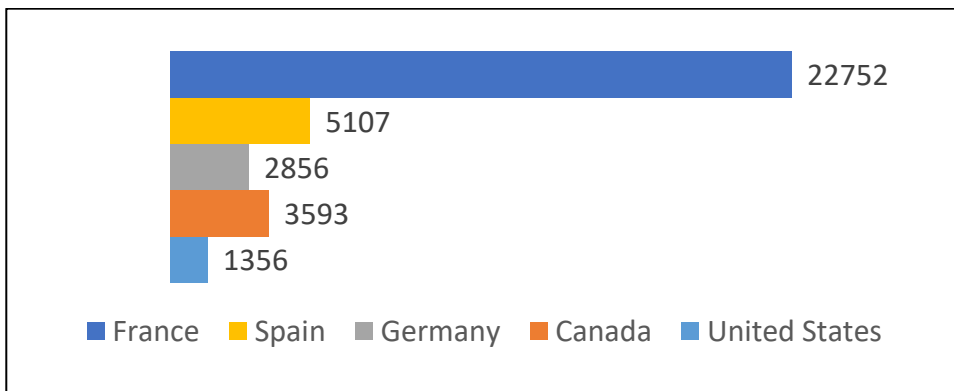


Figure 7: Migration flows from Algeria to OECD countries (2000-2020) – Top five countries (Source: OECD, 2023b)

Following the global view methodology, we have zoomed on migration between Algeria and Germany. The available statistics have shown that after a considerable increase of bilateral migration before 2001 (OECD, 2022), migration from Algeria to Germany was deeply influenced by the September 11 attacks. Following September 11th, the decrease in migration continued for five years between the two countries. Comparatively, Spain had a decrease of only two years, Canada continued to receive Algerian migrants and USA, the most affected country, has registered a very slight and short decrease. The flexibility of migration policies is then very important in managing skilled migration.

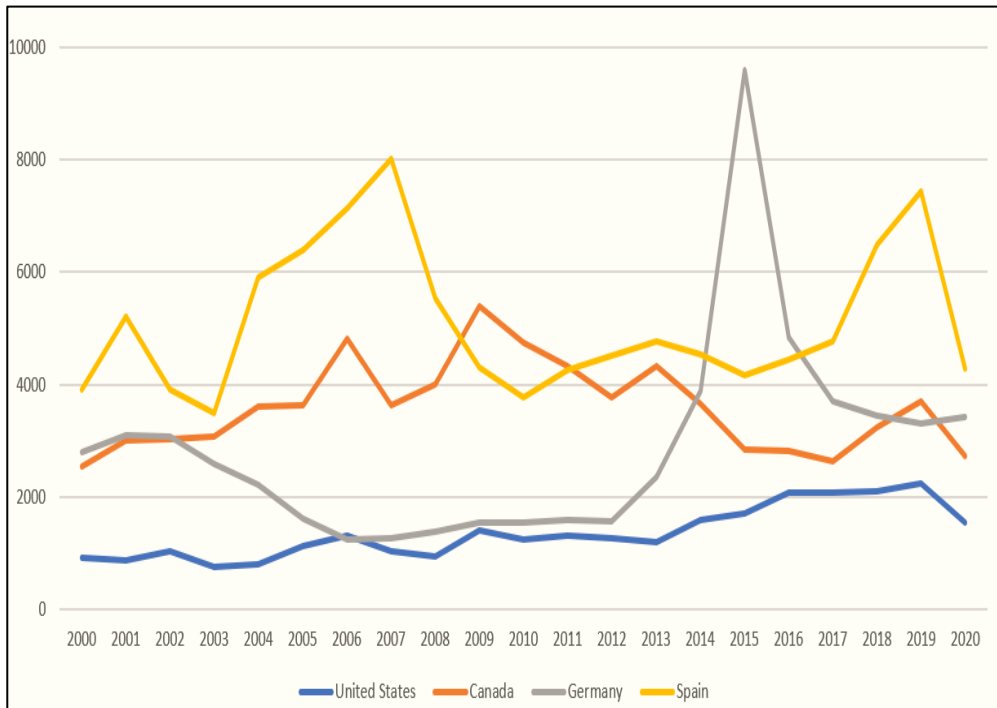


Figure 8: Migration flows from Algeria (2000-2020) (Source: OECD, 2022)

In Germany, between 2006 and 2012, a slight growth is observed, and after 2012, the migration curve registered a peak of more than the double of migration in Spain in 2015 (OECD, 2022). Among other reasons, the family reunification programs in Germany and visa liberalization, based on relaxed visa requirements for Algerians, are the most important. More precisely, the blue card scheme, launched in 2012, has offered for highly educated and skilled non-EU candidates opportunities to live and work in Germany.

8 A Zoom on the Expectancy of Migration from Algeria to Germany

In 2013, a survey was conducted with eight hundred students at the University of Mustapha Stambouli Mascara-Algeria (Djelti, 2014-2015). The sample considered the different levels and covered the six faculties of the university. The results showed that 17.1% of students expected to migrate after finishing their studies. In addition, France is the main destination of students desiring to migrate, followed by the USA, the UK, Golf countries and Germany. The majority of students expecting to migrate to Germany are bachelor and master students. In the same vein, networks, accessibility to a visa, language and distance are the main determinants of the destination countries of choice (Djelti, 2014-2015).

Country	University Degree			Total
	Bachelor	Master	PhD	
France	40	28	12	80
USA	8	5	0	13
United Kingdom	8	4	0	12
Gulf Countries	6	4	0	10
Germany	7	2	0	9
Spain	5	2	0	7
Australia	3	0	0	3
Italy	2	0	0	2
Asia	1	0	0	1
Total	80	45	12	137

Table 2: The top destinations of the Algerian students (Source: Djelti, 2014-2015)

In addition, the SAHWA survey (SAHWA, 2015), conducted with 2,000 young Algerians has revealed that 25.7% desire migrating, 4.7% are undecided and 69.6% want to stay. Regarding the choice of the destination countries, France is the first choice for 38.2% of young Algerians aspiring to migrate. After that, Germany and the United Kingdom are the primary choices (10.9% and 8.6% respectively) of young Algerians seeking to migrate (SAHWA, 2015).

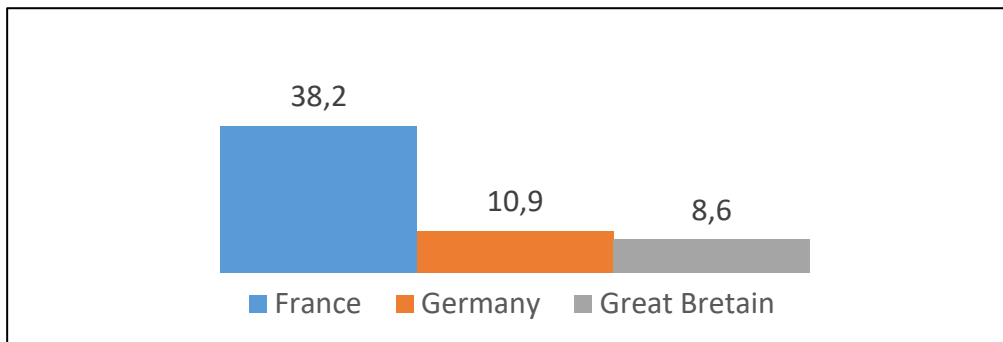


Figure 9: Country chosen by youth for desired migration (Source: Designed from data from SAHWA, 2015)

According to the same survey, the preferences of destination countries are related to the standards of living, employment opportunities, language proficiency, the presence of a strong Algerian community within that country – often comprised of relatives or friends who are ready to welcome them – and visa accessibility (SAHWA, 2015).

In addition, over a quarter of Algerian respondents to the Arab Barometer survey expressed contemplation of migrating from their nation. The report indicates that after a gradual decrease from 52% in 2006 to 22% in 2016, the current figures are slightly higher compared to 2016, with approximately 26% of Algerians now entertaining the idea of leaving their country (Arab Barometer, 2022).

The top eight preferred destination countries for migration, as indicated by the respondents, are as follows: France, chosen by over one-third of the participants; Canada, selected by slightly over one-third; Germany, favored by a little over one-quarter; Spain,

favoured by just under one-quarter; Italy, chosen by just under 20%; and the United Kingdom, preferred by just under 15% (Arab Barometer, 2022). Turkey was selected by slightly over 10% of respondents, and the United States was also chosen by slightly over 10%.

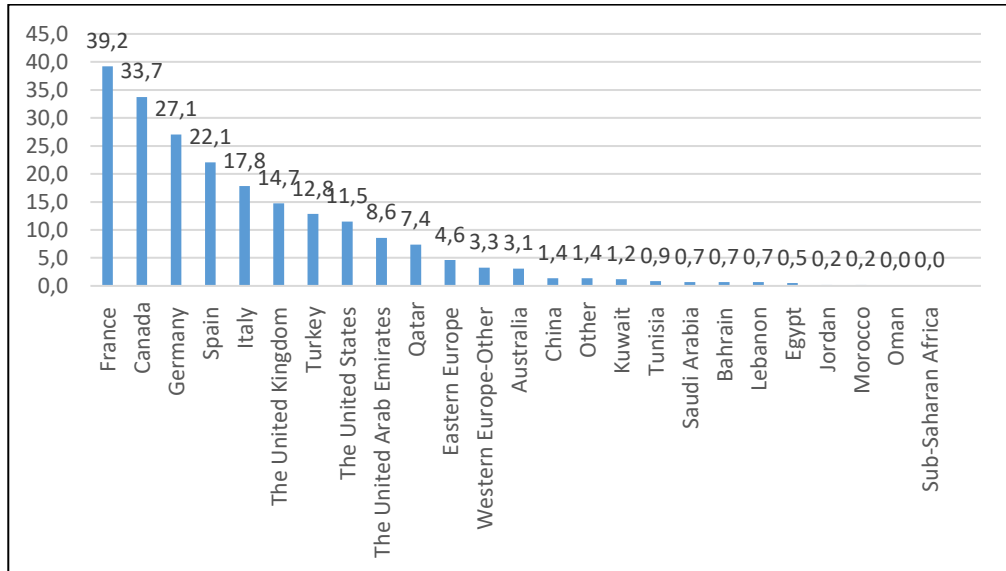


Figure 10: The chosen country of destination (Source: Arab Barometer, 2022)

Regarding those who chose Germany as the main destination, they did not have a specific level of education. There is no relationship between the choice of Germany and the level of education (Approximate sig. two-sided of Pearson's chi-square = 0.319 > 0.05) (Arab Barometer, 2022).

In terms of gender distribution, a little under one-third of men chose Germany as their emigration destination, while less than one-quarter of women made the same choice. There is a statistically significant association between gender and the choice of Germany as a destination for emigration (approximate two-sided significance value of Pearson's chi-square = 0.003 < 0.05, Phi value = -0.123) (Arab Barometer, 2022). Furthermore, Germany is more commonly chosen by younger people compared to the other destinations. Among young respondents, slightly over one-quarter mentioned Germany. There is a noticeable statistically significant association between age group and the choice of Germany as a destination for emigration (approximate two-sided significance value of Pearson's chi-square = 0.067 < 0.1) (Arab Barometer, 2022). In addition to the diagnosed reasons of the comparatively weak migration from Algeria to Germany, language was present in the majority of surveys.

9 Learning the German Language in Algeria

The previous studies have shown that among the main reasons behind the choice of destination countries, language is an important determinant. This can be a tool within migration policies to make networks stronger and consequently, permeability higher. In Algeria, since 1962, the French language was considered as the second official language

after the first official language (Arabic), due to its uses in everyday life and due to the past colonization (Maamri, 2009). In the last 30 years, some foreign languages have been adopted in the education system: English, German, Spanish, and Italian, with French starting from the third year in primary school and English starting in middle school. German, Spanish and Italian were added in middle and secondary schools as compulsory courses.

Since 2019, the Algerian authorities have officially taken steps to abolish the French language as the first foreign language from the education system. With the start of the new school season (2021-2022), the first steps were taken to generalize the replacement of French with English in the adopted education system (Haddam – Bouabdallah, 2022). This factor contributed to the stimulation of learning the German language as a third foreign language (FL3). German language learning has become more significant in Algeria than what is generally assumed (Yamina, 2009). In this vein, Sadouki (2020) aimed to investigate how Arabic, English and French, as previously acquired languages, affect the acquisition of German among students in Algeria at *Al-Kawakibi* Secondary School in Touggourt. The study focused on identifying the language with the strongest impact on German learning and examining how participants transfer specific linguistic features from French and English to German. The goal was to highlight examples of cross-linguistic influence in learning German as a foreign language.

The main findings indicated that most of the students prefer to use English in learning German (Sadouki, 2020). In accordance with their language preference, they perceive that English and German are closer and more similar than the other languages they have already learned. Therefore, the adaptation of the English language in the Algerian system of education is an important factor that puts German in the lead after English. This will also be more motivating if Germany accepts Algerian skilled migrants with English skills.

10 Conclusion

In the general context of talent race, skilled migration has become an important topic in the political arena. Despite its interest, this sensitive subject has been neglected by migration theories and the existing studies consider skilled migration as different from ordinary migration. In order to diagnose skilled migration between Algeria and Germany, we have adopted the global view methodology and adapted the explanation of this phenomenon on the osmosis theory of human migration.

Based on such a theoretical framework, we have demonstrated that skilled migration is not much different from global migration movements. More precisely, based on the osmosis model, we have estimated migration pressure and borders permeability in both Algeria and Germany and some of their neighboring countries. The results have shown that the average of migration pressure in the selected European countries is twice and a half of that of the Maghreb countries. These findings confirm that like the different types of human migration, the skilled one is guided by the natural determinants of human migration and shifted by opportunities and the selective migration policies.

Moreover, a zoom on Algerian skilled migration to Germany shows that borders permeability, summarized in networks, calculated by migration stock and control policies and represented by the number of delivered visas, are reducing migration flows. In practice, despite the low permeability of borders between Algeria and Germany, expectancy of young Algerians to migrate to Germany is very important.

To sum up, on the one hand, migration pressure is very important between the two countries, which represent a strong engine. The high migration desire to migrate to Germany confirm this analogy. On the other hand, borders permeability is very low, a fact that can be reflected by an almost closed regulator.

Because of its presence as a reason for choosing the destination country, language is highlighted as a strong tool to strengthen migration networks and, consequently, make borders more and more permeable. The analysis of the evolution of German language teaching in Algeria represents a motivating factor. More precisely, the adaptation of the English language in the Algerian system of education is an important factor that puts the German language at the top after English. This will also be more motivating if Germany adapts its migration policy and accepts Algerian skilled migrants with English skills. The language can easily be learned once in the destination country.

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Youth Migration Gains and Losses: A Critical Analysis of Economic Perspectives in the Case of the Raparin Administration in the Kurdistan Region of Iraq¹

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Abstract

Migration⁵ has long been at the forefront of global political discussion. In the Middle East, where the migration phenomenon is more prominent, younger migrants are driven away by factors such as poor basic services, lower quality of life, and limited job opportunities; at the same time, they are attracted by Europe's better economic opportunities and quality of life, the possibility of sending remittances to families back home, and being able to build a better future. Although many attempt to migrate legally, this is often impossible and so migrants resort to irregular means. Migration has thus become a serious challenge for many families in the Kurdistan Region of Iraq (KRI). In light of this issue, the study's focus was on irregular migration in the Raparin Administration, an independent administration in the KRI. We examined the drivers of irregular youth migration and investigated the push and pull factors underlying the alarming rise in illegal migration through dangerous routes to Europe. The study adopted a mixed-methods approach. In addition to desk research and key informant interviews with families in the Raparin Administration, we conducted surveys in selected districts there, where most families have at least one member who has sought refuge in Europe over the last decade.

The findings show that many from the Raparin Administration migrated for better life opportunities and to secure a more promising future for themselves and their families. Many young university graduates aimed to find good jobs so that they could send remittances to their families in the country of origin, thus substantially improving their families' circumstances. We also found that, since 2003, economic drivers in Iraq have become more influential compared to other migratory waves. Moreover, while wealthier young persons were more likely to migrate using regular channels, those from disadvantaged backgrounds, as is typical in the Raparin Administration, were more likely

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⁵ Although the concepts of migration and forced migration, including voluntary migration, are used interchangeably, by migration we also mean forced migration.

to consider irregular and dangerous routes. Financing youth migration was also a core concern for families, who supported both the decision to migrate and its requisite costs.

Key Words:

irregular migration, Kurdistan Region of Iraq (KRI), Raparin Administration, unemployment, push and pull factors

1 Introduction

As a Middle Eastern country, Iraq is not only seen as a destination for refugees and migrants, but also as a sending country. Migration has in fact become a regional phenomenon linked to skilled and low skilled workers. In the case of the Kurdistan Region of Iraq (KRI), particularly the Raparin Administration, media and popular discourses present a desperate image of locals fleeing unemployment and poverty at home. The study of irregular migration is examined because of the social and economic importance it has for the area, and because the national and international media focus on the phenomenon. In the growing body of literature on the subject, there is an emphasis on the main factors causing migration in the developing world, with the most significant ones being economic, social, political and environmental. Within this context, the developing world is the key region for irregular migration and labour migration. Considering the economic conditions of migrants, income and employment have historically been considered the two main drivers of migration, but inequality has also been a relevant, if less studied factor. From this perspective, recent migration has been seen as a positive for poverty alleviation because of the remittances that migrants send home. UNHCR figures indicate that Iraq is still one of the major countries of origin for new asylum applications in Europe. In 2022 alone, 36,000 Iraqis applied for asylum, and figures from previous years have consistently positioned Iraq among the top 20 source countries of refugees (UNHCR, 2023). This has resulted in new generations being born into a situation of forced displacement, illustrating the never-ending displacement cycle of refugees from Iraq.

However, we argue that migration in the KRI since 2014 has followed different patterns to other migration phases because of the economic disparities suffered in Iraq due to the impact of the Islamic State of Iraq and Syria (ISIS). The drop in the price of oil has also had a huge effect on the KRI's economy and financial well-being over the last decade, since the region depends almost entirely on fossil fuel revenues. The economic conditions and lack of available job opportunities are clear push factors for migration among the younger population as they have no hope for their future (World Bank, 2015; Ahmad, 2018). Even worse, those who migrate are university graduates who have struggled to find employment in the public and even private sector, as the market in the KRI is small and opportunities limited. In the Raparin Administration, private sector opportunities are also restricted, and small businesses tend to be family-based with very few opportunities for employment. The area is also well-known for its informal economy, mainly in the agricultural sector.

A serious fear associated with post-2014 migratory waves is that this phase of migration may not be driven by temporary employment needs but by families' permanent need to seek a better life. This has clear long-term implications for the KRI demographically, socially, economically, and politically, alongside the risk of brain drain (Statista, 2023). A simple explanation of why the youth in the Raparin Administration migrate could be due to the experience of conflict and war, years of economic turmoil, and the lack of

employment. However, in this research, we dig deeper to investigate both push and pull factors for migration; moreover, whether migrants are pushed, pulled, or pushed and pulled, they must always make the decision to migrate and have sufficient resources to do so (Flahaux & de Haas, 2016). Nevertheless, it should be borne in mind that the combined push and pull factors of migration determine the decision to either migrate or stay. Some factors are independent of the individual – political, economic, social, environmental, and demographic – while others are not, albeit they may not be entirely under the individual’s control. The latter factors can be both obstacles and facilitators of migration, such as technology, social networks, links to the diaspora, and legal or political frameworks. Personal characteristics and attitudes also have a role, including age, gender, ethnicity, education, wealth, marital status, religion, and language. This research therefore makes several contributions to the literature which are both timely and relevant, given the continuing displacements in the KRI and the terrible loss of life of thousands of Kurdish migrants in the Mediterranean (Statista, 2023).

The article is divided into six sections. Following this introduction, the second section presents the literature on irregular migration, in particular the KRI’s potential migration. The third focuses on the methodology for data compilation and analysis. The fourth presents the findings on the migration phenomenon in the Raparin Administration with respect to the push and pull factors of migration theory. The fifth contains a discussion of the findings, and the final section ends with conclusions, recommendations, and future perspectives.

2 Literature Review

The existing literature on migration explains why, when and how people migrate. The most prominent theory of migration is Ernst Ravenstein’s ‘Law of Migration’, which describes country-level lifetime migration patterns. In 1985, he identified that migrants move towards great centres of commerce and industry, which absorb the migrants (Rees & Lomax, 2020). From the same perspective, Lee (1966) had already introduced push and pull factors in the context of the mass movement of people from one place to another. Based on Lee’s concept, negative (push) factors drive people from their country of origin to migrate and positive (pull) factors attract and motivate them to go to other locations. However, the push-pull approach mainly centres on related motives and the expectation of maximising want-satisfactions. That is to say, the migration decision is associated with a complex set of external and impersonal forces.

Other scholars have also highlighted how the conditions in a country can push people to migrate, such as social, political and economic factors. Of these, unemployment, low wages and population growth push migrants to different destinations, while pull factors attract people to leave (Joseph, 1988; Van Hear et al., 2018). For migrants, push factors are far more influential in taking the decision to leave and believing that the unknown is a better option, as is the case in conflict-affected countries with security concerns (Aker et al., 2021). Skilled migrants are considered the key drivers of economic development and growth, but the opposite is true for migrants defined as being a burden on the welfare system, economy, and public services, including housing, transportation, education, and healthcare. However, migrants’ eyes remain on the remittances sent home to support the economic development in the home country (Green, 2017; OECD, 2017).

Iraq, similar to many other Middle Eastern countries over the past decades, has been caught up in waves of migration and, as such, Iraqis are familiar with migration as it has been part of the political history of the country. However, the nature of migration in Iraq is complex and situation-based, such as in the case of Kurds who mainly migrated for political reasons from the 1970s until 2000s. This type of migration is the opposite of the current migration flow of 2014 and 2022. Contrary to other waves of Iraqi migration studied elsewhere (Yassen, 2016; 2023), the recent migratory wave is driven by economics. With globalisation and modern means of communication, people in developing countries know about economic disparities and available economic opportunities in receiving countries (de Haas, 2005), and it is push and pull factors such as these which determine who migrates and where they are destined. Recent records indicate that developing countries, especially those affected by conflict and poor economies, exhibit many push factors for migration.

In the literature, sending countries are generally defined as victims of migration, but there are also long-term advantages for economic migrants. However, despite the positive effects of migration, it also has a negative influence on the development of sending countries (Issac, 1947). Other scholars have considered the impact of brain drain caused by skilled labour moving from developing countries to be a singular advantage for the immigrants, ignoring the fact that such migrants are an important segment of the population which can contribute to the economic development of the host country (Salmi & Salmi, 2017; Portes, 2019) to the detriment of the sending countries.

Ozden and Schiff (2007) suggest that the movement of people has several important economic benefits for migrants, their families, and the home and host countries. Ratha (2014) emphasised income gaps and economic disparities between developed and developing countries, as well as unemployment; indeed, the income gap has become a major driver for economic migrants to consider moving to an advanced economy. However, Collier (2013) attempted to alter the fear around sending countries for being 'emptied out', and yet people migrate despite knowing the consequences may be painful and unexpected.

In the case of Kurdish migration, the migrants are generally male. In most developing countries, a family's preference for migration is given to sons, as their safety, future and welfare is more assured than for potentially more vulnerable females. The same privilege is given to a married woman, who can migrate if her husband agrees to accompany her (Seefar, 2021).

Pull factors have been the magnet of migration, especially the recent labour migration. A familiar feature with Kurdish migration is the idea of migration being a permanent move to Europe. For Mandal (1981), individuals decide to move from their places of origin to other places for social and economic gains. Importantly, migrants intend to succeed and work hard in the destination country, contributing to economic growth. The significance of the choice of the location has been well studied based on economic returns per migrant. Moreover, it is suggested that migrants should be integrated economically and socially to maximise the potential gains for both sending and receiving countries (Taran & Ivakhnyuk, 2009; Portes, 2019; Clemens, 2022).

Information and previous knowledge of Europe regarding economic prosperity, job opportunities, welfare and social benefits, besides other benefits, are the top pull factors

(Ozaltin et al., 2020). Recent studies have shown that Europe is the destination most favoured by Kurdish migrants for the reasons outlined above (King, 2005; Askandar, 2017; Khalil, 2021). Moreover, many migrants have knowledge of ageing communities, and the potential for opportunities that can be given to young migrants in European countries. Most migrants do not stay in transit countries but prefer to move to the UK or Germany (Taran & Ivakhnyuk, 2009). Bade (2003) noted two key factors, a high standard of living and high wages, as the main pull factors for migration. Why does Europe attract Kurdish migrants? Sirkeci (2005) pointed to factors such as respect for human rights, social justice, and fair treatment for those of different races and religions as being the most appealing besides economic benefits. In this sense, Kurds migrate to achieve security (Kaczorowski, 2018).

This paper contributes to the migration literature as it is the first study of the push and pull factors causing migration from the Raparin Administration. Many studies have been conducted on migration and conflict in Iraq, with a limited focus on the economic and situational environment factors behind migration waves in the post-ISIS period. Apart from the main economic factors, this study investigates the influence of the family on youth migration, where social and economic aspects intertwine. Aligned with this, the decision to migrate allegedly has been undertaken with family support and via a process of selection within the family, i.e., the family decides which member will migrate irregularly. The International Organisation on Migration (IOM, 2023) describes irregular migration as the “[m]ovement of persons that takes place outside the laws, regulations, or international agreements governing the entry into or exit from the State of origin, transit or destination”. The costs of irregular migration are high, and, to secure funds, migrants sell their homes and properties, sometimes leaving decent employment to pay smugglers to assist their irregular migration.

Recent migration from the KRI can be said to align with Collier’s stance (2013) regarding the societies of the bottom billion, where people are aware of a richer life elsewhere and many young people are desperate to leave. Collier also notes that, although the movement of people from poor countries to rich ones is a simple economic process, the effects are complex. Migration for economic purposes as a pull factor is not new and has been in the minds of many, not only in the KRI but more broadly. Due to the history of war and conflict in the region, people feel they are in the middle of an unending period of considerable uncertainty, and for this reason many families and young individuals prefer to migrate, especially to Europe. In this context, the World Bank (2018) emphasised how, when migrants move to improve their prosperity, their incomes increase three to six times when they move from lower to higher income countries. Indeed, the most vital labour market determinants of migration flows are the wage differences between the destination and source locations.

3 Methodology

Purposeful sampling was used with a non-probability sampling technique because the survey group/target population is a migrant one known to be hard to reach (Bacher et al., 2019). Twenty wealthy and middle-income families were chosen for face-to-face interviews by the researchers. Due to the sensitivity of the subject, some families in the sample were acquaintances. For privacy and data scarcity reasons, obtaining truthful responses from the interviewees was essential for accurate information to be collected

on the phenomenon of migration in the Raparin Administration. Another concern for the migrant families was identity confidentiality, and most repeatedly asked for assurance that their names and addresses would not be disclosed to avoid any family problems in the future. In any case, the ethical principles of informed consent, confidentiality, and the avoidance of harm (or doing good) were followed.

To facilitate the adopted qualitative interview method, a set of questions was prepared; the collected data were then analysed thematically. Interviews were conducted with participants' consent, and primary data collection took place between March and May, 2023. Data were collected in locations such as Sangasar, Chuwarqurna, and Hajiawa; these areas were selected because they had been highly affected by irregular migration in past years. In the Raparin Administration, a limited number of jobs are created annually; that is to say, population growth and education are not aligned in these locations. Further information and analysis were gathered from key academic informants at the University of Raparin, and from several participating experts attending the 68th International Association for the Study of the World Refugee Problem Conference on the Safe, Orderly and Regular Migration: Transnational Skill Partnerships, hosted in Germany at the Technical University of Applied Sciences Würzburg-Schweinfurt (2023).

4 Findings

According to the collected data, each family had at least one migrant abroad and many families mentioned more than two, with some even having 15 family members or relatives abroad. These were mainly recorded as irregular skilled migrants. Another important finding is associated with the decision to migrate. Most participants considered migration to be a viable decision based on collective family consent. Further, this decision and its financing were supported by the family, indicating that the families were typically both the backbone of irregular migration and the stimulator of youth migration in the Raparin Administration.

The families and their migrants were found to be seeking better economic opportunities through migration, regardless of the risks associated with irregular migration. Based on the opinions and data, people migrated due to poor economic conditions and the hope of better economic opportunities in the destination countries, revealing that, in this study, push and pull factors were driven by economic factors in the sending and receiving countries.

During the data collection, we realised that the families were aware of many details about the process of migration and the risk factors were known in advance. Many interviewed families mentioned that the diaspora community was the source of information and guidance for their family members when they migrated to the intended destination. It seems that even older family members had background information on the legal, social, cultural, and financial structures of western countries. In addition, among the destination countries, the UK and Germany were the two main preferred destinations for most migrants from the Raparin Administration. The level of awareness of the potential migrants and their families was high because of the large community of Kurds in these destinations. Social media were the second source of information relied upon by migrants. Thus, their awareness level enabled many families of potential migrants to be less concerned and fearful about the safety of their children or family abroad.

Notably, families in the Raparin Administration saw migration as an investment in human capital because they knew that when the migrant reached the destination country, their families would receive remittances. Often, there was less concern about brain drain in the home country, and they were aware that European countries are ageing and need skilled and young labour for their economic development. Another finding is that many migrants were young, aged between 13 and their 20s.

Young persons from wealthier families were also more likely to migrate using regular channels with a visa or via an investment passport, whereas those from disadvantaged backgrounds, which is mostly the case in the Raparin Administration, were more likely to consider the irregular dangerous routes through the Mediterranean or overland through Bulgaria. There was a sense of uncertainty about migration in the community since it is a very complex topic that has created huge debate among families; they blamed the government for a lack of services and employment opportunities as reasons for migration.

Disinformation and ambiguity have made it difficult to define migration from the Raparin Administration as 'work migration' since, among the studied families, there were cases of those who were well-off economically but nonetheless influenced by other push factors. This includes political oppression, such as a lack of equality before the law and lack of individual freedom.

The findings show that there are serious concerns about the irregular migration of youth for both sending and receiving countries, including loss of life on dangerous routes and the risk of brain drain in the country of origin. However, if the migration of youth is managed effectively, it can create massive economic opportunities for both sets of countries. Economic incentives have motivated many young and educated individuals to migrate, and many have chosen to move to Europe as a close destination for most Middle Eastern countries. Most migrants are highly educated workers, for whom an investment which develops their skills would cost less; its effect on the labour market is therefore more positive compared to less educated migrants.

5 Discussion

The main objective of the present study was to research the push and pull factors of migration in the Raparin Administration. Various such factors were considered by the families of migrants, including income disparity, lack of employment opportunities, social stability, conflict, and wars, as well as pull factors associated with the economic well-being of a migrant.

For many remaining family members, economic circumstances served as the motivating push factor, while economic opportunities, lifestyle, and social securities were the main priorities seen in the host country. The local Raparin community, in particular potential migrants, see refugees, internally displaced persons (IDPs) and migrant workers in the KRI as a threat to their employment opportunities. This aligns with data reported by Yassen (2019), who found there were tensions between local workers from the host community and members of the refugee and IDP communities, with the former blaming the latter for the lack of employment in the region. One labourer claimed that,

"Syrian refugees work for lower wages and longer hours and this has impacted the market" (Yassen, 2019: 459).

The Kurdistan Regional Government (KRG) has responded to this tension in an exclusionary manner, it can be argued (Yassen, 2022), by introducing a quota which means employers need to employ a minimum 75 percent of local workers and a maximum 25 percent of foreign workers. Failing to do so incurs huge penalties, according to Decision 94 of the Kurdistan Regional Council of Ministers of 2021. Contrary to this view, we argue that migrants are not considered a threat to employment; rather, they contribute to economic development and the region is in need of skilled labourers (OECD, 2014).

This view is confirmed by the data collected from 20 families, whose migrant family members intended to maximise their income and invest in property in their country of origin. In turn, this suggests that because migration in the developing world is linked to economic well-being, migrants and their families think migration is a channel for long-term material improvement; however, at first glance, the migrants seem to have had no idea of their effect on the host economy. In fact, they encouraged their family to migrate, too, for a better life and livelihood. In the Raparin Administration, migration had a domino effect. For example, a father who had returned from the UK motivated his two unmarried sons and two married daughters to migrate there. In this family, only the mother, an elder daughter, and the father (the returned migrant) remained at home. The fears associated with migration are thus diverse and complex for both sending and receiving countries.

Many scholars have studied the effect of migration on economic growth, with differing results. In some studies, international migration has a direct influence on inclusive growth in the host countries as well as the country of origin. The potential migrants from the Raparin Administration were mostly aged under 30, and some were as young as 13, which is extraordinary. This finding is in line with another study which emphasised the importance of migrants being young because, over their longer lifespan, this helps them generate more income and contribute to the economic growth in both countries alike (Koczan et al., 2021).

We found that the gains from migration were family-based; that is, the decision to migrate and fund the migration was both supported by, and quite common among, the studied families. For most of the families, it seems that no decision had been made regarding their family member returning home, with some mentioning that their migrants had been away for more than 15 years. A few families mentioned that their migrants were graduates of home country universities and would like to return if employment opportunities became available alongside political and social stability. This suggests that there is little hope of return until the migration situation improves.

Although it is not easy to generalise from a sample of 20 families, most of the interviewees reported a short-term negative financial impact, since all mentioned borrowing money to pay for the irregular migration, with most being paid to smugglers. Regardless of the gains of migration, there were losses for every family left behind. In the current migration waves, many were not prepared to migrate but felt forced to do so, which is against the theory of migration which says that it is a voluntary process. One mother said,

“My sons have graduated and for a few years they could not find proper jobs and there was a lack of employment. I urged them to plan their migration.”

She also mentioned that, from an economic perspective, their friends in the UK had advised them that moving to the UK was more meaningful than staying.

Our interpretation of the collected data is that the key drivers of migration were the economic and financial contributions of the migrants to their families. Thus, it is vital for the host countries and countries of origin to understand the impacts of migration on their communities in the long-term. There was also a widespread belief in the community that governments must create jobs and life-long opportunities. A recently graduated student noted that,

“The lack of employment opportunities is a main factor imperilling livelihoods in the region, curtailing my ability to afford to get married or buy a suitable house. This is not only my story, it’s the story of thousands of young people in Raparin, because we do not live in an industrial metropolitan location. We are in a remote, mountainous area where opportunities are limited and constraints are varied.”

Most of the families referred to employment as the main determinant for their decision, and households in this study were shaped based on their income and gender. Among the 20 families, nine households were single women heading families. Among the economic and social consequences of migration, the psychological impact was mentioned by many households, mainly the female. This means that migration has a heavy cost. One girl aged 30 felt helpless. She said,

“For men, it’s a bit easier because they can migrate alone, but for us it is extremely difficult to migrate alone unless we have a male companion, because the route is not just dangerous as there is also a risk of abuse and sexual harassment by smugglers. I know women who have been sexually harassed even when their husband was present.”

In dealing with migration, the risk and adventure were both associated with the process of moving from the home to the destination country. The interviewees’ initial views were similar to those found by Klöble (2021), who noted that families mostly consider migration to be risky. Having calculated the risks, most of the families in our study used a family-selection process to decide which of them would migrate. They linked the decision to known risks and the uncertainty of migrating irregularly, with all the families defining migration as “a risky process full of uncertainties and challenges”. Regardless of these, many families were ready to contribute to financing the irregular migration of their family members. They remained focused on future benefits, despite their current economic circumstances, with some families indicating that being in debt for many years because of migration was costly for them. In addition, the long-term economic expectations were not the same for all families, as some had good economic benefits from remittances made by their migrants and had the potential to invest in properties.

Yassen (2016) suggested that resettlement in third countries and other complementary pathways could reduce irregular migration and save thousands of lives every year. Overwhelming evidence shows that tens of thousands of people risk their lives trying to enter the EU irregularly and many die in the attempt (North Press Agency, 2023). In 2021, when Belarus facilitated visas for Iraqis, over 3,000 Iraqi Kurds saw Belarus as a way to reach Europe. However, many hundreds saw their dreams shattered when they became trapped on the border with Poland during winter, resulting in many deaths (Menmy, 2021). Research has shown that the push factors as noted above are visible and, whenever pull factors emerge, Iraqis have a huge desire to reach the so-called ‘promised land’ (Seefar, 2021). The interviews with the potential migrants revealed two options for reaching Europe, the US and Canada: 1) legal pathways such as the visa process, and the UNHCR’s resettlement submission programmes – available for only a small proportion of asylum

seekers; or, 2) irregular migration, which often comes at a high cost and risk, aided by human smugglers and often without appropriate documentation (Djajić, 2014). Iraqis have tended to choose the latter for lack of alternatives. Dana, aged 19, frustratingly admitted that,

“There is no life in the Kurdistan region. I have decided to migrate irregularly through the death route with the support of a smuggler who cannot be trusted, but I do not have any other choice because my visa application has twice been rejected, so the legal route is not available. What am I supposed to do?”

His is a common view among the KRI's youth who have lost hope.

Investment in increasing legal pathways could save lives and contribute to sustainable solutions. Troeller (2002: 92) admits that “increased resettlement opportunities may reduce the motivation to move ‘irregularly’ in search of asylum”. This view is echoed by the UNHCR (1997: 671), which argued that,

“[r]esettlement can have a positive, mitigating influence on irregular movements when it is implemented on the basis of clear and consistent criteria, and when it is used as a policy tool to reinforce protection in countries of first asylum”.

6 Conclusions and Recommendations

Economic factors were the most important for migration, followed by security and political instability in the region. However, the key pull factors that stimulated migration were economic well-being, securing a better future for families, aspiring to a better life, and seeking available opportunities in the social, economic, and political context. These factors have been considered by every Kurdish individual since 2014. In line with this, economic insecurity and political instability in Iraq have negatively influenced the KRI, and therefore both economic push and pull factors were the most important determinants of Kurdish migration in 2014 and 2021. This may indicate that future migration waves will be similar to the two phases addressed in this study. Our conclusion aligns with that of the World Bank (2018), which indicated how limited job opportunities and unemployment were the most influential push factors for migration, especially skilled labour. Another crucial migration issue is the economic returns for both the host and country of origin. The KRI has benefited from migrants' remittances since the 1990s, and thus migration has a long-term economic advantage which could change the future of the region's economy. However, the lack of employment opportunities and skilled/educated labour, combined with poor economic conditions for families, will always push people to migrate.

Based on these findings, it has been noted that factors such as equal treatment, human rights protections, and access to public services shape how migrants think about a receiving country, with most Kurdish migrants choosing Europe as the preferred destination. In addition, the huge Kurdish diaspora in European countries such as the UK and Germany helps potential migrants access their preferred destination. Despite what Kurdish migrants might think about the host country, however, the literature notes the challenges which remain with migration, such as learning the language, rules and regulations, finding decent jobs, and being exposed to xenophobia and racism. Nonetheless, migrants always consider the positive aspects of migration and their destination, and foreign governments' provisions for migrants, especially illegal migrants, are always appreciated.

The political and economic situation in the KRI has been adversely affected by long periods of war and economic challenges. As this study proposes, the 2014-2021 migration waves were driven by economic factors and thus it is important for the KRG, as the main actor, like other governments, to study the experiences of migrants and potential migrants.

Accordingly, we make the following recommendations for the KRG and its policy makers to consider when dealing with migration:

To the Kurdistan Regional Government:

1. Design policies that can resolve economic challenges, including limited job opportunities, unemployment, quality of life, and other economic and health insecurities;
2. Implement measures aimed at creating employment opportunities. Such initiatives would subsequently improve the average wealth and per capita income of individuals living in Kurdistan and start empowering skilled labour in the regional economy;
3. Improve social security, public services, and health insurance. By implementing such initiatives, locals will not be lured to the attractive social incentives offered in other countries; policy makers thus need to create policies which support the government in structuring a framework for providing a better life with appropriate living standards for those in the KRI;
4. Collaborate with the private sector. Because the KRI market is small and jobs are limited – the region is an oil-driven economy – the private sector needs to develop other industries, including services, industry, tourism, and other industries; this could create more jobs and reduce pressure on the government;
5. Focus both on resolving tensions with Iraq's central government and on regional economic diversification, to save people from the 'oil curse', since the oil sector cannot provide jobs for everyone in the region; this is based on the experiences of the last 30 years and the recent economic crises;
6. Fight all forms of discrimination and promote equality. All citizens in the KRI, regardless of race, tribe, political, or religious inclination should be given a fair chance in life. There should be equal distribution of resources to avert possible inter-tribal conflict. The needs of minority communities should also be properly taken care of in a manner similar to the majority tribes;
7. Remove the exclusionary clause on the soon-to-be adopted Employment Law, which stipulates that 75 percent of employees should be local. Such a quota discriminates against refugees, IDPs and migrant workers in the KRI. The employment of individuals must be based on experience and skills rather than nationality or origin.

Next, to Iraq's donors, we make the following suggestions:

1. Iraq is a country of 45 million persons with two thirds of the population being under the age of 24. Therefore, investment is required to support community resilience. This can be achieved through programming that provides skills

building for the youth so that they can have more equitable access to formal economies, and livelihoods support;

2. Iraq and the KRI are rebuilding from 20 years of conflict, and so support for economic revitalisation is required as part of broader recovery and stabilisation efforts.

Lastly, to the international community, we suggest that:

1. Global partnerships are fundamental, especially with the destination countries to which Kurdish migrants move. The KRG needs international support to fight extreme poverty, as this is one of the UN's sustainable developments goals. Such a measure could minimise immigration waves to other countries if the government can provide subsidies and financial support to families in poverty;
2. Access to resettlement in third countries and other complementary pathways should be expanded;
3. Coordination and support for the KRG is required to strengthen inclusion and integration pathways for the host community and refugees, IDPs and migrant workers, to de-incentivise dangerous and irregular migration through the Mediterranean and other dangerous routes.

In the future, we plan to explore in more depth economic preferences and the aftermath of migration regarding those who remain in host countries. With a larger and more representative sample, we may make recommendations on the development of reliable and coherent policy frameworks for the KRI.

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Financial Inclusion for Forcibly Displaced Persons: The Impact of Aid Conditions¹

Chandan Kumar Roy²

Abstract

Despite limited empirical evidence on the contribution of forcibly displaced persons (FDPs) to host countries' financial inclusion, this research critically examines the direct impact of FDPs inclusion in the financial system and explores the role of international development cooperation in facilitating financial inclusion. By analyzing data from 74 aid recipient countries over a seventeen-year period, employing fixed effects models and a two-step system generalized method of moments estimation technique, the study reveals novel finding that solely including FDPs in the financial system or relying solely on development cooperation does not enhance financial inclusion in developing countries. Rather, the combination of FDPs inclusion and development assistance to the financial sector emerges as an effective strategy for boosting financial inclusion levels. This research provides valuable insights into the design and implementation of policies aimed at fostering financial inclusion for FDPs and highlights the importance of international partnerships in achieving this goal.

Key Words:

forcibly displaced persons; aid for trade; aid conditions; financial inclusion; financial services

1 Introduction

Over the past decade, the global number of forcibly displaced persons (FDPs) has reached unprecedented levels, with a doubling in the past ten years alone, totaling a staggering 108.4 million individuals (Figure 1) in 2022 (UNHCR, 2023). Despite this alarming increase, the efforts to adequately support and find lasting solutions for displaced individuals have fallen short. It is imperative to adopt a comprehensive approach that addresses forced displacement and prioritizes long-term development perspectives, moving beyond short-term humanitarian measures. This shift in focus is crucial to effectively tackle the challenges associated with forced displacement and promote sustainable solutions for those affected. One vital aspect of long-term development measures is ensuring that displaced individuals have access to financial services in their host countries. Such access would enable them to receive wages, safeguard their savings, securely send and receive money, and access credit to start businesses through formal banking channels. Additionally, for refugees seeking to return home or resettle elsewhere, having transferable credit histories becomes crucial. Ultimately, access to financial

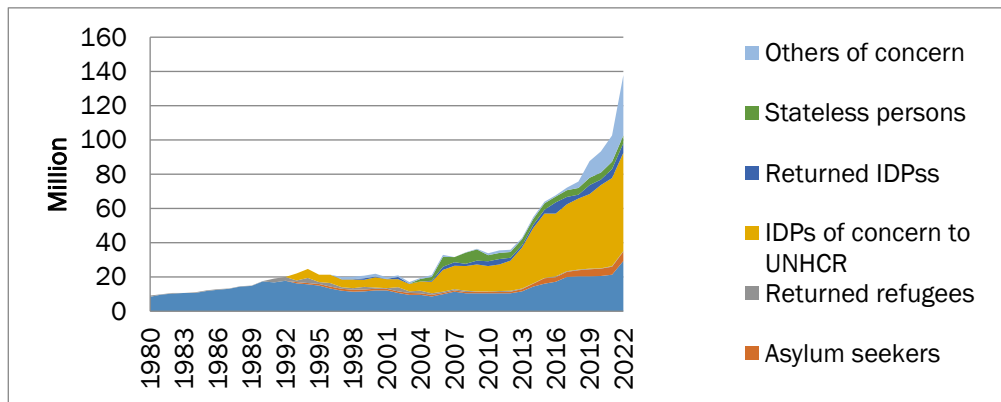
¹ This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License](https://creativecommons.org/licenses/by-nc-nd/4.0/) and was accepted for publication on 06/10/2023.

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services in host countries is indispensable for the economic survival and empowerment of refugees (Micol Pistelli, 2023).

Research has shown that FDPs, including refugees and asylum seekers, face numerous challenges and difficulties due to their displacement. However, it is important to recognize that forced displacement can also bring about several opportunities for both the host communities and the economy as a whole. Studies by Georgiou et al. (2023) and Betts et al. (2015) have highlighted how forced displacement can lead to the development of new skills, ideas, and technologies. Displaced individuals often exhibit innovative problem-solving approaches, bring unique trade knowledge and technical skill sets which can contribute to improvement of skill of local labor force, entrepreneurship, and consumer spending (Jiang et al., 2021; Abebe, 2023). Moreover, their presence can create jobs and stimulate economic growth in host countries (Noorbakhsh & Teixeira, 2023; Verme, 2023; Almohammad & Durrah, 2021). These findings underscore the potential positive impact that displaced persons can have on host communities and the overall economy.

Figure 1 Trend of forcibly displaced persons (FDPs)



Source: Author's calculation using UNHCR Database

Despite the economic and social benefits that forced displacement can bring, host countries have made limited efforts to improve financial access for refugees. Critics argue that refugees often lack the necessary identification documents and reliable income sources, making it difficult for them to access banking services and credit. Nevertheless, certain local non-governmental organizations (NGOs) have developed innovative financial products, such as microfinance loans and mobile banking services, specifically tailored for refugees. Additionally, some national and international organizations focus on providing financial education and training to refugees, equipping them with the skills needed for financial management. The issue of financial access for refugees is complex and requires collaboration among governments, financial institutions, and humanitarian organizations. Investigating the potential of forcibly displaced persons (FDPs) to promote financial inclusion in host countries is crucial, given the numerous benefits financial inclusion offers, including promoting savings, empowering women, fostering entrepreneurship, improving living standards, and driving economic growth (Aportela, 2012; Ashraf et al., 2010; Dupas & Robinson, 2013; Sahay et al., 2015).

While development programs can play a crucial role in promoting financial access for refugees and FDPs, another important international development assistance program that can facilitate financial inclusion is aid for trade to financial services (AFTFS). AFTFS aims to enhance financial inclusion through a range of interventions, such as regulatory enhancements, support for microfinance institutions, and the promotion of digital financial services. In recent years, there has been a substantial increase in the amount of aid specifically directed towards the financial sector, rising from US\$ 1,150.841 million in 2000 to \$4,004.851 million in 2021 in the sample countries. The primary objective of this aid is to support the financial sector stability and development of developing nations. However, despite the clarity of this objective, there is still a lack of sufficient evidence regarding the effectiveness of aid in promoting financial development within the financial sector. The topic of the effectiveness of foreign aid in developing countries has been a subject of extensive research in the field of economics in recent times (Maruta, 2019). Besides, the effectiveness of AFTFS is a topic of debate, with studies emphasizing the significance of considering the political economy of financial systems and local contexts when designing and implementing such programs (Abate, 2022; Santiso, 2021; Burnside & Dollar, 2000; Hansen & Tarp, 2001). Currently, empirical evidence regarding the effectiveness of development assistance initiatives like AFTFS in promoting financial inclusion is limited. Further research is necessary to better understand how AFTFS can effectively contribute to advancing financial inclusion objectives.

This study fills an important gap in the literature by providing the first empirical analysis at the country level on the relationship between FDPs, AFTFS, and multidimensional financial inclusion. Existing studies have primarily relied on limited indicators to assess financial inclusion, such as the number of bank branches or ATMs per 100,000 adults (Mookerjee & Kalipioni, 2010; Neaime & Gaysset, 2018). However, these indicators fail to capture the full scope of financial inclusion, which encompasses various dimensions including outreach, literacy, and usage. Consequently, there is a lack of research examining the effect of FDPs and AFTFS on multidimensional financial inclusion in developing countries. This study addresses this gap by utilizing panel data from 74 aid recipient countries spanning the period 2004-2021. It introduces a comprehensive composite financial inclusion index developed through principal component analysis, enabling an examination of the impact of FDPs and AFTFS on financial inclusion. The study also explores whether the relationship between FDPs and financial inclusion is conditional on AFTFS, and vice versa, employing panel data fixed effects regression models and conducting additional tests using alternative regression techniques like the two-step generalized method of moments (GMM) estimation to ensure the robustness of the findings.

This study provides explicit findings regarding the ongoing debate on the relationship between forcibly displaced persons (FDPs), aid for trade, and financial inclusion. Firstly, this study finds that FDPs have a positive impact on financial inclusion, indicating that FDPs or refugees can contribute to improving financial inclusion levels of the host countries. Secondly, this research finds a negative impact of AFTFS on financial inclusion, suggesting that simply providing aid for the development of financial services and markets does not necessarily promote financial inclusion. However, this study reveals a conditional positive and significant impact of FDPs and AFTFS on financial inclusion. This means that for FDPs to effectively enhance financial inclusion in the host country, they require additional development support and awareness programs. In other words, when AFTFS is

channeled through targeted development initiatives for FDPs, it enhances the effectiveness of aid for trade in promoting financial inclusion. Importantly, all findings remain robust even after accounting for unobserved heterogeneity and potential endogeneity using the generalized method of moments (GMM) approach.

The paper is organized as follows. Section 2 presents a comprehensive literature review and formulates hypotheses based on existing evidence concerning the relationship between forcibly displaced persons (FDPs), aid for trade for banking and financial services (AFTFS), and financial inclusion. Section 3 outlines the data sources and methodology employed in this study. Section 4 discusses and interprets the empirical results obtained from analysis. Finally, Section 5 concludes the paper by summarizing the key findings and highlighting their implications for policy and future research in this field.

2 Literature Review and Hypothesis Development

2.1 Forcibly Displaced Persons (FDPs) and Financial Inclusion

Forced displacement is a major global issue affecting over 108.4 million people due to conflict, persecution, and violence (UNHCR, 2023). FDPs face limited access to financial services, which can worsen their vulnerability and hinder their ability to rebuild their lives. The literature on FDPs and financial inclusion consists of several strands. One strand examines the challenges and opportunities for financial inclusion faced by refugees and other FDPs, including barriers such as lack of identification documents and financial literacy, as well as the potential for financial technology to address some of these barriers (OECD, 2016; Toronto Center, 2019). Another strand explores the role of financial inclusion in supporting the economic and social inclusion of FDPs, including the potential for financial inclusion to support entrepreneurship, livelihoods, and social cohesion (El-Zoghbi et al., 2017). A third strand looks at the broader macroeconomic and policy implications of forced displacement for financial inclusion and financial sector development, including the impact of refugee flows on financial system stability and efficiency, and the role of policy interventions and development assistance in promoting financial inclusion for FDPs (Nyberg et al., 2002; OECD, 2015). Additionally, the COVID-19 pandemic has highlighted the need for more targeted and flexible financial inclusion interventions for FDPs (GIZ, 2022; Habersky and Damir, 2021). Overall, the existing literature underscores the importance of financial inclusion in supporting the economic and social inclusion of FDPs, as well as the need for continued research and policy attention to address the challenges and opportunities of promoting financial inclusion among this vulnerable population. Combining these above areas of literature that are relevant to this paper, there is limited proof on the effects of FDPs on financial inclusion of developing countries. FDPs can contribute to promoting financial inclusion by creating demand for financial services and products, particularly in contexts where they lack access to formal financial services. They may have unique financial needs and behaviors that create opportunities for financial service providers to develop new products and services through tailored financial inclusion programs. Overall, FDPs have the potential to play an important role in promoting financial inclusion and sector development. Based on these above theoretical justifications, the first hypothesis of this study is:

Hypothesis 1: The more access of refugees or FDPs to financial services, the higher a country's financial inclusion is.

2.2 Aid for Trade for Banking and Financial Services (AFTFS) and Financial Inclusion

AFTFS refers to the financial assistance provided by donor countries to the financial sector of developing nations. The existing literature lacks a comprehensive examination of the relationship between financial inclusion and aid to the financial sector. The relationship between AFTFS and inclusion is firstly investigated by Lee et al. (2022). Agapova and Vishwasrao (2020) and Maruta (2019) conducted studies investigating the influence of financial aid. However, their research primarily focused on the relationship between financial aid and financial development as well as financial intermediation. Nevertheless, it is generally anticipated that financial sector foreign aid would have a positive impact on the growth of financial inclusion in the receiving country. The underlying expectation is that an increase in funds flowing into the financial intermediation sector, including aid, would result in greater access to lending for both the public and private sectors. Additionally, it is anticipated that such aid would lead to enhancements in financial infrastructure and efficiency.

The relationship between AFTFS and financial inclusion is supported by several strands of literature. One strand focuses on the impact of aid on institutional quality, as highlighted by Pinho et al. (2015) and Alhassan et al. (2019). It is argued that financial aid can contribute to enhancing institutional quality, leading to improved infrastructure innovation in the financial industry and better access to finance for individuals and businesses. Ali et al. (2021), using data from 45 countries, provide further support by highlighting the positive effect of institutional quality on the nexus between financial inclusion and financial development. Another strand of literature explores how AFTFS promotes financial development in recipient countries, as suggested by Fromentin (2018) and Kasuga (2007). In contrast, Maruta (2019) examines a similar research question but arrives at opposing findings. Maruta's study focuses on the impact of financial sector aid on financial development, finding a positive relationship between per capita financial sector aid and private sector credit provided by banks measured as a percent of GDP.

Taken together, this paper contributes to the existing literature by examining the influence of financial aid on financial development and its subsequent impact on financial inclusion in aid recipient developing countries. By considering AFTFS as a guiding factor in financial development, it enhances understanding of the relationship between financial aid and financial inclusion. Based on the above studies, this study suggests the second hypothesis:

Hypothesis 2: The more AFTFS to financial sectors, the higher a country's financial inclusion is.

2.3 How AFTFS Affects the Effectiveness of FDPs, vice-versa, in Promoting Financial Inclusion: Some Mechanisms

The relationship between AFTFS, access to finance, and financial inclusion is widely anticipated. AFTFS plays a pivotal role in injecting capital resources into the financial sector, thereby increasing lending opportunities, enhancing financial infrastructure, and improving efficiency. Greater access to financial services has been found to foster financial inclusion, as supported by the World Bank (2022). The inclusion of FDPs further amplifies these positive effects, as evidenced by studies such as Matrin (2019). However, it is crucial to acknowledge that the impacts of AFTFS and FDPs may vary in terms of size, effectiveness, and efficiency. While the potential benefits are evident, there is a dearth of

empirical evidence on the macroeconomic and conditional effects of AfTFS and FDPs on financial inclusion.

Promoting financial inclusion among FDPs can be achieved through leveraging financial sector aid and implementing various strategies. Firstly, enhancing access to financial services tailored to the needs of FDPs is crucial. AfTFS can be utilized to establish inclusive financial systems, employing technologies such as mobile banking and digital payment platforms to facilitate easier financial service access. Secondly, microfinance initiatives can empower FDPs to start or expand small businesses, thereby fostering economic independence and contributing to their financial inclusion. Thirdly, financial education programs and capacity-building initiatives equip FDPs with the knowledge and skills necessary for making informed financial decisions and effectively utilizing financial services. Collaboration between financial institutions, humanitarian organizations, and stakeholders is crucial in creating customized financial products and services that address the unique circumstances of FDPs. Additionally, advocating for policies that support the financial inclusion of FDPs and working with governments and regulatory bodies to remove barriers and ensure access to financial services are important steps.

The symbiotic relationship between AfTFS and FDPs is significant, with AfTFS providing resources and support to enhance FDPs, and effective FDPs optimizing the outcomes of AfTFS initiatives. This creates an environment conducive to financial inclusion, enabling marginalized individuals and communities to access and benefit from formal financial services. A study conducted by Atiyat (2018) highlighted the potential of financial aid in promoting financial inclusion among Syrian refugees in Jordan. Comprehensive strategies were proposed, including the integration of refugees with local communities through the creation of employment opportunities. By addressing the economic needs of refugees and facilitating their participation in the formal financial system, this approach contributed to their financial inclusion. Furthermore, the interaction between AfTFS and FDPs can generate positive feedback loops, where the enhanced effectiveness of FDPs reinforces the impact of subsequent AfTFS initiatives. Successful financial inclusion efforts demonstrate the potential of AfTFS, attracting further funding and support for future programs. Based on these limited pieces of evidence, the study proposes the third hypothesis:

Hypothesis 3: The positive effects of AfTFS are conditional on the specific area targeted for assistance. Similarly, the effects of FDPs in promoting financial inclusion are conditional on international aid assistance.

3 Data and Methodology

3.1 Data Source and Variables Selection

The study uses panel data from 74 developing countries that are recipients of aid, covering the period of 2004-2021 and relying on up-to-date available secondary data particularly on indicators of financial inclusion. A list of 74 countries is presented in Appendix Table A1.

Multiple sources were utilized to gather data on the variables employed in this analysis. The primary focus of this study revolves around two key explanatory variables: FDPs and AfTFS. FDPs refer to individuals who have been compelled to leave their home country due to persecution, war, or violence. To approximate the number of FDPs, this paper adopts

the total refugee population by country as a proxy variable, drawing data from the UNHCR refugee database. Additionally, data on AftFS (measured in million USD) are acquired from the OECD Creditors Reporting System (CRS) database. The concept of AftFS encompasses the cumulative disbursement of aid for trade intended to support various aspects of financial policy and administration, including monetary institutions, formal sector financial intermediaries, informal/semi-formal financial intermediaries, remittance facilitation, promotion and optimization, as well as education and training in banking and finance.

For the dependent variable, the study aims to measure the level of financial inclusion (FI), a multidimensional concept with no consistent method for measurement (Camara & Tuesta, 2014; Nguyen, 2020). Due to limited data availability from 2004 to 2021, this research adopts a novel approach proposed by Camara and Tuesta (2014) to create a composite financial inclusion index (CFII) using principal component analysis. The CFII considers both supply-side and demand-side determinants of financial inclusion. The supply-side factors include the availability of automated teller machines (ATM) and commercial bank branches (CBB) per 100,000 adults. The demand-side factors encompass the usage of financial services, represented by outstanding deposits with commercial banks as a percentage of GDP (OTD). Another significant factor on the demand side is the widespread use of mobile phones and tablets. These devices, equipped with subscriber identity module (SIM) cards and internet connectivity, have revolutionized access to financial services by offering convenience, affordability, and flexibility. They have played a vital role in bridging the gap between individuals and financial institutions, particularly benefiting underserved populations and driving financial inclusion efforts (Glavee-Geo et al., 2019). To capture this factor, the study used mobile cellular subscriptions per 100 people (MCS) as a proxy variable. Furthermore, the study takes into account the capacity and knowledge level of individuals through the variable mean years of schooling (MYS) due to the fact that individuals who are educated and knowledgeable are more likely to engage in positive savings behaviors and less likely to rely on informal sources of borrowing (Hasan et al., 2021). By incorporating MYS, the study acknowledges the importance of education in promoting financial inclusion and empowerment. The CFII is derived by combining these availability, usage, and access dimensions using Principal Component Analysis (PCA). The framework for measuring CFII is as follows:

$$CFII_{s,y} = \omega_1 \ln ATM_{s,y} + \omega_2 \ln CBB_{s,y} + \omega_3 \ln MCS_{s,y} + \omega_4 \ln OTD_{s,y} + \omega_5 \ln MYS_{s,y} + \varepsilon$$

In this equation, $CFII_{s,y}$ represents the composite financial inclusion index for a specific country (s) and year (y). $\omega_1, \omega_2, \omega_3, \omega_4$ and ω_5 represent the weights obtained from the PCA of the corresponding indicators and ε is the error term. Before conducting PCA, each indicator value is transformed using the natural logarithm and then normalized (\ln). The weights for each variable are obtained from the rotated component matrix. The analysis finds, one principal component (Comp1) with an eigenvalue of 2.62058, which explains 52.41% of the total variance (Appendix-Table A2). The rotated component (after applying the varimax rotation) also remains as Comp1 (Appendix-Table A3). Thus, the equation for measuring CFII would be the following:

$$CFII_{s,y} = 0.5157 \ln ATM_{s,y} + 0.4565 \ln CBB_{s,y} + 0.2957 \ln MCS_{s,y} \\ + 0.4678 \ln OTD_{s,y} + 0.4685 \ln MYS_{s,y}$$

The resulting CFII value is also normalized and ranges between 0 and 100, where a value close to 0 represents low financial inclusion, and a value approaching 100 indicates a high level of inclusion. Data on ATM, CBB and OTD are obtained from the Financial Access Survey database of the International Monetary Fund, while data on MCS are collected from the World Development Indicators (WDI) database of the World Bank and data on MYS are collected from the Human Development Index (HDI) database.

3.2 Empirical Specifications

The empirical model to measure the impact of FDPs and AfTFS on increasing financial inclusion is grounded in both empirical studies and theoretical perspectives suggesting that expanding people's access to finance and providing greater development aid to the financial industry contribute to higher levels of financial inclusion (Rao, 2015; UNCTAD, 2021). Additionally, the model recognizes the crucial role of access to finance in promoting economic development and improving social welfare (Kim et al., 2018; Zeqiraj et al., 2022). This study initiates the empirical analysis by employing a straightforward ordinary least squares (OLS) regression model. The OLS regression is chosen due to its simplicity and allows for robust standard errors. The regression model is specified as follows:

$$CFII_{s,y} = \zeta_0 + \zeta_1 \ln FDP_{s,y} + \zeta_2 \ln AfTFS_{s,y} + \sum_{i=1}^j \delta_i X_{i,s,y} + v_s + u_y + \varepsilon_{s,y}$$

where, $CFII_{s,y}$ represents the composite digital financial inclusion index for a specific country (s) and year (y). ζ_0 is the intercept term capturing the baseline level of the CFII when all other variables are zero. ζ_1 , and ζ_2 are the coefficients respectively capture the effect of FDPs, and AfTFS on the CFII independently. ζ_1 and $\zeta_2 > 0$ imply that giving opportunity to FDPs to access to formal financial services and more development aid to support financial services increases the financial inclusion of a country, thus testing Hypothesis 1 and Hypothesis 2.

X_i is the vector of other explanatory variables with corresponding coefficient δ_i (where $i = 1, 2, 3, \dots, j$), capture other factors that may influence financial inclusion, beyond FDPs and AfTFS. Selection of other explanatory variables mostly follows previous studies by Naceur and Samir (2007), Sarma and Pais (2011), Evans and Adeoye (2016), Pradhan et al. (2016), Aslan et al. (2017), Kim et al. (2018), Grohmann et al. (2018), Demirguc-Kunt et al. (2020), Al-Smadi (2023), and Murshed et al. (2023).

Subsequently, in order to examine whether the impact of AfTFS is contingent upon the specific area of focus, such as FDPs, and vice versa, this study introduces an interaction term between AfTFS and FDPs in the baseline regression model. This results in the following equation:

$$CDFII_{s,y} = \zeta_0 + \zeta_1 \ln FDP_{s,y} + \zeta_2 \ln AfTFS_{s,y} + \zeta_3 (\ln FDP_{s,y} * \ln AfTFS_{s,y}) \\ + \sum_{i=1}^j \delta_i X_{i,s,y} + v_s + u_y + \varepsilon_{s,y}$$

Where, $\zeta_3 > 0$ indicates a positive interaction effect between FDPs and AfTFS on the level of financial inclusion. This suggests that the impact of AfTFS on financial inclusion is conditional on the specific area targeted for assistance, such as FDPs. In other words, the combined effect of FDPs and AfTFS on financial inclusion is greater than the sum of their individual effects, indicating a synergistic relationship between these factors in promoting financial inclusion, testing Hypothesis 3.

4 Empirical Findings and Discussion

4.1 Summary Statistics and Correlation Matrix

Table I provides a summary of the statistics for the variables considered in this analysis. The table is divided into sections, including main summary statistics for explanatory variables (lnFDP and lnAfTFS), baseline control variables, additional control variables, and financial inclusion indicators. The dataset contains a total of 1,331 observations. The main explanatory variables, FDP and AfTFS, have average values of 8.47 and -15.09, respectively. The dependent variable, measured using PCA, ranges from 0 to 100 with a mean of 43.61. Appendix Table 1A presents the ranking of countries based on their average CFII, revealing that Montenegro has the highest CFII of 56.64, followed by Belarus, Mongolia, and Serbia, while Chad has the lowest CFII.

Table II presents the correlation matrix, displaying the pairwise correlations between the variables. Notably, a negative correlation is observed between CFII and the log of FDP, suggesting that as the number of forcibly displaced persons decreases, financial inclusion tends to increase. Additionally, positive correlations are found between CFII and variables such as trade openness (TO), financial development (FD), foreign direct investment (FDI), human development index (HDI), log of GDP (lnGDP), and technology (TECH). These positive associations indicate that higher levels of these factors are associated with greater financial inclusion. However, the correlation matrix also indicates the presence of multicollinearity, particularly between HDI and TECH, as well as lnGDP and TECH, with correlation coefficients exceeding 0.7. Despite the presence of multicollinearity, the mean variance inflation factors (VIFs) of 2.19 suggest that multicollinearity is not a significant concern in the analysis, as the values remain below the threshold mean VIF of 10.

Table 1: Summary statistics

Variables	Notation	Observation	Mean	Std. Dev.	Min	Max
Forcibly displaced persons (Total number of refugees by country)	FDP	1,327	53753.89	217808.90	5.00	3759817.00
Log of FDP	lnFDP	1,327	8.47	2.37	1.61	15.14
Aid for trade for banking & financial services (million, USD)	ATFS	1,309	31.99	105.88	0.00	1738.17
Total Population (number)	POP	1,332	6.70E+07	2.14E+08	2.77E+05	1.40E+09
Log of per capita ATFS	lnATFS	1,307	-15.09	2.29	-26.23	-8.57
Baseline control variables:						
Trade Openness (Trade as % of GDP)	TO	1,324	75.25	31.06	20.72	210.37
Financial Development (Domestic credit by banks % of GDP)	FD	1,192	38.77	30.63	1.27	182.87
Foreign Direct Investment (% of GDP)	FDI	1,326	4.20	5.30	-37.17	54.37
Inflation rate (%)	INF	1,332	8.16	22.00	-30.20	558.56
Additional control variables:						
Domestic investment (Gross fixed capital formation % of GDP)	DINV	1,316	23.08	7.33	2.00	81.02
Human development index	HDI	1,331	0.64	0.12	0.33	0.85
Log of GDP (GDP, PPP, constant 2017 international USD)	lnGDP	1,332	25.31	1.76	21.69	30.84
Technology (Log of fixed broadband subscriptions)	TECH	1,287	11.84	2.97	2.89	20.10
Total natural resources rents (% of GDP)	TNRR	1,332	7.17	9.66	0.00	66.65
Financial inclusion indicators (log normalized):						
Automated teller machines (ATMs) (per 100,000 adults)	lnATM	1,250	0.18	0.04	0.00	1.00
Commercial bank branches (per 100,000 adults)	lnCBB	1,299	0.64	0.17	0.00	1.00
Outstanding loans from commercial banks (% of GDP)	lnLOTD	1,332	0.22	0.09	0.00	1.00
Mobile cellular subscriptions (per 100 people)	lnMCS	1,331	0.81	0.14	0.00	1.00
Mean Year of Schooling	lnMYS	1,331	0.73	0.20	0.00	1.00
Dependent Variable						
Composite Financial Inclusion Index	CFII	1,229	43.61	9.61	0.00	100.00

Table I. Correlation matrix

	CFII	InFDP	InATFS	TO	FD	FDI	INF	DINV	HDI	InGDP	TECH	TNRR
CFII	1											
InFDP	-0.17	1										
InATFS	0.22	0.09	1									
TO	0.21	-0.34	0.16	1								
FD	0.53	-0.11	0.07	0.25	1							
FDI	0.06	-0.14	0.21	0.37	0.01	1						
INF	-0.03	0.02	-0.04	-0.02	-0.11	-0.02	1					
DINV	0.09	-0.06	-0.04	0.22	0.11	0.28	-0.13	1				
HDI	0.86	-0.14	0.09	0.17	0.45	0.01	-0.01	0.059	1			
InGDP	0.31	0.22	-0.26	-0.39	0.37	-0.26	0.00	0.06	0.41	1		
TECH	0.68	0.13	-0.04	-0.19	0.50	-0.17	0.01	0.05	0.70	0.79	1	
TNRR	-0.35	0.18	-0.19	0.06	-0.32	0.10	0.05	0.14	-0.23	-0.05	-0.24	1

4.2 Baseline Regression Results and Discussions

Table III displays the estimated outcomes for the fixed effects baseline specification, which aims to analyze the direct influence of two factors on composite financial inclusion index (CFII): (i) forcibly displaced persons (FDPs) and (ii) aid for trade disbursed to banking and financial services (AftFS). To ensure more accurate and unbiased estimates, this study incorporates country and year fixed effects in all models and compute robust standard errors. These adjustments help account for the specific characteristics and variations across countries and years, providing a more reliable analysis of the impact of FDPs and AftFS on CFII.

Table III. The impact of FDPs and AftFS on financial inclusion

VARIABLES	(1) nCFII	(2) nCFII	(3) nCFII	(4) nCFII	(5) nCFII	(6) nCFII
FDP (log)	0.174 (0.219)	0.180 (0.219)	0.0946 (0.154)	0.0802 (0.152)	0.0758 (0.152)	0.0481 (0.134)
AftFS per Capita (log)	0.0152 (0.0910)	-0.00232 (0.0890)	-0.0370 (0.0799)	-0.0239 (0.0798)	-0.0251 (0.0798)	-0.0412 (0.0684)
Trade Openness (% GDP)		0.0199 (0.0161)	0.0293 (0.0187)	0.0260 (0.0190)	0.0266 (0.0191)	0.0235 (0.0166)
Financial Development (% GDP)			0.0626*** (0.0211)	0.0625*** (0.0208)	0.0616*** (0.0212)	0.0322** (0.0145)
FDI (% GDP)				0.0577** (0.0289)	0.0576** (0.0288)	0.0137 (0.0293)
Inflation rate (%)					-0.00433** (0.00191)	-0.00206 (0.00198)
Domestic Investment (% GDP)						0.0516* (0.0286)
Human Development Index						28.94* (15.07)
Gross Domestic Products (log)						9.554*** (2.448)
Technology (log)						0.153 (0.264)
Natural Resources Rent (% GDP)						-0.0157 (0.0478)
Constant	30.51*** (2.143)	28.69*** (2.474)	25.92*** (2.816)	26.24*** (2.823)	26.29*** (2.821)	-229.2*** (60.05)
Observations	1,204	1,198	1,073	1,070	1,070	1,039
Mean VIF	1.01	1.10	1.12	1.17	1.15	2.19
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Hausman (Prob>chi2)	0.0012	0.000	0.0003	0.0006	0.0006	0.000
R-squared	0.651	0.651	0.739	0.743	0.743	0.792
Number of countries	74	74	74	74	74	74

Note: Robust standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

The results from the baseline regression analysis in Column 1 suggest that there is no significant relationship between the increase in FDPs and AftFS with FI in developing countries. This supports initial hypothesis of the study that FDPs and AftFS do not directly promote financial inclusion. One possible explanation for this lack of relationship is that migrants or refugees often face challenges in accessing banking and financial services due to the lack of proper identification documents, which can limit their ability to open bank accounts. Without access to these services, their options for saving, receiving money, or obtaining formal loans are restricted, impeding their full participation in the financial inclusion process of the country.

Additionally, the coefficient of AftFS (ζ_2) is negative but not statistically significant. This finding could be attributed to the fact that AftFS is typically directed towards capacity building of banks and financial institutions on the supply side. However, the effectiveness of aid in achieving various development outcomes remains a complex issue, with challenges such as corruption and the capacity to utilize development assistance prevalent in many developing countries. Thus, based on the results from Column 1, this study cannot draw definitive conclusions regarding the impact of increasing refugees or AftFS on financial inclusion or determine if this relationship is contingent on other factors.

In baseline model, this study included trade openness (TO), financial development (FD), foreign direct investment (FDI), and inflation as common control variables. The coefficients for trade openness in all columns are not statistically significant, indicating that there is no strong evidence of a significant relationship between trade openness and financial inclusion. The p-values associated with these coefficients are likely higher than the typical threshold for statistical significance (e.g., $p < 0.05$). Therefore, based on the given information, the study cannot conclude that trade openness has a significant impact on financial inclusion. On the other hand, the coefficients for financial development in all columns are positive and statistically significant, suggesting that a higher level of financial development, represented by a larger financial sector relative to GDP, is associated with higher levels of financial inclusion. This implies that countries with more developed financial systems tend to have greater access to financial services and promote financial inclusion. Moreover, the coefficients for foreign direct investment in columns 5 and 6 are positive and statistically significant, indicating that higher levels of FDI as a percentage of GDP are associated with increased financial inclusion. This aligns with economic theories that propose FDI's contribution to economic growth, technological advancement, and financial market development. Foreign investors can stimulate economic activities, create job opportunities, and improve access to financial services, thereby promoting financial inclusion. Additionally, the negative and statistically significant coefficients for inflation in columns 5 and 6 suggest that higher inflation rates are associated with lower levels of financial inclusion. This is consistent with economic reasoning, as high inflation erodes the purchasing power of money, making it more challenging for individuals to save, invest, and participate in formal financial systems. Consequently, higher inflation rates can hinder financial inclusion by limiting individuals' ability to access and utilize financial services effectively.

The additional control variables, including domestic investment, human development index (HDI), gross domestic product (GDP), technology, and natural resources rent (NRR), were included in the regression model to examine their impact on the stability of the effects of FDPs and AftFS on financial inclusion. The regression results indicate that

domestic investment, HDI, and GDP have significant effects on financial inclusion. A higher level of domestic investment relative to GDP is associated with increased financial inclusion, as it stimulates economic growth, creates employment opportunities, and improves access to financial services. Similarly, countries with higher levels of human development, including education, health, and living standards, tend to have greater financial inclusion, highlighting the role of human development in facilitating access to formal financial systems. Additionally, a larger GDP reflects a stronger economy and better access to financial services, contributing to higher levels of financial inclusion. However, the coefficient for technology is not statistically significant, suggesting that its impact on financial inclusion may be less pronounced. Similarly, the presence of natural resources, as indicated by natural resources rent (NRR), does not significantly affect financial inclusion, indicating that other factors such as financial system development, human development, and economic stability may play a more significant role in determining financial inclusion levels.

4.3 Results on the Impact of Aid Conditions on Financial Inclusion

The coefficients in Table IV indicate the impact of aid conditions, specifically AfTFS and targeted assistance for FDPs, on financial inclusion. The positive and statistically significant coefficient for FDP suggests that targeted assistance for forced displaced persons has a positive effect on financial inclusion. This finding can be justified by the fact that FDPs often face unique challenges in accessing financial services, and targeted assistance can help overcome these barriers, improving their inclusion in the financial system.

Table IV. The impact of aid conditions on financial inclusion

VARIABLES	(1) nCFII	(2) nCFII	(3) nCFII	(4) nCFII	(5) nCFII	(6) nCFII
FDP (log)	0.973* (0.528)	1.077** (0.530)	0.820** (0.345)	0.798** (0.349)	0.801** (0.347)	0.624** (0.261)
AfTFS per Capita (log)	-0.439** (0.217)	-0.515** (0.215)	-0.453** (0.207)	-0.436** (0.210)	-0.442** (0.209)	-0.287* (0.164)
AfTFS × FDP	0.0532** (0.0258)	0.0597** (0.0259)	0.0484** (0.0206)	0.0479** (0.0206)	0.0484** (0.0205)	0.0382** (0.0174)
Trade Openness (% GDP)		0.0215 (0.0160)	0.0307 (0.0187)	0.0278 (0.0189)	0.0284 (0.0190)	0.0248 (0.0166)
Financial Development (% GDP)			0.0617*** (0.0211)	0.0617*** (0.0208)	0.0607*** (0.0211)	0.0321** (0.0145)
FDI (% GDP)				0.0541* (0.0273)	0.0539* (0.0271)	0.0111 (0.0292)
Inflation rate (%)					-0.00457** (0.00192)	-0.00227 (0.00198)
Domestic Investment (% GDP)						0.0524* (0.0298)
Human Development Index						29.37* (14.83)
Gross Domestic Products (log)						9.338*** (2.435)
Technology (log)						0.151 (0.262)
Natural Resources Rent (%GDP)						-0.0173 (0.0475)
Constant	23.71*** (4.459)	20.87*** (4.632)	19.61*** (4.096)	19.97*** (4.156)	19.96*** (4.151)	-229.1*** (60.30)
Observations	1,204	1,198	1,073	1,070	1,070	1,039
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Hausman (Prob>chi2)	0.0028	0.001	0.0004	0.0009	0.001	0.000
R-squared	0.653	0.653	0.741	0.745	0.746	0.794
Number of countries	74	74	74	74	74	74

Note: Robust standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0$.

On the other hand, the negative and statistically significant coefficient for AfTFS per Capita indicates that higher levels of foreign direct investment in financial services are associated with lower levels of financial inclusion. This result may be explained by the conditional nature of aid disbursements. While AfTFS aims to promote financial sector development, the negative relationship suggests that the impact of aid on financial inclusion may be influenced by other factors such as governance, institutional capacity, and the effectiveness of aid utilization. Thus, funds might not be shifted towards the developing countries where the resources cannot be effectively utilized. Zeqiraj et al., (2022) and Ali et al., (2020) showed that although more aid is provided, the quality of

financial institutions is deteriorated due to the corruption in the industry. Financial institutions with high corruption and poor governance level impede opportunities for higher access to finance (Corrado, 2020).

The positive and statistically significant coefficient for the interaction term $AfTFS \times FDP$ indicates that the impact of $AfTFS$ on financial inclusion depends on the presence of targeted assistance for forced displaced persons (FDPs). This suggests a synergistic effect between $AfTFS$ and FDPs, meaning that when aid disbursements are specifically targeted at financial services and combined with assistance for FDPs, they work together to enhance financial inclusion. This combination effectively addresses the unique challenges faced by displaced populations, leading to increased access to financial services and promoting financial inclusion. The findings emphasize the importance of directing development assistance towards specific groups, such as refugees and immigrants, rather than solely focusing on capacity building for financial institutions. By addressing policy and access barriers for these individuals, aid can effectively facilitate their access to financial services, ultimately fostering greater financial inclusion. Overall, these results highlight the importance of aid conditions in shaping financial inclusion outcomes. Targeted assistance for forced displaced persons and the interaction between foreign direct investment in financial services and targeted assistance can have significant implications for promoting financial inclusion, providing valuable insights for policymakers and organizations involved in aid allocation and development programs.

4.4 Robustness Test Using Alternative Methods and Dynamic Panel Data Models

To ensure the robustness of findings, this study employs three different approaches. Firstly, the study augments the model with additional macro-economic variables, as demonstrated in Column 6 of each Table III and Table IV. Secondly, it conducts post-estimation tests of panel data fixed effects model, including assessments of cross-sectional dependence and serial correlation. Since the study finds both cross-sectional dependence and serial correlation are present in the models, it further applies the Driscoll and Kraay (1998) standard errors model to validate the consistency of earlier findings. Lastly, the study undertakes a final robustness analysis by adopting an alternative estimation strategy – a dynamic panel regression method using the system generalized method of moments (SGMM). This approach accounts for the dynamic nature of financial inclusion and addresses potential endogeneity issues in the model. Through these rigorous tests and alternative methods, this study strengthens the reliability and validity of research outcomes.

The main results of the Driscoll and Kraay standard error methods and two-step SGMM model are shown in Table V. In running GMM estimation this study follows Blundell and Bond (2000) and Roodman (2009) methods for two-step estimators. In the Driscoll-Kraay model, the coefficients for FD and TO remain statistically significant and exhibit consistent positive effects on financial inclusion. Specifically, higher levels of FD and TO are associated with increased financial inclusion. However, the coefficient for inflation rate shows varying significance levels between the two methods. While both techniques confirm a negative relationship between inflation and financial inclusion, the significance level differs slightly. In the System GMM method, the coefficients for FDP and $AfTFS$ per capita also show notable changes in their significance levels compared to the earlier models. Nevertheless, the interaction term $AfTFS \times FDP$ retains its positive and statistically significant association with financial inclusion. These robustness tests strengthen the

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Driscoll-Kraay	System GMM	Driscoll-Kraay	System GMM	Driscoll-Kraay	Driscoll-Kraay	System GMM
YearEffect	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Instruments		25		37			41
pvalueAR(1)		0.024		0.023			0.037
pvalueAR(1)		0.555		0.187			0.152
pvalueSargan		0.386		0.470			0.387
pvalueHansen		0.452		0.766			0.828
Required	0.7434		0.7459		0.7919	0.7936	

Note: Standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. Two-step system GMM estimator implemented in STATA's 'xtabond2' command. The model includes lagged variables at lags 2 and 4 to control Instruments $< N$, and the GMM estimator is corrected for small-sample correction, robust standard errors, and an orthogonal transformation for the moment conditions.

While considering additional five control variables in the model and employ Driscoll-Kraay and GMM estimation with and without interaction term (from Column 5 to 7), the interaction variable, AftFS \times FDP, is significant in both the Driscoll-Kraay model (Column 5) and the System GMM method (Column 7). This interaction term represents the combined effect of AftFS and FDP on financial inclusion and the results are still consistent with the earlier findings. The positive and significant coefficient suggests that the impact of financial assistance on financial inclusion is contingent on the presence of targeted aid for forced displaced persons. In other words, when aid is specifically directed towards the development of forced displaced populations, along with financial services support, it has a synergistic effect that enhances financial inclusion.

Economically, this finding highlights the importance of addressing the unique challenges faced by forced displaced individuals in accessing financial services. By providing targeted aid to overcome policy barriers and improve access to financial services for this vulnerable population, financial inclusion can be effectively promoted. This can have significant implications for refugees, immigrants, and other displaced individuals in developing countries, enabling them to overcome financial exclusion and participate more actively in economic activities. The interaction term also underscores the need for policymakers and aid organizations to recognize the specific needs and circumstances of forced displaced persons when designing and implementing financial inclusion programs. By tailoring assistance to address the challenges faced by this population, including limited access to formal financial services, financial literacy, and policy barriers, the effectiveness and impact of financial inclusion initiatives can be greatly enhanced.

5 Conclusion and Policy Suggestions

This study aimed to empirically examine the potential impact of forcibly displaced persons (FDPs) and aid for trade on financial services (AftFS) on the financial inclusion of 74 developing countries using panel data from 2004 to 2021. The baseline regression, employing a fixed effects model, initially showed that FDPs and AftFS did not have a significant effect on financial inclusion. However, robustness tests, incorporating additional control variables and utilizing the Driscoll-Kraay standard error and two-step SGMM estimation techniques, provided further insights.

This study found that the relationship between FDPs and AftFS on financial inclusion is conditional. Specifically, when aid from multinational and development partners is

directed towards improving the situation of FDPs or refugees through initiatives such as financial literacy programs and efforts to minimize policy barriers set by central banks and governments, it can enhance the financial inclusion of aid recipients. This underscores the significance of financial education programs, supported by development partners and donors, in promoting financial inclusion for migrants, refugees, and other vulnerable populations. These programs can facilitate financial planning, enhance the effective utilization of loans and savings, and improve the efficient transfer of remittances.

In contrast, the direct effect of AFTFS on financial inclusion was found to be negative and statistically significant. This implies that foreign aid specifically targeting banking and financial services does not necessarily promote financial inclusion. Instead, it emphasizes the importance of development partners ensuring good governance and appropriate utilization of development aid in the financial sector. Targeted and sector-specific disbursement of aid for financial services becomes crucial in order to achieve financial inclusion goals. The consistency and robustness of these findings across different models and methodologies further validate their reliability. They carry significant implications for policy development aimed at attaining the Sustainable Development Goals (SDGs) related to financial inclusion.

Based on the empirical findings, proposed policy agenda of this study aims to advance financial inclusion comprehensively. Development partners should formulate both short-term and long-term policies and strategies to allocate additional resources specifically for refugees to access financial services. While the adverse effects of aid for financial services on financial inclusion do not imply a reduction in commitment and disbursement of such aid (AFTFS), it is crucial to ensure good governance in its utilization. The targeted and sector-specific disbursement of aid for financial services, aligned with inclusive financial policies, can contribute to the achievement of Sustainable Development Goals (SDGs) in developing countries. To promote and facilitate financial inclusion for refugees and migrants, targeted investments and technical assistance are paramount. These individuals require guidance and support to navigate the financial systems in their host countries, while development partners also need guidance on effectively engaging with migrants and refugees. It is imperative for development partners to prioritize ensuring that refugees and vulnerable groups in host communities have access to affordable and suitable financial services, while holding responsible financial service providers accountable for delivering these services. Policymakers should also focus on raising awareness about the business opportunities linked to serving refugees and overcoming policy barriers that hinder their access to financial services. By addressing these challenges, stakeholders can foster greater financial inclusion and empowerment for refugees and migrants, contributing to their overall well-being and integration.

Overall, this research provides valuable insights into the relationship between FDPs, AFTFS, and financial inclusion. It underscores the importance of targeted aid and financial education programs in addressing the specific needs of forced displaced populations and promoting their financial inclusion. The findings call for collaborative efforts between donors, recipients, and policymakers to create an enabling environment that enhances access to financial services and supports the economic empowerment of vulnerable populations.

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Appendices

Table A1. List of developing countries and their ranking based on average CFII

Country Name	Average CFII (2004-21)	Ranking	Country Name	Average CFII (2004-21)	Ranking
Montenegro	56.646	1	Uzbekistan	46.095	38
Belarus	56.601	2	Dominican Republic	45.827	39
Mongolia	55.162	3	Ecuador	45.753	40
Serbia	53.852	4	Ukraine	45.588	41
Georgia	52.189	5	Honduras	45.117	42
Malaysia	52.166	6	Kyrgyz Republic	44.572	43
Moldova	52.157	7	Egypt, Arab Rep.	43.254	44
Bosnia and Herzegovina	51.605	8	Ghana	43.125	45
North Macedonia	51.548	9	India	42.450	46
Jordan	51.419	10	Algeria	42.163	47
Albania	50.995	11	Nicaragua	42.143	48
Thailand	50.982	12	Tajikistan	41.957	49
Lebanon	50.968	13	Zimbabwe	39.987	50
Brazil	50.800	14	Cambodia	39.717	51
China	50.512	15	Iraq	39.229	52
Costa Rica	50.475	16	Nigeria	38.959	53
Bolivia	50.461	17	West Bank and Gaza	38.937	54
South Africa	50.077	18	Kenya	38.416	55
Turkiye	49.899	19	Pakistan	37.783	56
Belize	49.863	20	Bangladesh	37.760	57
Armenia	49.609	21	Togo	37.745	58
Colombia	49.584	22	Lesotho	37.294	59
Guatemala	49.433	23	Nepal	36.952	60
El Salvador	49.050	24	Gambia, The	36.914	61
Argentina	48.752	25	Zambia	36.899	62
Namibia	48.208	26	Senegal	36.061	63
Botswana	48.149	27	Benin	35.619	64
Tunisia	48.110	28	Cameroon	34.827	65
Mexico	47.628	29	Congo	32.847	66
Kazakhstan	47.503	30	Uganda	31.430	67
Azerbaijan	47.263	31	Mozambique	30.670	68
Paraguay	47.254	32	Rwanda	29.243	69

Indonesia	46.751	33	Mali	28.835	70
Morocco	46.695	34	Madagascar	28.062	71
Philippines	46.644	35	Guinea	22.927	72
Peru	46.571	36	Central African Republic	22.710	73
Jamaica	46.560	37	Chad	16.726	74

Note: Average CFI and ranking of countries has been calculated by the author using PCA

Table A2. Principal components

Variables	Component	Eigenvalue	Difference	Proportion	Cumulative
	Comp1	2.621	1.767	0.524	0.524
nlnATM, nlnCBB, nlnOTD,	Comp2	0.854	0.238	0.171	0.695
	Comp3	0.616	0.101	0.123	0.818
nlnMCS, nlnMYS	Comp4	0.515	0.120	0.103	0.921
	Comp5	0.395		0.079	1.000

Note: Comp1 is the most important component, explaining the most meaningful patterns in the data

Table A3. Scoring estimates for orthogonal varimax rotation (weights)

Variable	Comp1	Unexplained
nlnATM	0.5157	0.3032
nlnCBB	0.4565	0.4539
nlnOTD	0.2957	0.7709
nlnMCS	0.4678	0.4266
nlnMYS	0.4685	0.4249