MIGRATION AND DEVELOPMENT: THE CASE OF TURKISH MIGRATION TO GERMANY

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Abstract

This article reviews empirical research and studies to investigate the impact of international migration from Turkey to West Germany on economic development of Turkey. The paper is organized in three sections. The first section provides a theoretical background for the complex relationship between migration and development. The second section presents the size and nature of the international labor migration from Turkey to Western Europe and, specifically, to West Germany. The last section includes discussions of the potential effects of labor recruitment, remittances and return migration, and the extent that these potentials are realized. Overall impacts of the migration flow on development of Turkey are also presented.

INTRODUCTION

The main phase of labor migration from Turkey to Germany was initiated with bilateral labor recruitment agreements between two governments in the early 1960s. Given both countries' economic and social conditions, labor recruitment seemed a viable solution. Germany expected to receive a temporary labor supply and, therefore, get away with the high costs of incorporating migrant workers, while sustaining economic growth without the pressure of raising wages. Turkey, on the other hand, hoped for an impetus for economic development and modernization resulting from remittances and return of the migrant workers.

A decade later, in 1973, the German government abruptly halted labor recruitment. At the same time, it provided incentives to encourage return migration. Despite these incentives, volume of return migration remained low while Turkish population in Germany increased as a result of family reunion and high fertility rates. The number of Turks in Germany stabilized in the course of time, with more than two million Turks living in Germany today.

While the more visible economic and social effects on Germany have received increasing scholarly interest, effects of this migration on Turkey remains less studied. There have been studies, tracking return migrants and investigating impact of remittances and return migration on specific villages or towns. However, there has not been enough work evaluating macro scale economic and social consequences of this migration on Turkey. In fact, migration's effect on economic development of sending countries remains "unsettled" according to many scholars.

In the first section of this paper, I review theoretical approaches to the complex relationship between international migration and economic development. In the second, I discuss the conditions for the initiation and continuation of Turkish migration to West Germany. I review empirical research and studies that investigate the effects of Turkish labor migration to West Germany on development efforts of Turkey in the last section. Rather than micro level effects of migration, I concentrate on macro scale effects of migration on national economy of Turkey. In doing so, I focus on the expectations of economic development and the extent to which these expectations have been accomplished with a dynamic perspective. I include in the discussion, the maturity of the migration flow and related social and economic changes, which in turn effect expectations and their realization. The role of the government policies is also discussed.

INTERNATIONAL MIGRATION AND ECONOMIC DEVELOPMENT

Out-migration affects development of sending countries in three major ways: through export of labor, return migration, and remittances. Therefore, to determine overall impact of migration on the sending countries, it is crucial to evaluate its effects on these three grounds. When the effects are positive it is implicitly assumed that economic laws will operate and automatically lead to economic development and growth. Literature focuses on determining positive and negative effects of migration through export of labor, return migration, and remittances, but largely ignores the assumption that once the conditions are satisfied, "take off" is inevitable for the sending country's economy (Penninx 1982). Many studies on developmental effects of migration conclude that out-migration contributes significantly to basic economic conditions, however, it still remains a question whether these contributions actually lead to economic development and growth.

Rather than assuming the "free choice of the migrant" as the basis of migration, many scholars note that in the context of international migration, demand for labor in receiving countries and regulations set by these countries play a determining role in current waves of migration (Martin 1991; Martin and Miller 1980; Papademetriou and Martin 1991; Portes 1983). Receiving countries have below replacement level birth rates and an aging population. These countries' labor markets are structured mainly as primary and secondary sectors, each with distinct human capital requirements. Jobs in the secondary sector are very likely to be unskilled and unstable. Labor demand in this sector fluctuates depending on the general economic conditions. Because of seasonal or temporary characteristics of the jobs, employees do not want to retain workers when labor is not needed. Given their temporary nature and the fact that they are low paid with poor working conditions and undesirable social statuses, these jobs are hardly attractive for native workers. Consequently, employees and/or governments turn to labor sending countries for labor recruitment.

It is also widely accepted in the literature that migration is a selective process. Most people do not migrate. Migrants are usually young, healthy, dynamic, and likely have human capital. On the other hand, receiving countries usually have a demand for labor with certain skills, which leads to migration of people with those skills. Since some skills are hard to replace, migration is likely to drain the pool of young and skilled workers in sending countries, and cause two major problems: First, losses in output and capital formation due to missing or failing inter-industry linkages, which may further reduce domestic employment; Second, disruptions in production and productivity, as emigrating skilled and managerial talent is replaced by less skilled and experienced individuals who might offer lower quality services for higher unit of labor costs (Papademetriou and Martin 1991). This process has an ethical dimension as well. Migration of trained, skilled, and experienced labor force may cause a *brain drain*, which further increases the developmental gap between nations.

One of the main questions to determine the overall impact of labor migration on development of the sending countries is whether labor migration has been a significant drain on the reservoir of skills of the sending countries (Appleyard 1992; Appleyard 1989). If the answer is no, meaning the substantial proportion of the migrants have had little or no skills at all, then migration may not be a drain of skills. On the other hand, if the migrants are the "cream of the labor force," then emigration may lead to a serious shortage of certain skills. In such a case, either the price of labor increases or the positions are filled out by less skilled labor. In either case, internal migration occurs to fill out the job vacancies created by emigration. As people move from the rural areas, agricultural productivity decreases along with an increase in agricultural wages. The extent to which labor migration represents a loss in public funds depends on the amount spent on training internal migrants on their new jobs.

Since migration is a selective process and younger and more progressive members of the societies are more likely to migrate the sending societies are likely to preserve their traditional structures. Under these conditions, a significant return flow is likely to lead to a strong confrontation at first, followed by changes in society (Papademetriou and Martin 1991). However, this scenario is not that likely, because return migrants tend to settle in urban metropolitan centers rather than the rural villages or small-towns where they have originated.

Besides its social effects, return migration is also expected to have economic impacts. On the one hand, migrant workers, exposed to the discipline and rhythm of industrial life at work in the receiving countries are anticipated to bring new skills with them upon their return. Even when the industrial sectors relevant to their skills do not exist in the country, the existence of skilled workers thought to give impetus for entrepreneurship to invest in these industries. On the other hand, some scholars argue that migrants usually have such exposure to industrial work prior to emigration, and relatively few migrants acquire new skills. Since most receiving countries do not have a significant labor demand for skilled workers, migrant workers may not even work in jobs requiring skills, and therefore, have a chance to add to their existent skills (Papademetriou and Martin 1991). In cases where they acquire new skills, then they may be reluctant to return home since they get a better return for their work in the receiving countries. If they return, they usually prefer independence of owning their own businesses, and many choose semi-retirement upon return. They usually do not engage in industrial work. Another possibility is that the skills the returning workers bring home may be totally irrelevant in the country of origin because of the technological gap between sending and receiving countries.

Another main question raised in the literature to determine the impact of migration on development is about the flow and effective use of remittances (Arnold 1992; Boyd 1989; Durand et al. 1996; Papademetriou and Martin 1991). To benefit from remittances, a diverse economic structure and financial systems that are capable of handling remittances should exist. If remittances are spent on consumption items, or transferred into the country through illegal channels, or held in deposit accounts in the host or other foreign countries, then sending countries do not benefit from remittances.

Three major ways to spend remittances are discussed in the literature (Papademetriou and Martin 1991). Almost three-quarters of remittances seem to be used to invest in housing and real estate purchases. Some is used to purchase consumer goods and for carrying-out family centered activities. Only a small fraction is used for investing in financial instruments or toward investment and financing of service sector activities, such as opening stores. This pattern of spending has some unintended consequences. Spending remittances mainly on consumer expenditures change the expenditure patterns of the migrant households and create a "demonstration effect" on non-remittance receiving households (Arnold 1992). As consumption increases in migrant households, a similar consumption behavior is observed in non-migrant households. In this case, demand for, and eventually economic and social costs of, foreign goods increase and foreign currency reserves of the country are spent on importing consumption goods. As a result of these adverse effects remittances lead to income and wealth inequalities, which further intensify the problem of uneven distribution of income in the labor sending societies. Expenditure of large amounts of remittances on real estate or housing construction also has adverse effects on real estate market, and creates inflationary pressures on wages. Similar effects are observed for agricultural production as well. As higher income leads to more leisure time, more land is left idle. As a result agricultural output falls and the prices of agricultural products increase.

Return on investment in migration has been limited for most of the labor sending countries. They have experienced a temporary relief from unemployment. Remittances helped them to solve balance of payments problems. But emigration has failed to provide a long-term development impetus. Obviously development is an extremely complex process and any change in this process depends upon a matrix of variables only one of which is migration (Martin 1991). That is mainly why results vary from one country to another, and they are both disconnected and culture specific.

LABOR MIGRATION FROM TURKEY

In 1962, the first Five-Year Development Plan, which targets the period from 1962 to 1967, was accepted in Turkey. The plan laid out the social and economic situation of the country and had recommendations of strategies for economic development and industrialization. The demographic pressures resulting from the rapidly growing population and inadequate employment opportunities for the labor supply were detailed in the Plan. In order to solve the unemployment problem of the country, the plan recommended exporting the excess, unskilled labor force. This recommendation was also in accordance with the constantly growing demands for additional labor force in West Germany (Abadan-Unat 1976). Given the demographic pressures (demonstrated by an annual population growth of 2.6 percent in 1970), labor migration was believed to be a remedy for unemployment and not a cause for any specific "human erosion" (Kiray 1972). Abadan-Unat pointed out "unemployment, poverty and economic underdevelopment, all of which mean retarded industrialization" as the major push factors (1976, p.3–4).

Despite the presence of these push factors in Turkey, the migration flow would not have been possible if there were no pull, that is the demand for foreign labor, by the Western European countries (Straubhaar 1986). In examining the guestworker programs implemented in various Western European countries, researchers agree that waves of migration, especially in France and Germany, match business cycles. Therefore, formation of guestworker policies in Western Europe was largely a by-product of postwar economic expansion, and immigrants have contributed to Europe's post-World War II economic growth to a large extent (Martin and Miller 1980; Zimmermann 1995).

Western European countries recruited foreign workers through guestworker programs to fill out the vacant jobs, which opened up in the aftermath of the Second World War. First group of migrant workers came mostly from the neighboring Southern European countries, such as Italy, Spain, Greece, and Portugal. Turkey and Yugoslavia followed these countries. As the labor reservoirs in these labor-exporting countries closest to Western Europe dried up, recruitment from more distant countries, both physically and socio-culturally, started (Martin and Miller 1980).

Turkish migration to Western Europe, which has no colonial roots, was first initiated in the late 1950s. The Institute of World Economy at the University of Kiel applied to the Turkish Ministry of Foreign Affairs in 1956, requesting an agreement for the exchange of vocational volunteers for the purpose of facilitating German capital investments in Turkey (Abadan-Unat 1976). The first agreement was signed in 1957 by the Labor Ministry of West German province of Schleswig-Holstein and resulted in the arrival of 12 Turkish technical high school graduates in the same year. These trainees eventually ended up finding jobs and settling in West Germany (Akgunduz 1993).

The first phase of migration from Turkey to Western European countries, between 1961 and 1973, was handled through bilateral labor recruitment agreements. Turkey signed bilateral agreements with West Germany in 1961, with Austria, Belgium, and Netherlands in 1964, and with France in 1965, and with Sweden in 1967 (Gokdere 1978). Between 1963-1968 Turkish workers left the country mainly for West Germany, Belgium, Holland and Austria. From 1961 through 1973, Turkish Employment Service (TES) sent 789,980 people to Western European countries for employment and among that over 80% (648,029 people) were placed in the labor market in the West Germany (Abadan-Unat 1976; Martin 1991; Penninx 1982). As of 1977, the number of Turks employed in Germany was 527,500 whereas that number was 31,200 in France, which was the second country that Turks migrated the most (Martin and Miller 1980). The Netherlands, Austria, Switzerland and Belgium followed these two countries.

Following the halt of labor migration in 1973, as migrants earned the right to stay in host countries, even if they were unemployed, they brought their families to join them in Western Europe. This family reunification and formation characterized the second phase of migration. The third phase, starting around the mid-1980s, included politically motivated migration (asylum seekers), and labor migration of illegal or undocumented workers as well as specialized persons, such as teachers and religious personnel (Akgunduz 1993).

In the first phase of migration bilateral agreements determined the form of labor migration that took place. For example, the agreement between Turkey and West Germany required the potential migrants to register at the Turkish Employment Services in Turkey. The officials of German Employment Services, and either employers from West Germany or their representatives in Turkey had the final decision to select from the potential migrant workers. These bilateral agreements detailed not only the procedures for recruiting migrants, but also certifying the health and skills of potential migrants, the issuance of identity cards, transport agreements, and how to handle breaches and cancellations of contacts between individual foreign workers and the foreign employers once the Turkish worker was abroad (Martin 1991). Subsequent agreements encouraged establishment of assistance organizations to help migrants deal with various problems, such as housing or legal problems, while abroad. In the course of time, migrants themselves developed their own self-help organizations (Abadan-Unat 1976).

In the initial years both Turkey and the receiving countries in Europe considered this as a *temporary migration*. According to the agreement signed between Turkey and Germany, recruitment of workers was initiated with a rotation principle. Workers were supposed to enter Germany for a period of one to two years and were then required to return to their home country to make room for the other guestworkers.

As this was understood to be a temporary migration, migrant workers aimed to save enough money to sustain their families in Turkey and to bring enough money to their homes upon their return. More than 85% of the migrant workers from Turkey were male and 82% of migrants were married (Straubhaar 1992). According to a 1964 study, less than one-third of migrants had their families with them (Martin 1991). The share of migrant families remained stable and low for a period of time. In 1968, only 21% of workers were accompanied by their spouses (Barisik, Eraydin, and Gedik 1990). As the migrant workers stayed longer, they started to bring their families. A 1972 study reports over half of the much larger number of migrants having their families. By 1974, there were 1 million Turks in West Germany: 60%, workers, 20%, children, and 20%, non-working spouses and other dependents (Martin 1991).

The fact that most migrant workers from Turkey were men without their families had strong effects on families and households back in Turkey. Having a traditional family structure, Turks were not accustomed to having split families. Many of these families experienced troubled marriages. Problems in the families increased if the separation resulted in divorce (Barisik, Eraydin, and Gedik 1990). Besides alienation and xenophobia, family troubles were among the most recurring themes in Turkish literature and drama on the immigrants' life in Europe.

Even though men were the majority of the migrant workers and women were mostly the dependents of the migrant workers, the number of women workers recruited through the TES increased gradually. Especially from 1967 on, the ratio of women has grown steadily from an initial 8%, and reached 24.4% of all Turkish workers in 1973 (Abadan-Unat 1976; Martin 1991). However, despite "the increasing demand for cheap female labor, long waiting lists for male workers, and the possibility that the economically active wife could invite the husband," the share of women among all Turkish migrant workers reached its maximum (27%) in 1978 (Barisik, Eraydin, and Gedik 1990, p. 308). Later on, the number of women Turkish workers decreased drastically, as a disproportionate number of female workers returned to Turkey after the halt to the recruitment in 1973 (Martin 1991).

Turkish migrants mostly originated from richer, more westernized and more conveniently located regions. "…Thrace and Marmara, and North Central Anatolia have had a dominant share throughout, not just absolutely but also relatively, in the sense that their share in supplying migrants greatly exceeds their share in the total population" (Paine 1974, p. 72). Turkish workers also tended to be concentrated in young age groups. This was mainly because of the age limit set by TES. The acceptable age range for male workers was 20 to 40 at the beginning, and it was changed to 25 to 35 after 1972. There was not a range set for women applicants. All females over 18 were eligible for application (Barisik, Eraydin, and Gedik 1990). As a result of this age selective recruitment, a young and active manpower group was sent to work in West Germany. Age distribution of Turkish workers in West Germany in 1972 was as follows: 9% under 25, 21% between 25-30, 33% between 30-35, 22% between 35-40, and only 10% over 40 years old (Abadan-Unat 1976).

The proportion of literates among Turkish migrants was substantially higher than that for the Turkish population (Paine 1974). Their level of education was also higher than the remaining of Turks, especially for women. Moreover a significant proportion of Turkish migrants were skilled workers. In 1968, 26.4%, in 1969 28.2%, in 1970, 34%, and in 1971, 46.3% of all migrants were registered as qualified workers (Abadan-Unat 1976). One-third of the 750,000 Turks who emigrated through the TES between 1964 and 1976 were classified as skilled by the TES. For Turkey, this was an important loss of skilled manpower, because it accounted for emigration of almost one-fifth of the stock of skilled Turks in the mid-1960s (Martin 1991). Allowing these skilled workers to migrate was criticized at the time by Turkish Union of Chambers of Commerce, the Ministry of Industry, and the State Planning Organization among others (Abadan-Unat 1986). However, need to eliminate the unemployment problem and to assure continuous flow of remittances overrode these complaints. After 1965, the skill level demanded by the European countries became more pronounced, and the supply of skilled labor was short of demand. At the same time, the Second Five-Year Plan stressed out the need to limit the outflow of the skilled labor and encouraged emigration of unskilled labor. Despite these policy attempts, the skill levels of Turkish workers were still higher in 1973 than those of the other Mediterranean workers abroad (Barisik, Eraydin, and Gedik 1990).

While eliminating the country's unemployment problem was stated as the main motivation for exporting workers, in 1963, only 4% of the total Turkish migrant workers and 3% of the male migrants were unemployed at the time of their application for emigration permission (Straubhaar 1992). Studies in 1973 showed that, before migrating, 46% of Turkish workers were employed in Turkey as factory workers, 32% were active as artisans and only 21% came from the agrarian sector (Abadan-Unat 1976). In spite of the relatively high percentages of qualified Turkish labor force in Germany, downward mobility was most striking, especially demonstrated by a shift from white collar to blue-collar jobs. The example of teachers (9,000 former primary school teachers) and civil servants taking up industrial employment was especially striking, and indicated the strong attraction of high wages (Abadan-Unat 1976).

Contrary to expectations, the ban on recruitment did not lead to a drastic decrease in the size of Turkish population in the Federal Republic of Germany. In 1973, there were about 900,000 Turks in Germany and two-thirds of them were in the workforce. In 1980, the number of Turks in Germany was about 1.5 million and only 590,000 of that were in the workforce (Martin 1991). In 1980, the total Turkish population in Europe was estimated at 2 million, of whom 800,000 were legally employed (Penninx 1982). The size of the Turkish population and the share of the workers within that remained almost constant over time since the 1980s.

IMPACT OF INTERNATIONAL LABOR MIGRATION

For a sending country, realizing the potential benefits of migration depends on three Rs: recruitment, remittances, and return migration (Papademetriou and Martin 1991). If we return to the discussion of composition of the migrants recruited, there is consensus on some basic data. *First*, the Turkish migrants were mostly men, between 20 and 40 years of age. *Second,* there was an overrepresentation of migrants from urban, more modernized and developed regions of Turkey as opposed to more rural and underdeveloped regions. *Third*, general education and professional skill levels of migrants were higher than the average level of Turkish labor force. And *fourth*, at the time of departure for Europe a great majority of Turkish workers were employed.

This loss of manpower was important as it accounted for emigration of almost one-fifth of the stock of skilled Turks in the mid-1960s (Martin 1991). Abadan-Unat (1976, 1986) points out the criticisms raised by Turkish Union of Chambers of Commerce, the Ministry of Industry, and the State Planning Organization, among others, for letting these skilled workers to migrate. However, it was seen more important to control the unemployment, maximize the flow of remittances and their productive investment in the country.

Literature on the effects of recruitment of skilled manpower mostly focuses on the losses occurred in the industrial sector. Some general reasoning is offered on the potential effects of skilled labor loss on the agricultural sector. Kiray (1972) argues that given the demographic pressures, demonstrated by an annual population growth of 2.6% in 1970, labor migration was a remedy for unemployment and not a cause for any specific "human erosion," especially in the rural areas. Paine makes a similar argument as he states: “Certainly given the notorious high rate of underemployment in agriculture, it is extremely unlikely that emigration has led to any significant losses in agricultural output” (1974, p. 129).

The second question concerns potential gains from the return of migrants. Following the ban on recruitment, size of the Turkish population stabilized and remained around the same level. Over time the composition of the Turkish population changed from a labor migrant population to a more normal demographic group. At the beginning of the 1980s, the share of married men and women with their families were 77% and 95%, respectively. Among the people married with children, only 35% had one or more children in Turkey. Parallel to the stabilization of the Turkish population in Germany, the rather frequent return migration in the early phases of the migration declined as the flow matured. Rules and regulations adopted and the incentives provided by the Western European governments to promote return migration of the guestworkers have become ever less effective as the migrants' period of residence increased. Therefore, return migration decreased over time depending on the duration of residence. Penninx (1982) reports only 30 percent return migration between 1961 and 1976. There is, however, not a consensus in the literature about the number of returned migrants. Barisik et al. (1990, p.307) reports about 80,000 to 90,000 returned migrants per year since 1978. Martin (1991), on the other hand, has a more conservative estimation: between 500,000 and 900,000 in total until the 1990s, with an average of 20,000 to 30,000 annually.

According to statements of migrants themselves, some of the return migrants have acquired skills and experienced some upward mobility abroad (Penninx 1982). Another survey, on the other hand, suggests that those who occupied relatively better positions in the hierarchy of labor had little inclination to return to their home country (Penninx 1982). Therefore, it is not clear how much professional skills Turkish emigrants brought to Turkey upon their return.

Lives of Turkish emigrants and what they did in Turkey upon their return are also understudied issues. Most studies suggest that return migrants did not go back to industrial jobs. The ones who intend to work in industrial jobs rather remained in Germany to enjoy higher wages. Only a small percentage continued working upon their return. Even if they did, Abadan-Unat argued that the skills they acquired were not very useful in Turkey because of technological differences (1976). Many were retired and some were disabled. If the returned migrants work in Turkey, then they are most likely to be self-employed. Many wanted to establish small businesses, but not all were successful in doing so (Abadan-Unat 1976; Penninx 1982). As they were dissatisfied with their conditions, many migrants were thinking about going abroad again (Paine 1974). In considering effects of return migration, it is also important to note the lack of policies to reintegrate returnees in the Turkish economy (Penninx 1982). Given this lack of official policies, it is hard to regard return of migrants as a positive strategic factor for the development of Turkey.

The third important factor in evaluating impact of labor migration on economic development is the amount of remittances brought into the country and allocated on productive investments (Arnold 1992; Boyd 1989; Durand et al. 1996; Papademetriou and Martin 1991). As an industrializing country, which implemented an import substitution industrialization model, Turkey was in need of external capital to support its developmental efforts. Having limited exports, it also needed to pay for imported goods and services, especially for capital goods, which were essential for the development programs. All studies on the issue agree that Turkish migrants generated a substantial amount of remittances since the 1960s. Through the 1980s, Turkey has received 1.5 to 2 billion dollars annually as remittances (Martin 1991). These remittances have been very important for financing of the imports and balance of payments.

To attract remittances, Turkish government adopted a number of policies over the years. They offered "special exchange rates for remittances, special interest rates for the foreign currency accounts maintained by Turks residing abroad with the Turkish Central Bank, and a program which permits Turks residing abroad to shorten their compulsory military service by paying a fee in foreign currency" (Martin 1991, p.33). Despite these policies, however, a large amount of the migrants' savings reside in foreign banks.

After bringing remittances home, the second aim for the government was to make sure they were invested in employment-generating activities to maximize economic growth. They implemented programs to encourage this – Turkish Lira loans for homes, farms, and small businesses contingent on migrants establishing foreign currency savings accounts with one of the designated Turkish banks (Martin 1991).

The programs designed to attract and invest remittances have not been successful. Abadan-Unat (1986, p.354-55) argues that these programs failed partly because of the attractive savings alternatives offered by the private sector. Straubhaar (1986), on the other hand, states that, rather than these special programs, level of remittances brought in Turkey was determined largely by migrants' perceptions of the stability of the Turkish exchange rate and the economy.

Despite some variation in the percentages reported, studies provide important insights as to how remittances have been spent in Turkey. About 20% of these remittances transferred to Turkey was used for personal consumption by the migrants, their families, and dependents. Between 24% and 33% was used for housing investments. The rest was mostly invested in purchasing land plots in urban areas and agricultural land in rural areas. A small fraction was invested in the form of small entrepreneurship in the industry and service sectors (Barisik, Eraydin, and Gedik 1990). Given this pattern of spending for remittances, consumption levels of the migrant families increased and created a pressure on the consumption patterns of the communities they live in. As they introduced new durable and non-durable consumption goods, the demand for luxurious and exported goods increased. This, in turn, increased the trade deficit and created an extra pressure on the government to encourage the migrants to send back their remittances, so the deficit would be paid off. Abadan-Unat (1976) states that remittances were first used to cover personal and family needs and later to the improvement of dwellings. Such spending patterns yields undesired consequences.

Besides inflationary pressures, increased imports, increased skill needs, and disproportionate infrastructural spending, she especially focuses on the "boomerang effect," which means a re-exportation of the remittances "to the host country in the form of importation of consumer goods, machinery, etc." (Abadan-Unat 1976, p.24).

Penninx notes that both the amount of savings and remittances seemed to decrease as the duration of residence in Germany increased (1982). According to a survey conducted in 1981, spending and saving patterns of Turkish migrants became increasingly directed towards consumption in Germany, and therefore, the amount sent to Turkey decreased drastically. As a result of these changes it is argued that with increasing maturity of the migration flow, Turkish emigration lost much of its potential of a contribution to development in Turkey and this potential will probably decrease even more in the future (Penninx 1982).

CONCLUSION

In the case of Turkish migration to Germany, the main force behind the initiation of migration was the labor recruitment efforts of the German employers and government. Social networks and institutions at the both ends of this migration flow played important roles in the continuation of the flow. Therefore the forces that led to the start of this migration have been quite different than forces that shape the flow. Contrary to expectations, the presence of guestworkers in Germany as well as in other European countries turned out to be permanent. The unintended consequences of European guestworker programs, including and especially the social costs of migration, incurred over time. Not only control of migration, but also incorporation of migrants into the host societies emerged as significant policy issues. Especially in the context of the European Union, as these migrant receiving European nation-states become more heterogeneous and multicultural societies, the rights of migrants, citizenship and identity issues have become even more important.

Both lack of policies and unintended consequences determined the fate of labor migration at both ends of the flow. While integration of immigrants has become a significant problem for the host countries, being able to use the potential advantages of this migration as part of the developmental efforts has been an important issue for Turkey, as a migrant sending country.

In a developing country like Turkey, it is quite hard to assess impact of migration, remittances, and return migration on development separate from other changes taking place in the country. In the 1960s and 1970s, Turkey experienced intensive road building programs and electrification of rural areas, as well as various other developmental projects. As a result of those programs the level of consumption increased. The number of homes with various electrical appliances, including radios and televisions, increased. Labor migration to Western Europe may also have played a role in this process, but the extent of that role is not clear.

Migration may also have been influential on the family structure. Between the 1960s and 1970s, it is likely that migration has speeded up the transition from extended to nuclear families in Turkey. Migration of male head of households, especially during the first years of the migration flow, led to a change in the role of women. Some women went to Germany with their husbands and participated in the labor force. Some, on the other hand, remained in Turkey and assumed new responsibilities.

Martin (1991) discusses the social and economic impacts of emigration on Turkey at three levels. The first one is the individual level. He argues that for about 2 million Turkish workers who have been or are working abroad, emigration has been a venue for upward mobility. The workers and their families enjoyed being among the wealthiest in their communities, or they were able to move to urban areas upon return. Their children had much better educational opportunities than they did.

The second is at the village and regional level, which is harder to assess. It is recognized that the remittances were most often spent on building a modern house, buying land and farm machinery, and purchasing urban apartments, cars, truck, and electrical appliances. Most of the migrants were retired at around the age of 50, and they preferred self-employment upon their return. It is estimated that about one-third of returned migrants opened businesses (Ebiri 1985). On average these businesses created two jobs each, most of which were filled by family members and relatives.

The impact of migration on a macro economic level is even harder to measure. It is argued that the increasing unemployment pressures in the 1960s were relieved by the recruitment opportunities in Western Europe (Abadan-Unat 1976; Martin 1991). Remittances have been a major source of foreign currency for decades, and they made import of the raw materials and machinery possible. It is also quite likely that the flow of remittances allowed Turkey to continue its import-substitution industrialization strategy for an extended period of time.

Considering the size and nature of the migration flow, Penninx (1982) argues that the potential for contribution to development was present especially in the early phases (the 1960s) of this migration. However, this potential was significantly disappeared in the course of time, with the maturity of the migration flow. He identifies the flow of capital (migrant remittances) as the main source of potential benefits. Labor recruitment (emigration) and return migration, on the other hand, do not seem to provide any potential benefits. Because it is hard to determine their consequences in terms of the gains or losses they brought. The last step Penninx focuses on in determining the effects of migration for Turkey is the willingness and ability of the economic system to use the potential migration provides for economic development. His empirical study suggests that "direct positive effects for development in rural areas and also in the sector of small and middle scale enterprises in urban areas are marginal. The fortune of a huge capital flow from abroad becomes available in small change in the hands of many and seems to be absorbed according to rules of the existing economic system, thereby creating new, or strengthening existing demand, but not changing the economic system significantly. It seems plausible that the relatively small sector of modern large scale industrial enterprises is able to profit from this growing demand, but here evidence is difficult to obtain" (1982, p. 812).

Empirical evidence suggests that, on a macro level, migration has been no solution for Turkey's development problems. Turkish economy did not simply take off because of recruitment, remittances, and return migration. Turkey lost some of its skilled labor force to Western European countries. Replacement of these workers by the unskilled ones from rural areas created a displacement within the economy. Remittances were not used productively. They were spent mostly on building houses, buying apartments, and land. Lastly, most of the migrants did not turn back to the sending areas. The ones who returned were most likely to be retired, and they lived off pensions. Some opened small businesses. Their spending behavior led to real estate market speculations and inflation in the economy.

Studies on the effects of international migration on development for Turkey also report that the inequalities that motivate workers to migrate at the first place were perpetuated by migration (Martin 1991). Today, half of Turkey's labor force is still employed in agriculture and experience considerable levels of unemployment and underemployment. There is also significant internal migration occurring within Turkey. Young people today must leave their homes to find jobs, and there is little hope that the infrastructure projects would create enough jobs to reduce emigration pressures.

The ability of Turkish government to use migration as part of the development strategy has been closely related to the overall development strategies implemented in Turkey. Considering the expectations laid out by the consecutive Five-Year Development Plans, however, it is fair to say that the expectations have not been realized and government has not really been successful in realizing the potential benefits from migration to Western Europe.

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