

MAFE Working Paper 8

**Returning to Dakar: The role of migration
experience for professional reinsertion**

MEZGER Cora, University of Sussex/INED

FLAHAUX, Marie-Laurence, Université catholique de Louvain

April 2010



*Funded under the
Socio-economic
Sciences & Humanities
Theme*



The MAFE project is coordinated by INED (C. Beauchemin) and is formed, additionally by the Université catholique de Louvain (B. Schoumaker), Maastricht University (V. Mazzucato), the Université Cheikh Anta Diop (P. Sakho), the Université de Kinshasa (J. Mangalu), the University of Ghana (P. Quartey), the Universitat Pompeu Fabra (P. Baizan), the Consejo Superior de Investigaciones Científicas (A. González-Ferrer), the Forum Internazionale ed Europeo di Ricerche sull'Immigrazione (E. Castagnone), and the University of Sussex (R. Black). The MAFE project received funding from the European Community's Seventh Framework Programme under grant agreement 217206. The MAFE-Senegal survey was conducted with the financial support of INED, the Agence Nationale de la Recherche (France), the Région Ile de France and the FSP programme 'International Migrations, territorial reorganizations and development of the countries of the South'. For more details, see: <http://www.mafeproject.com>

Abstract

This paper uses data from the MAFE survey (Migration between AFrica and Europe) to investigate the impact of international migration experience on occupational status in the context of return migration. More specifically, the objective is to study the professional situation of return migrants back in Senegal, and to contrast their labour market characteristics with individuals who never migrated. In line with previous literature, return migrants are found to be more often self-employed and active than non-migrants. The study further explores whether differential international migration experiences and return conditions are a key factor in explaining occupational status. The findings suggest that self-employment is positively correlated with variables indicating a lack of return preparation (involuntary return, short stays). Rather than choice, the self-employment status may represent a “last resort” for individuals who are not able to access wage-employment.

Résumé

Ce papier, à partir des données de l'enquête MAFE (Migration entre l'Afrique et l'Europe), étudie l'impact de la migration internationale sur le statut professionnel dans le cadre de la migration de retour. Plus spécifiquement, l'objectif est d'étudier la situation professionnelle des migrants de retour au Sénégal et de faire ressortir leurs caractéristiques sur le marché du travail par rapport à celles des individus qui n'ont jamais migré. Comme le souligne la littérature existante sur le sujet, les migrants, à leur retour, sont plus actifs et travaillent davantage à leur compte que les non-migrants. Dans le détail, cette étude vise à savoir si les différentes expériences de migration internationale et les conditions du retour se présentent comme des facteurs-clé pour expliquer le statut professionnel. Les résultats suggèrent que l'emploi en tant qu'indépendant est positivement corrélé avec les variables qui renvoient à un manque de préparation du retour (retours involontaires, courts séjours). Le statut de l'emploi indépendant apparaît alors comme une « possibilité de dernier ressort » plutôt que comme un « libre choix » pour les individus qui ne sont pas en mesure d'accéder à un emploi salarié.

Introduction and objectives

The role of return migration and circulation for development has been of increasing interest to policy makers in both origin and destination countries. Return migrants may have acquired new know-how, skills and ideas, financial capital and social contacts during their stay abroad, all of which should be helpful in setting up a business, finding a job and bringing the new resources to use. However, migration may also have disruptive effects on the labour market reinsertion. The financial resources may be insufficient to start a business activity, social ties at the origin may be weakened, and if the employment taken up during migration is below the migrant's qualification, little or no human capital may have been acquired. Moreover, depending on the migration and return motives as well as the economic and social context in which the return takes place, returnees may also not participate in the labour market, retire or decide to depart again for another stay abroad. Origin and destination country policies should thus have an interest in accompanying the return process and in facilitating the professional reintegration process in order to valorise the migration experience and to lower barriers to reintegration. A considerable amount of empirical research has investigated the occupational status of returnees, in particular with regard to their involvement in business activities, for countries and regions such as Egypt (McCormick and Wahba, 2001), Albania (Kilic et al., 2007), Pakistan (Ilahi, 1999), the Maghreb (Mesnard, 2004; Tani and Mahuteau, 2008; Gubert and Nordman, 2008a) and Mexico (Lindstrom, 1996). However, little evidence exists on return migration and returnees' labour market reinsertion in the context of Sub-Saharan Africa.

The objective of our paper is (1) to assess to what extent the fact of being a return migrant influences occupational attainment in Senegal, a West African country which is highly affected by international migration, and (2) to explore the role of the differential migration experience in explaining heterogeneous occupational attainment outcomes. Quantitative analyses using a new set of survey data on African migration (Migration between Africa and Europe, MAFE) explore whether returnees' labour market behaviour differs from that of non-migrants. Do returnees benefit from their migration experience by gaining easier access to the labour market than non-migrants, and to higher-skill jobs? Are they more involved in entrepreneurial activities than individuals without migration experience, as empirical evidence from other countries suggests? What is the role of capital mobilised during the stay abroad, and does the context of return matter, in particular the return motive? The discussion of the findings and the summarising remarks in the concluding section will also benefit from complementary qualitative analysis on the reinsertion of return migrants in the region of Dakar.

The next section provides an overview of the theoretical and empirical literature on return migrants' reinsertion in the labour market. Section three introduces briefly the labour market situation in Senegal in general and Dakar in particular as a context of the analysis, and section four presents the data and describes the methods. Findings are presented and discussed in section 5, and the last section concludes and raises questions for further research, taking into consideration the findings of the qualitative analysis.

1 A brief review of the literature on returnees' professional reintegration

1.1 Theoretical framework

Theoretical predictions regarding the process of labour market reintegration and the occupational attainment after return have been advanced by various bodies of migration theory.¹ In static *neoclassical migration models*, the migration decision is based on a cost-benefit analysis by the potential migrant. Given wage differentials between countries, the migrant aims at maximising the individual expected net lifetime earnings by employing her human capital where it renders the highest returns (Sjaastad, 1962; Harris and Todaro, 1970). Migration is thus considered to be a permanent event (under the assumption of sustained wage differentials), and the model does not explain why return migration is observed. Ways to reconcile the existence of return migration with the paradigm of earnings-differentials as main migration factor include the following:

- The migration project failed (i.e. the migrant overestimated the expected returns of migrating to a specific destination and/or underestimated the costs due to imperfect information before departure). *Although neoclassical migration theory does not provide specific hypotheses about reinsertion after return, it is likely that the returnee faces difficulties in the context of a “failed” migration, since no financial, human or social capital is accumulated abroad and, in addition, the migration episode interrupts the work experience in the home country. One would expect that returnees remain, at least temporarily, out of the labour market. They may also take up work with low entry-level barriers, representing a “last resort” option.*
- Human capital accumulated in the host country is transferable and achieves higher (relative) returns at home than at the destination. One example are student migrations, where the level of human capital obtained would situate an individual within the average group in the host country, but would place the returnee among the educational elite at home and may increase expected income at home sufficiently to trigger return (Dustmann, 2000). *In this case, we would expect a smooth reintegration after return, in particular in skilled positions.*

The *New Economics of Labour Migration* (NELM) literature broadens the concept of utility-maximization beyond the notion of earnings maximisation by including non-monetary aspects, market imperfections and by extending from individual to a group utility. It introduces in this way explanations for return even if the wage differential persists. In the context of credit market imperfections at origin, migration may serve to accumulate sufficient savings to provide the capital, or at least the collateral required to obtain a credit for investment at home, in particular in business activities. Once they have achieved the target-level of savings, migrants return to their home countries (Stark, 1991; Mesnard, 2004; Yang, 2006). *The professional reintegration of return migrants should thus happen relatively smoothly, and one should observe an over-representation of returnees in entrepreneurial activities.* A further reason for return migration, in particular after the end of the work life, is a higher purchasing power of the host country currency in the home country (Stark et al., 1997). This implies that the Purchasing Power Parity between origin and destination country does not

¹ See, for example, the review by Cassarino (2004).

hold and that individuals can take advantage of higher wages abroad by migrating early on in their lives, and of consumption at lower prices after returning to their countries of origin. As long as savings can be accumulated abroad and transferred home, return may happen even if wages were zero in the home country. *Under such conditions, one would expect to observe retirement return migration, whereby the migrant returns after the end of the working life in order to spend savings in the country of origin.* In both cases, migration duration and activity after return are decided simultaneously – target savers who want to start a business stay only as long as needed to mobilise the resources, while return migrants who want to retire after return remain until the end of their working life abroad (Dustmann and Kirchkamp, 2002).

The **structural approach** to return migration emphasizes the role of the economic and institutional context as well as norms and traditions in the origin country for the success or failure of return. Actual opportunities at origin may diverge from migrants' expectations about their activities after return if migrants are not able to remain well informed about the economic, social and political situation at home during their stay abroad (Cassarino, 2004). The loss of ties to social networks at origin during the migration can be a reason why returnees are lacking information about conditions in their home country. Moreover, traditions and values anchored in the home societies are likely to hamper the process of social reintegration of returnees in their origin community, and may impede the introduction of new know-how and ideas by the return migrant if values are in general opposed to change (Colton, 1993). Overall, the structuralist theory views the process of reintegration after return in a rather pessimistic light: returnees may not be able to reintegrate if the “gulf” between norms and values at origin and their own is too large and decide to depart again. Alternatively, they may also respond to expectations at home by spending their savings on consumption or unproductive investments rather than productively. While the structuralist approach does not offer concrete hypotheses on the occupation after return, it suggests that returnees are *rather inactive than active*, in the short term, that they take up *less qualified jobs* when participating in the labour market, and that the sample of return migrants observed at origin may be self-selected if “frustrated” returnees decide to *re-migrate*.

While structuralists do not envisage the maintenance of social ties between origin and destination during the migration period and after return, these links are at the heart of both **transnationalist theory** and **social network theory** (Cassarino, 2004). Migration and return are depicted in a positive way, and return is seen as part, but not as the end of the migration experience. Migrants maintain regular contact with the origin community, for example through visits and transfers. At the same time they are also embedded in social networks at destination, constituting links which are kept after returning to the origin country. These links allow for a *better preparation of the return and a smooth reintegration after return, whereby skills, social acquaintances and financial resources acquired abroad facilitate a successful return.* The definition of the type of social links differs between the two approaches. Transnationalists focus on networks defined on the basis of kinship and common origin, while the social network theory emphasises “built” relationships such as associations in the host country, groups with common aims and interests whose members include migrants as well as non-migrants. Although there are no specific hypotheses with regard to the type of activity taken up after return, the existence of links to socio-economic networks abroad after return may facilitate “cross-border” activities, such as *import-export businesses*, but also *skilled employment in international companies or institutions.*

Finally, Cassarino (2004) emphasises that the *preparation of the return* is an element which determines the success of the return and the reintegration after return, independently of the specific migration experience. Drawing on the previous theories, he highlights that returnees are better or worse prepared or “ready” for the time after return depending on their capacity to mobilise social, financial and human resources, both before and during migration. Savings accumulated during the stay abroad represent the financial capital. Human capital is composed of formal education, work experience as well as skills and know-how acquired during the individual’s lifetime. Finally, social capital includes personal and professional social relationships both at the origin and at destination. “Preparedness” also requires that the return is the result of a *voluntary decision of the migrant*. If the return is decided by others, for example the partner, or by external circumstances, such as the death of a family member or worsened political conditions in the host country, the returnee may have insufficient information about opportunities and may not have accumulated sufficient resources for a successful reinsertion at home. Returnees, who have been able to *mobilise various types of resources* (social, human, financial), and who decide themselves whether and when to return, should therefore have the least problems with regard to their professional reintegration after return. However, no concrete hypotheses can be made on the type of occupation after return, except that the occupation is likely to depend on the type of capital accumulated.

1.2 Empirical evidence on return and professional reintegration from the literature

There is a sizeable amount of empirical work on the occupational status of return migrants.² However, most studies do not compare the occupational situation of individuals with migration experience to the situation of non-migrants, or are examining country contexts which are very different from the Sub-Saharan African one in general, and from the Senegalese in particular. This summary is therefore restricted to studies on return to African countries (covering mainly North Africa/Maghreb, with some studies on Sub-Saharan Africa), and reviews the main results focusing on the role of capital mobilisation, migration duration and the context of return.

Descriptive analyses comparing pre- and post migration periods generally suggest that the proportion of entrepreneurs increases from before to after migration and is higher among return migrants than non-migrants (e.g. McCormick and Wahba, 2001; Wahba and Zenou, 2009; Mesnard, 2004; Gubert and Nordman, 2008a). Several papers attempt to examine in more detail the determinants for business investments among returnees with regard to other occupational statuses (McCormick and Wahba (2001) on return to Egypt; Black and Castaldo (2009) on Ghana and Cote d’Ivoire; Mesnard (2004) on Tunisia; Gubert and Nordman, 2008a on Algeria, Morocco and Tunisia). The findings match with the theoretical predictions about the role of capital mobilisation. Financial capital accumulated during the migration and transferred back at the end of the migration period or remitted during migration appears to be a particularly strong predictor of entrepreneurship after return. However, also human capital

² See for quantitative studies e.g. Ilahi (1999), Arif and Irfan (1997), McCormick and Wahba (2001), Dustmann and Kirchkamp (2002), Wahba and Zhenou (2009), Woodruff and Centeno (2002), Mesnard (2004), Nair (1999), De Vreyer et al (2008), Massey and Parrado (1998), Kilic et al. (2007), Tani and Mahuteau (2008), Gubert and Nordman (2008a), Gubert and Nordman (2008b), Muschkin (1993), Black and Castaldo (2009) and Lindstrom (1996). Authors who have explored the issue in a more qualitative way include, for instance, Ammassari and Black (2001), Black et al. (2003), Ammassari (2004), Nicholson (2004), Diatta and Mbow (1999) and Thomas-Hope (1999).

in the form of work experience acquired and social capital – visits home, membership of associations – have a positive effect on the probability of becoming self-employed after return. Formal education acquired abroad does not seem to matter for self-employment, but raises the probability of wage employment and reduces the probability of unemployment, according to findings by Tani and Mahuteau (2008) on returnees to the Maghreb countries.

The results with regard to the effect of migration duration are more conflicting. While McCormick and Wahba (2001) find a strongly positive effect of duration on returnees' entrepreneurship in Egypt, and Black and Castaldo (2009) similarly for returnees in Ghana and Cote d'Ivoire, migration duration has no effect in the findings of Gubert and Nordman (2008a) on returnees in Algeria and Morocco. While "too short" migrations may imply low levels of resource mobilisation, "too long" migrations can also lead to lost ties at the origin. Individuals who stayed very long abroad tend to return at older age, and the remaining lifetime spent back in the home country may be too short to set up a business activity and reap the returns.

Time elapsed since the return is found to be positively associated with self-employment in the context of return to the Maghreb (Gubert and Nordman, 2008a). The authors argue that returnees may need some time to gain knowledge about local market conditions and understand how "business is done". Moreover, they find that if the return was "forced" (no documents or deportation), entrepreneurship after return becomes less likely.

2 Context – The Senegalese labour market

The analysis of determinants of occupational status needs to be placed in the context of the Senegalese labour market, or, more specifically, the labour market conditions in the Dakar region. Dakar is characterised by persistent urban unemployment and underemployment, with half of the officially unemployed living in the region of Dakar according to data from the second Senegalese Household survey (DPS, 2004). Over 50 per cent of the working active population in Dakar is in a situation of underemployment, and the sustained population growth, which more than doubled the population over the past 30 years, is expected to continue generating a high level of labour demand in the urban labour market.

The supply response to the increase in demand in the labour market was considerable, as the number of workers doubled over the past decade in Dakar. However, job creation occurred primarily in the informal sector, where 97% of new jobs were generated between 1995 and 2004 (World Bank, 2007). Within the informal sector, self-employment represents around half of all employment among men, and over sixty per cent among women. Trading activities encompassed the largest share of employment growth over the decade and the trade sector continues to be the most dynamic one (at an annual growth rate of approximately six per cent, World Bank, 2007). In addition, highly qualified jobs are rare, particularly because the public sector employment share has decreased steadily since the beginning of the 1980s (Ministère de l'Economie et des Finances, 2004). At the same time, average returns to schooling remain generally low in the informal market (World Bank, 2007).

However, the dual labour market structure does not only exist between formal and informal market, but also within the informal market itself. The large majority works at very low levels of income (at a median value of 40,000FCFA) mirroring low productivity levels, and represent thus the group of workers who are in the informal market because they do not

succeed in accessing the formal market. However, a second group of informal workers reaches income levels which are equivalent or even higher than those in the formal sector (over 200,000FCFA). For this group, participating in the informal sector does not constitute a “last resort” choice, but is the result of a rational decision (e.g. they may face lower bureaucratic hurdles and lower fiscal burdens in the informal than in the formal sector) (World Bank, 2007).

The character of a “dual” informal labour market must be taken into account in the analysis of occupational status. While skilled and unskilled wage employment categories are defined based on the skill content, the self-employment category is likely to contain more heterogeneous types of activities and attract therefore more heterogeneous types of returnees. The activities reported by self-employed non-migrants and return migrants in the context of the MAFE survey (data source explained in the following section) illustrate the breadth, diversity and quality of the type of work performed in self-employment (see Table 7, Annex, for a non-exhaustive list). While, for instance, a large number of individuals report activities in the trade sector, activities range from street vendors to shop owners and wholesale. Similarly, one finds tailors who work from home, and tailors with a workshop and sales shop, or electricians who work alone whereas others have employees. Although constituting a smaller number, there also appear to be examples of highly educated self-employed, e.g. an accountant, a translator, or a doctor.

3 Data, methods and hypotheses underlying the analysis

3.1 Data

The analyses performed in this paper use a new set of survey data collected in 2008 in the framework of the MAFE-Senegal project (Migration between Africa and Europe). This project aims at filling the gap in data availability on African international migration highlighted in the literature (Lucas, 2006; Hatton and Williamson, 2003), and at generating quantitative evidence on migration between Africa and Europe.

Surveys have been carried out in Senegal and among migrants in France, Italy and Spain during spring and summer 2008. In Senegal, data have been collected at both household and individual levels. While the household data are a cross-section at the time of the survey, the individual data records yearly retrospective information about the respondent’s life. Data hence cover the time from birth till the survey date, for both non-migrants and return migrants. This questionnaire type provides very detailed information on a large number of life domains, focusing in particular on experiences related to migration. In addition to more common life histories such as housing, family formation and activity histories, the survey provides information on migration and return migration, short returns, the sending of remittances, residence and work permits or migration attempts.

The same individual biographic questionnaire as in Senegal has been applied to migrants interviewed in the three main European destination countries for Senegalese migrants, France, Spain and Italy. This analysis uses only the biographic data collected on non-migrants and return migrants, and the description will be restricted to the Senegalese sample. For cost reasons, the sample in Senegal was limited to the region of Dakar with its four administrative departments of Dakar, Pikine, Guédiawaye and Rufisque. The region accounts for approximately a quarter of the national population. A three-stage probabilistic sampling

design was used, oversampling households with migration experience. In the first stage, National Census data from 2002 was used as a sampling frame to group census districts into 10 strata of equal size based on the migration prevalence (number of households with at least one migrant) in the district. Six districts were randomly drawn out of each stratum, and a micro-census was conducted in the sampled districts to update the list of households. Within the sampled districts, households were further stratified into two strata (migrant households and non-migrant households). 22 households were randomly sampled in each selected census district, with migrant households representing a maximum proportion of 50%. Finally, individuals were sampled within households for the individual survey. All return migrants (individuals who had spent at least one year abroad and were at the time of the survey members of the household) and partners of current migrants identified in the household survey were sampled for the individual survey, and in addition one non-migrant per household was sampled randomly. The Senegalese sample is representative of the Dakar region, and inference to the population characteristics is thus only valid at the regional and not at the national level. Similarly, results need to be interpreted in the urban context of the capital city and the surrounding departments. Returnees and non-migrants in rural areas may exhibit very different features from those observed in the MAFE data.

The eligibility criteria for the individual questionnaire established that individuals had to be between 25 and 75 years of age (to have long enough life histories), born in Senegal and of present or past Senegalese nationality (to exclude immigrants). The sample used in this analysis consists of 1062 individuals, out of which 869 are non-migrants and 193 are return migrants.

Table 1. Senegalese sample used in the analysis

Non-migrants	869	Never lived for more than 1 year out of Senegal
Return migrants	193	Lived for at least 1 year outside of Senegal, whatever the country (a large share was in Africa) and whatever the age of first migration

Given that no further restrictions have been placed on the sampling of return migrants, return migrants in the sample are representative of the population of returnees in the Dakar region, and may be male or female, and of different age, status in the household, and migration background (according to the motives of migration and return, migration destinations, age at migration etc.). It is important to note that a large share of returnees in the Dakar region had migrated to another country in Africa, and not to the North.

As a complement to the quantitative survey data, the analysis will also revert to insights from qualitative data (Flahaux, 2009). In February and March 2009 approximately twenty qualitative interviews were carried out with return migrants living in the region of Dakar. Due to reasons of confidentiality, return migrants included in the MAFE sample could not be recontacted. The sampling of respondents, which took mainly place in public spaces such as on public transport or in the street, intended to include returnees with diverse characteristics and migration experiences. The aim was to interview returnees from Africa as well as from European countries, highly educated as well as low-educated returnees, and women as well as men. The final sample is summarized in Table 4.

Table 2. Sample of respondents of qualitative interviews

Variables	Categories	Number of respondents
Gender	Men	17
	Women	6
Destination	Africa	9
	Europe	9
	Africa and Europe	3
	North America	2
Level of education	Low	12
	High	11
Migration motive	Work	12
	Studies	3
	Studies and work	3
	Follow a family member abroad	5
Total n=		23

The interviews were semi-structured, following a comprehensive interviewing guide in order to streamline the reporting and recording of the narratives. The emphasis was placed on the migratory experience of individuals, on the resources they had mobilized abroad (social capital, human capital and financial capital), and on the process of professional reinsertion after their return in Senegal.

3.2 Methods

In the first part of the analysis, we interrogate descriptive statistics to assess the relationship between the individual's migrant status (non-migrant, return migrant) and various variables describing the individual's labour force status and economic situation (Table 2). Due to the relatively low number of observations, certain categories have been collapsed. One example is the "self-employed" category, which also contains the employers. Unfortunately, it is not possible to further differentiate this category to account for the quality or the size of the business activity. Moreover, individuals who work as a family help or intern are grouped together with those who are inactive or unemployed into a group of "no income earners" in the occupational status variable. The sector/occupation variable is based on answers on the reported tasks and duties carried out on the job. The answers were coded at the three-digit level according to a classification inspired by ISCO-08, crossing the type of economic activity with its skill-level. At the one digit level, eight large occupational groups are defined: (1) agricultural and primary sector occupations, (2) Services occupations, (3) Industrial and Crafts, (4) Elementary occupations, (5) Clerical occupations, (6) Intermediate occupations, (7) Professionals, and (8) Chief executives and senior officials. To achieve groups with sufficient numbers of observations and to account for the important role of trade activities in the Senegalese context, the categories were regrouped as presented in Table 2.

Due to low absolute frequencies, the descriptive analysis was restricted to simple cross-tabulations of the migrant status against the various occupational variables, without distinguishing by third variables, such as gender, age or education. The variables are all measured at the time of the survey and not at the time right after return, in order to allow for a comparison between non-migrants and return migrants at the same point in time.

Table 3. Variables in descriptive statistics

Variable	Categories	% of sample at the time of the survey (exceptions in brackets; not weighted)
Labour force participation	Works	63%
	Does not work (<i>homemakers, students, retired, unemployed, other inactive</i>)	37%
Occupational status	Skilled wage employed (<i>Managers and skilled employees</i>)	15%
	Unskilled wage-employed	11%
	Self-employed (<i>employers and self-employed</i>)	34%
	No labour income earner (<i>homemakers, students, retired, unemployed, other inactive, family help, intern</i>)	40%
Sector/occupation	Primary sector and elementary occupations (simple/routine physical and manual tasks)	7%
	Services (excluding trade)	18%
	Trade	35%
	Craft	21%
	Higher-level occupations (<i>clerical work, intermediate occupations, professionals, executives</i>)	19%
Income	Last month's total income in CFA	144,006 (mean)
Absolute deprivation	Sufficient financial resources to procure basic goods	65%
	Insufficient financial resources to procure basic goods	35%
Relative deprivation	Better living conditions than other people in the village/town/city	23%
	Equivalent living conditions	62%
	Worse living conditions	15%

In a second step we estimate the effect of being a return migrant on occupational status, again at the time of the survey.³ The outcomes (skilled wage-employment, unskilled wage employment, self-employment and no labour income earner) are estimated in the form of a multinomial logit model which is expressed as:

$$\text{Prob}[y_i = j] = \frac{\exp[\alpha_j + \beta_j X_i]}{\sum_j \exp[\alpha_j + \beta_j X_i]}, \quad j = 1, 2, 3, 4$$

, where y represents the j ($=1,2,3,4$) outcomes in which the individual may be attached to the labour market; α represents the vector of intercepts, β is the vector of coefficients to be estimated and X comprises a matrix of individual and family-level characteristics, including a variable indicating return migrant status. Control variables included comprise gender, education (no formal education, primary, secondary, tertiary or more), age, household head status, marital status, and the number of children between zero and sixteen years.

Modelling the occupational attainment as a discrete choice between the various outcomes implies the assumption of an imperfectly competitive labour market. As indicated by Robilliard, Bourguignon and Robinson (2001), the labour market may be segmented and

³ Sampling weights have been used in the descriptive as well as the multivariate analysis to account for the sampling design.

returns to labour may differ across wage and self-employment due to rationing in the formal wage labour market. Individuals first try to achieve employment as wage workers and revert to self-employment if their intents were not successful. This assumption of a segmented labour market seems reasonable in the context we are studying. The model as such is not uniquely identified, due to the fact that different solutions to the estimation of coefficients can lead to the same probabilities, and one needs to normalize one category, setting its coefficients to zero. All coefficient and odds ratio estimates have to be interpreted as relative to the chosen base category. Moreover, marginal and impact effects are computed at average characteristics to present the direction of the effect on the probability of being skilled wage-employed, unskilled wage-employed, self-employed and no income earner.

3.3 Hypotheses

The same model is run several times, exchanging only the variable on the return migrant status. While the reference category remains “to have no migration experience”, the return status is further differentiated in order to test various hypotheses on the role of migration and return experiences. The various specifications are listed and explained in Table 3.

Table 4. Return migrant status – various definitions adopted

Variable	Categories	Hypotheses on effects on occupational status (+ positive; - negative)
Reference category in all cases	Non-migrant in 2008	
Specification 1		
Any Return	Return migrant in 2008	Ambiguous effect/+ self-employed if capital is needed for self-employment and acquired abroad
PREPARATION OF RETURN – Willingness and links to origin		
Specification 2		
Return motive (last return experience)	Voluntary return	+ skilled wage employed/self-employed if rather sustainable entrepreneurial activity
	Involuntary return	+ “no income earner”/ self-employed if less sustainable entrepreneurial activity
Specification 3		
Links to origin household during migrations (all migration episodes)	Transfers	- “no income earner”, + self-employed
	No transfers	+ “no income earner”
PREPARATION OF RETURN – Conditions for capital accumulation abroad		
Specification 4		
Migration duration (cumulative)	Over 4 years	+ high-skilled wage-employed
	4 years or less	+ “no income earner”, + unskilled wage-employed
Specification 5		
Brain waste (all migration episodes)	Work below level of qualification	- skilled wage-employed
	Work equivalent or above level of qualification	No prediction
Specification 6		
Foreign education (all migration episodes)	Studied/went to school abroad	+ skilled wage employed
	Did not study abroad	No prediction
Specification 7		
Foreign work experience (all migration episodes)	Was mainly working while abroad	- “no income earner”, + self-employed

Variable	Categories	Hypotheses on effects on occupational status (+ positive; - negative)
	Was mainly inactive while abroad	+ “no income earner”
Specification 8		
Destination region (last destination)	North (Europe, North America)	+ “no income earner”, + skilled employed
	South (Africa, Middle East)	+ active, + self-employed
CONTEXT OF RETURN EXPERIENCE		
Specification 9		
Number of long returns	One return (current)	No prediction
	More than one return	+ “no income earner”
Specification 10		
Years since last return	More than 5 years	+ skilled wage-employed
	Five years or less	+ “no income earner”, + self-employed
Specification 11		
Period of return (last return experience)	<= 1980	No prediction
	1981-1999	+ self-employed
	>=2000	+ “no income earner”, + self-employed

The theoretical and empirical literature suggests hypotheses with regard to the effect of return migration and the various migration- and return-related characteristics on occupational status.

The common hypothesis in the empirical literature is that *return migrants* are more likely to be self-employed than non-migrants. The underlying assumption is that, in a context of constrained credit markets at the origin, the migration experience contributes to the accumulation of capital which is not accessible to non-migrants. However, this effect is likely to vary depending on the characteristics of the return and the migration experience. We propose therefore that the effect cannot be clearly predicted, even if individual characteristics such as education and gender are controlled for. A differentiation of the return category by features of the migration and return experience should show in how far the effect of being a returnee as compared to non-migrants varies with migration characteristics.

Willingness and links to origin

The *return motive* variable reflects the concept of “willingness to return” proposed by Cassarino (2004). Individuals who take the return decision themselves are likely to be better prepared for their return and the life back in Senegal than individuals who did not take the decision themselves, either because another person decided for them or because return was triggered by external events (death of a relative, deportation, etc.). Our hypothesis is that individuals who decide themselves if and when to return are more likely to find a job, in general, and a job of higher skill-content in particular, than non-migrants. The effect on self-employment is ambiguous. If entrepreneurship is referring to sustainable and higher-level business activities, the fact that the return was involuntary is expected to have a negative effect on self-employment. If self-employment occurs mainly in the informal sector, which has at least a subsector with relatively low entry barriers, it may constitute the second-best option when (skilled) wage employment is not accessible. In this case, we would rather expect that ill-prepared returnees become self-employed. The ambiguity in the effect on self-

employment is also present for other variables reflecting the preparedness of the returnee and the degree of capital accumulation at the time of return.

The fact of having sent *remittances* during the stay abroad can be interpreted in several ways. Transfers reflect that migrants maintain links with the family members at origin while they are abroad, what would help them gather information about labour market conditions and facilitate their reintegration after their return. While being rather active in the labour market, one cannot provide a concrete hypothesis on the type of activity. Transfers may also reflect the dependency of the household at origin on the migrant's support, a hypothesis which is supported by first results from qualitative analyses. In this case, the returnee is forced to quickly find a replacement for remittance transfers, once back in the home country.⁴ If self-employment work represents the lowest entry barriers, the return migrant is likely to become *self-employed*, rather than spend time on searching a salaried job. In a situation of continued dependence of the household, a voluntary return is unlikely, as migration would have been prolonged in order to ensure the support of the family.

Conditions for capital accumulation abroad

A third interpretation of the role of remittances would imply that transfers contribute to financial *capital mobilisation* by accumulating savings at the origin. They would thus represent an alternative capital to savings repatriated at the time of return and may be used to start a business. In this case we should also observe more involvement in self-employment, but in activities demanding higher starting capital. However, given that money is fungible and the control of the capital is in the hands of the household, and not of the migrant, it is rather unlikely that savings are accumulated during the migration and re-transferred to the migrant after her return.

The process of capital mobilisation beyond financial capital is further captured by measures of *migration duration*, *brain waste*, *the acquisition of education* while abroad, and the fact of having gained *work experience* during the migration. The migration duration should ideally be measured in a non-linear form, since both very short (implying low gains from migration) and very long durations (leading to lost ties, as well as the acquisition of values and norms which are different from those in the home community) could lead to difficulties in reintegration after return. Given the small sample size, we distinguish only between migration durations over four years and those lasting four years or less. The literature generally suggests that longer migrations should have a positive effect on self-employment, as more capital may be accumulated. Due to the fact that the category of self-employment is likely to include mainly low-level activities, we do not provide a prediction. Individuals with longer migration experiences should, however, be less likely to be inactive or in a job which generates no income (family help, intern), and may use accumulated know-how to gain access to skilled employment. If returnees worked in the host country in activities below their level of qualification, no additional human capital was mobilised while being abroad ("brain waste"). In this case we would expect migrants to experience difficulties in the reintegration process, in particular to be less likely to take up skilled jobs. Individuals who gained education abroad should have better opportunities in skilled wage-employment than non-migrants, under the

⁴ In such a situation, returns are likely to be ill-prepared.

assumption that the knowledge acquired abroad is transferrable to the Dakar labour market and that it is more highly valued than education acquired in Senegal. Foreign work experience should also increase the level of (work-related) human capital and know-how and help finding a job after return. However, one cannot give a prediction about the skill-level of the activity after return, which depends on the skill-level of the previous work experience. Individuals who were mainly inactive during migration may also be more likely to remain without income generating activity after return.

The destination region of the last migration may encompass institutional and network effects, but may also proxy for the opportunities and conditions for capital mobilisation. Returnees from a destination in Africa should face fewer difficulties to reintegrate, in particular in self-employment occupations if this sector is characterised by relatively low entry-barriers. They come back from a context which is not very different from the Senegalese one, and may have kept closer ties to their family at home. At the same time, they may not have mobilised large amounts of capital. Returnees from Europe may first face more problems in readjusting to the life in Senegal, but may also have mobilised more capital which can facilitate the reinsertion in skilled jobs in the long-run.

Context of the return experience

Finally, we explore several characteristics linked to the *context of the return experience*. A person who experienced already several migration and return episodes (lasting at least one year), may have been facing difficulties in the reintegration process. Since the social and economic reintegration process after return takes time, we also consider the number of years elapsed since the last return to Senegal. We expect that gains from migration can only be brought into use after several years and thus to find returnees who have been back for a longer time to be better equipped for the local labour market. The economic and political context at origin at the time of return is also likely to determine the occupational status of return migrants as compared to non-migrants, who did not interrupt their working life in Senegal. We expect to find higher probabilities of self-employment since the start of the structural adjustment program in the beginning of the 1980s, a period in which access to the formal sector became increasingly difficult. Despite a more positive overall economic situation in recent years (in terms of GDP growth), unemployment and underemployment have rather been on the increase, in particular in the urban labour market of Dakar. Self-employment and inactivity may therefore be the dominant types of occupation for returnees who came back after 2000.

Several limitations of the econometric approach and the choice of variables should be noted: in this model, which is pooling migrants and non-migrants, we are not able to control for several return characteristics at the same time. A model focusing only on returnees would thus be helpful at a later stage, in order to explore the net effect of certain features of the migration and return experience on the occupational status. Other variables suggested by the theory and previous empirical work capturing social capital at destination and at origin, such as membership in migrant associations and visits home during the migration, could not be employed due to close to zero cell frequencies. It should be noted that the model may be suffering from selection bias if returnees had unobserved characteristics, which were also determining the labour market outcome; and from endogeneity of the return status if return

decisions and occupational decisions were taken simultaneously. These potential limitations will be investigated in further research.

4 Results

4.1 Descriptive statistics

Compared to the non-migrant population, return migrants are found to be overrepresented among the active labour force (Figure 1). This suggests that return migrants are in general able to enter the labour market after their return to Dakar, and that they may benefit from capital accumulated abroad when searching for an occupation. Also the distribution across occupational status categories suggests that labour market reinsertion is successful. A larger share of returnees than of non-migrants find a job in skilled wage-employment, while the latter are more involved in unskilled jobs. The largest differential, however, can be observed in the category of the self-employed: 45 per cent of all return migrants start their own business activity, against 30 per cent of non-migrants, a result which is in agreement with findings from other countries and regions. This relative ease of returnees to become self-employed may be due to the starting capital and know-how accumulated during the migration. An alternative interpretation is that self-employment after return represents an “easy entry” into the labour market for returnees who do not access salaried employment, but need to work to continue supporting their family.

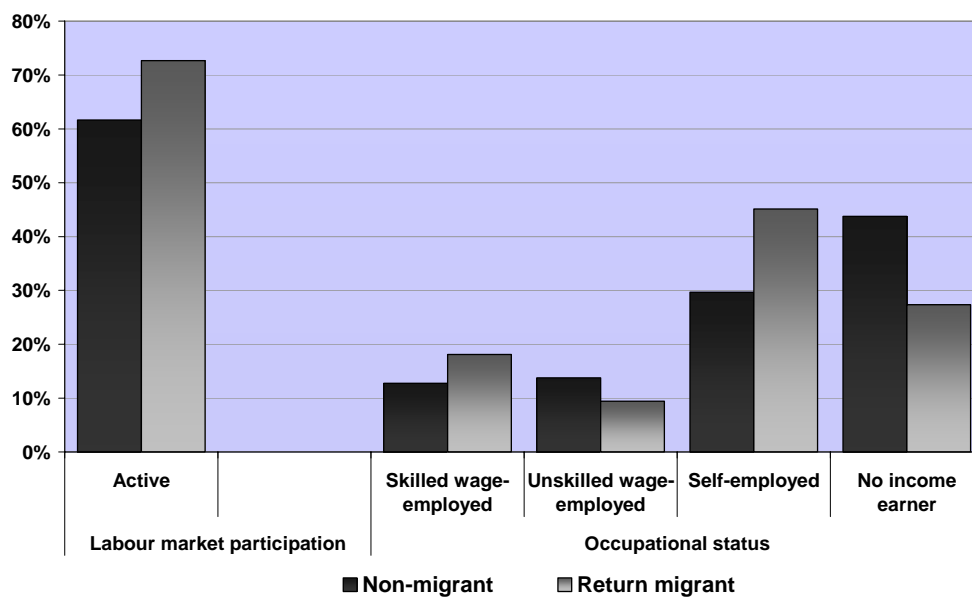


Figure 1. Labour force and occupational status of return migrants and non-migrants, 2008

We gain some more insights regarding the type of work done by return migrants and by non-migrants from the information provided on tasks and duties carried out on the job. Returnees seem to prefer activities as traders and craftsmen, while a larger proportion of non-migrants work in other service occupations (Figure 2). Trade and crafts are at the same time the sectors which are most characterised by self-employment. There does not seem to be a large difference with regard to “higher-level” jobs, which group the occupational groups of clerks, professionals and executives.

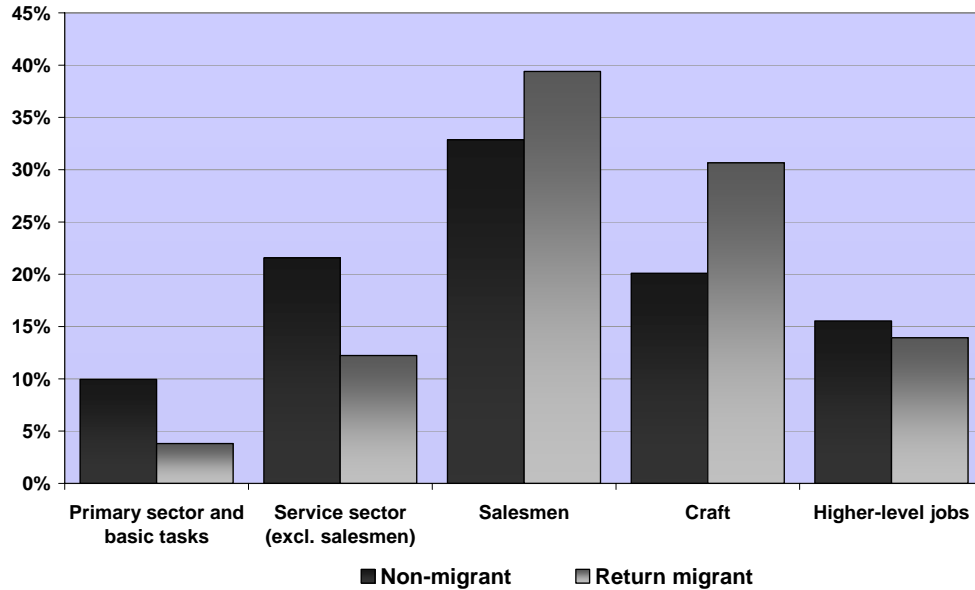


Figure 2 : Sector of activity/qualification level of return migrants and non-migrants, 2008

The success of the reintegration should also be reflected in wealth and well-being indicators. According to a measure of total monthly income at the time of the survey, return migrants are at the average considerably better off than non-migrants (Figure 3). However, one can observe that the migration duration is crucial. Returnees with more than four years migration experience reap considerably higher incomes than returnees who stayed for a shorter period abroad. Yet, the amount still exceeds the average total income of individuals without any migration experience.

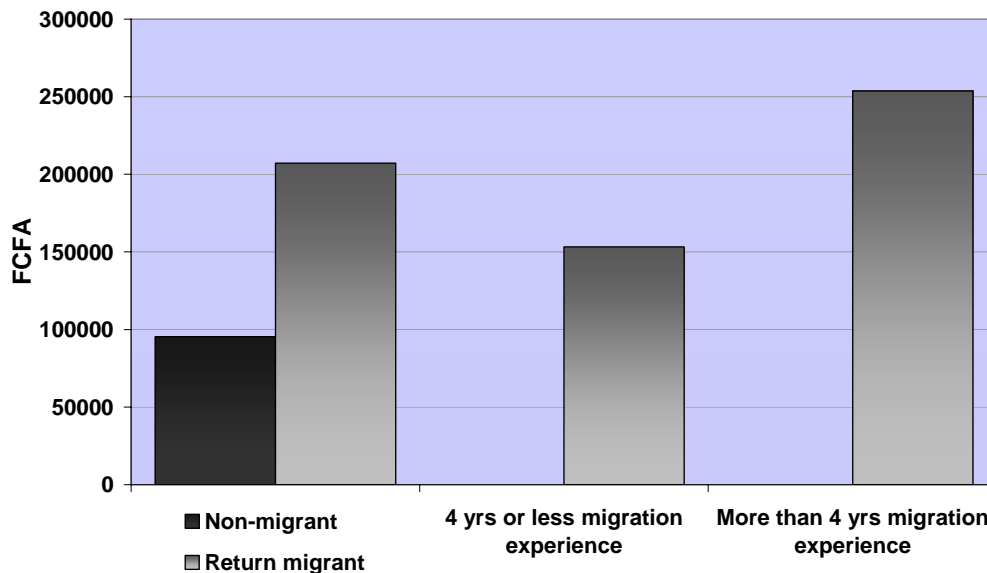


Figure 3: Total monthly income in 2008, overall and by migration duration

The subjective measure of absolute well-being gives a similar image (Figure 4, lhs). Return migrants report more often than non-migrants that their households possess sufficient or more than sufficient financial resources to provide for basic goods. Interestingly, returnees do not

perceive the living conditions of their household as superior to the situation of other households they compare themselves with (Figure 4, rhs). While the share reporting better living conditions is slightly higher in the return migrant group, the same is the case for those reporting worse conditions, and the differences between return migrants and non-migrants are not statistically significant. One possible explanation is that the reference group of returnees is different from that of non-migrants (higher up in the wealth distribution) Moreover, qualitative research on returnees in Dakar suggests that returnees need to present themselves as particularly “modest” in order to be reaccepted in their community (Flahaux, 2009).

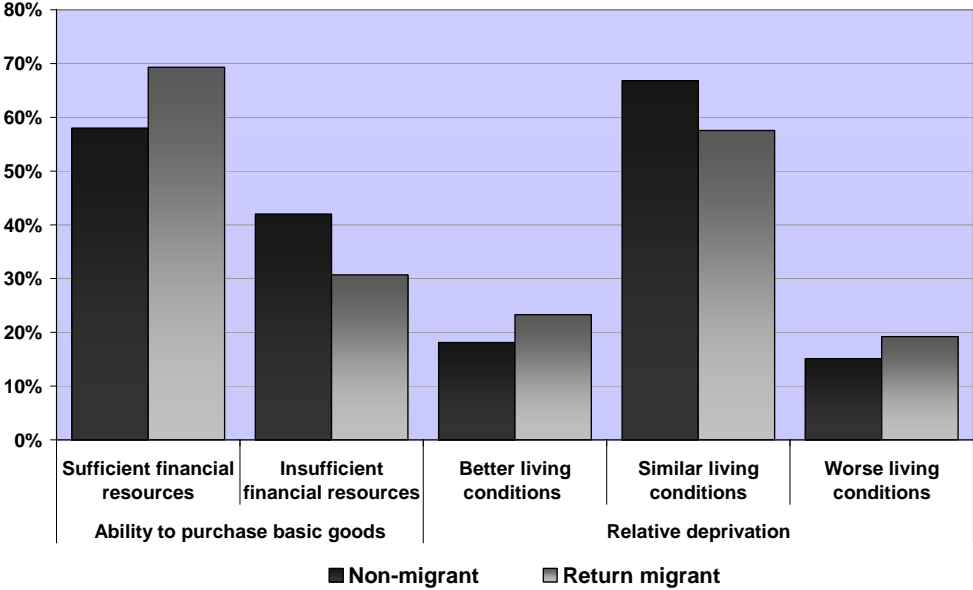


Figure 4 : Absolute and relative subjective well-being, 2008

The results from the basic descriptive statistics are in line with evidence from other country contexts, and suggest that there is a positive association between being a return migrant in the region of Dakar and access to work. The migration experience does not seem to represent a disruptive factor. Moreover, returnees appear to be more likely to work in self-employment than non-migrants. However, the descriptive analysis does not control for other personal characteristics, such as gender, age and education, which affect occupational status and are also likely to be correlated with the return migrant status. Moreover, since all returnees are grouped together, the results do not account for any differences in their respective migration and return experiences. We will therefore turn to the discussion of findings from several multivariate models with the outcomes skilled wage-employment, unskilled-wage employment, self-employment and no income earner, in which we vary the specification of the return migrant variable.

4.2 Results from the occupational status models

All models include a set of control variables (gender, education, age, household head status, marital status and number of children), and the marginal/impact effects at average characteristics and estimated relative risk ratios for the model which distinguishes only between non-migrant and return migrant status can be found in the Annex (Tables 8 and 9). The estimates are in accordance with expected effects. Higher education increases the probability of finding a skilled job and lowers the probability of being low-skilled or self-

employed; women are more likely to receive no income from an economic activity and less likely to be in any of the other occupational statuses when compared to men. Being young as well as being relatively old raises the likelihood of being a “no income earner” and lowers the probability of being in any of the three remaining occupational statuses. Household heads are less likely to be without income-generating work than other household members, as they are in charge of providing for the household. Finally, married individuals are less likely to be unskilled wage-employed than singles with the same characteristics. The number of children does not appear to have any significant effects on the occupational status.

We now turn to the discussion of results on the main variable of interest, the return migrant status, to shed some light on the effect of migration experience on occupational attainment.

Table 5 summarizes the direction and statistical significance of the various return migration variables on the probability of being skilled wage-employed, low-skilled wage-employed, self-employed or no income earner in the region of Dakar in 2008. Plus signs indicate a positive effect, minus signs indicate negative effects, and the number of signs represents the level of statistical significance. The impact effects on which Table 5 is based are computed at average characteristics.⁵

In model 1, return migrants with any type of migration and return experience are compared to non-migrants. Individuals with migration experience are more likely to be self-employed and are less likely to have a low-skilled job than non-migrants. However, there is no difference in the probability of accessing skilled wage-employment. This finding corresponds to results from other empirical studies in very diverse country contexts, supporting the hypothesis that returnees bring back skills and resources which can be used to set up a business activity, and which prevent work in a low-skilled activity at a given level of education. Nonetheless, returnees may constitute a heterogeneous group, and this average effect of migration experience may not be the same for all types of returnees.

When distinguishing between returnees who decided about the return themselves and those who were forced into the return or in whose case the decision was taken by somebody else, we find that the effect on occupational status varies considerably relative to individuals who never migrated (Model 2). In case of involuntary return, individuals are clearly disadvantaged in their access to skilled wage-employment compared to non-migrants, and are more likely to become self-employed. Becoming self-employed upon return thus seems to require less “preparation”, a result that goes against previous evidence from the Maghreb countries, where “forced returnees” were found to be less likely to be self-employed, although one should note that the definitions of the return motive in the two studies differ (Gubert and Nordman, 2008a). Self-employment after an involuntary return may thus represent “last-resort” activities in the informal sector, which require little capital investment and exhibit low entry-barriers. This finding is also supported by the qualitative interviews with migrants who were deported or for whom an external event triggered the return, who are forced to take up self-employment in the informal sector due to the inability to find a salaried job. “Voluntary returnees”, on the contrary, are less likely to be in a low-skilled job than non-migrants, but do otherwise not seem to differ from individuals who never migrated with regard to the probability of attaining a certain occupational status.

⁵ Exponentiated coefficients (relative risks) from the occupational status models can be found in the Annex (Table 10).

Returnees who sent transfers during their stay abroad and kept in this way contacts to the family in Senegal are more likely to be self-employed and less likely to be “no income earners” than non-migrants (Model 3). Maintaining the social ties seems to prevent inactivity or no income-generating work, such as internships, after the return to Senegal. It is, however, not possible to further differentiate between self-employed returnees using transfers as a way of capital accumulation even before return, and returnees who take up self-employed work out of the necessity to provide continuous support to the family, an interpretation which is supported by the results from the qualitative interviews with return migrants in Dakar.⁶

Table 5 : The effect of return migration experience on occupational attainment – direction of marginal effects

Variable	Category	Skilled wage employed	Low-skilled wage employed	Self-employed	No income earner
Model 1					
Migration experience	<i>Non-migrant (ref)</i>				
	Return migrant	n.s.	-	+	n.s.
PREPARATION OF RETURN – Willingness and links to origin					
Model 2					
Return motive	<i>Non-migrant (ref)</i>				
	Voluntary return	n.s.	-	n.s.	n.s.
	Involuntary return	--	n.s.	++	n.s.
Model 3					
Links to origin household	<i>Non-migrant (ref)</i>				
	Transfers	n.s.	n.s.	+++	---
	No transfers	n.s.	--	n.s.	n.s.
PREPARATION OF RETURN – Conditions for capital accumulation abroad					
Model 4					
Migration duration (cum.)	<i>Non-migrant (ref)</i>				
	Over 4 years	n.s.	n.s.	n.s.	n.s.
	4 yrs or less	--	n.s.	++	n.s.
Model 5					
Brain waste	<i>Non-migrant (ref)</i>				
	Brain waste	-	---	n.s.	n.s.
	No brain waste	n.s.	n.s.	n.s.	n.s.
Model 6					
Foreign education	<i>Non-migrant (ref)</i>				
	Studied abroad	n.s.	n.s.	n.s.	n.s.
	Did not study abroad	n.s.	-	++	-
Model 7					
Work experience abroad	<i>Non-migrant (ref)</i>				
	Worked mainly	n.s.	n.s.	++	--
	Mainly inactive	n.s.	---	n.s.	n.s.
Model 8					
Destination region	<i>Non-migrant (ref)</i>				
	Europe/North	n.s.	n.s.	n.s.	n.s.
	Africa/South	n.s.	n.s.	+	n.s.
CONTEXT OF RETURN EXPERIENCE					
Model 9					
Number of long returns	<i>Non-migrant (ref)</i>				

⁶ Rather puzzling is the negative effect of not sending remittances on low-skilled wage employment. Possible explanations still need to be found.

		Skilled wage employed	Low- skilled wage employed	Self- employed	No income earner
One return		n.s.	-	++	n.s.
More than 1 return		n.s.	n.s.	n.s.	n.s.
Model 10					
Years since last return	<i>Non-migrant (ref)</i>				
	More than 5 yrs	n.s.	- - -	+	n.s.
	5 yrs or less	- -	n.s.	n.s.	n.s.
Model 11					
Period of return	<i>Non-migrant (ref)</i>				
	<= 1980	n.s.	n.s.	n.s.	n.s.
	1981 to 1999	n.s.	- - -	+++	- -
	2000+	- - -	n.s.	n.s.	n.s.

Observations in each model=1060; +++/--- significant at 1%; ++/-- significant at 5%; +/- significant at 10%; n.s. not stat. sign.

The role of migration for other measures of “capital mobilisation” is ambiguous. Our hypothesis seems to be supported by the data in the context of human capital accumulation, as individuals who spent a relatively short time abroad are less likely to be in skilled employment (Model 4). However, the positive effect of short migration duration on entrepreneurship goes against previous evidence from the literature, and suggests that the types of business activities available in the context of the Dakar labour market do not require a large amount of financial or human capital. At least at the time of the survey, one does not find returnees with short migration experiences to be more likely to be without an income-generating job than non-migrants. A long migration experience neither worsens nor improves the occupational status compared to non-migrants, which would suggest that positive and negative effects of the migration duration cancel each other out.

Returnees who worked abroad in a job below their level of qualification (“brain waste” case) are less likely to be in skilled employment than non-migrants, a finding which is in accordance with our hypothesis, but they are also less likely to be in unskilled wage-employment (Model 5). An explanation for the latter may be that they are not willing to accept once again a job below their level of qualification after their return to Senegal. However, small cell frequencies for unskilled jobs held by individuals who worked abroad below their qualification level demand caution in the interpretation of the result. Foreign education does not seem to be easily transferrable to Senegal, as those who acquired formal education abroad have no better chances of finding a skilled job than non-migrants (Model 6). Returning students do thus not appear to contribute to “brain gain”, as this would require a better reinsertion into the labour market. However, returnees who did not study while abroad are more likely to be self-employed, what would suggest that they accumulated work experience which is useful for their occupation in Senegal. This hypothesis is supported by the findings on the following model, in which we distinguish return migrants by the main labour force status while abroad (Model 7). Those who gained foreign work experience are more likely to start a business and have a lower probability than non-migrants to be a “no income earner” at the time of the survey. Foreign work experience may therefore be more important than studies in explaining self-employment after return, a finding which is in line with results on return migration to Ghana and Cote d’Ivoire (Black and Castaldo, 2009).

The destination of the last migration does not seem to play a very important role in determining the occupational status (Model 8). In accordance with our hypothesis, returnees who had migrated to another African country have a higher probability to start a business activity than non-migrants, while coming back from Europe does not seem to facilitate incorporation in a specific occupational status when compared to individuals who never lived outside of Senegal.

Having made only one departure from Senegal and one return (at the time of the survey) seems to facilitate entry into self-employment and lowers the probability of being in low-skilled employment, while individuals who had experienced already several returns do not seem to be different from non-migrants with respect to their occupational status (Model 9).

The effect of the number of years passed since the last return has the expected effect on wage employment, as individuals who returned more recently face more barriers in accessing skilled wage-work, while those who returned longer time ago are less likely to be in an unskilled job, compared to non-migrants (Model 10). Since all occupation statuses are measured in 2008, the number of years elapsed since return is linked to the period of return, a variable which reflects the social, political and economic context at the time of return (Model 11). Individuals who came back before 1980 are no different from non-migrants – the return may have happened too long time ago to still exert effects on the occupational status in the year 2008. Returnees who came back during the 1980s and 1990s are more likely to be self-employed than individuals who never migrated, and less likely to be low-skilled wage employed. They may have accumulated capital during the migration which can be used in a business activity. Moreover, during this period it may have been easier to access self-employment than wage employment, once the labour market experience was interrupted by a migration episode. More recent returnees have difficulties accessing skilled wage-employment after their return, when compared to individuals who did not migrate, which is likely to be conditioned by the labour market context in the Dakar region, with very few new jobs generated in the formal sector.

5 Conclusion & further research

We will briefly summarize the main results, referring back to the research questions outlined in the introduction. At first sight, the quantitative evidence on the occupational status of non-migrants and return migrants in 2008 seems to confirm the evidence from previous literature with regard to the role played by return migrants in self-employment. In an optimistic interpretation, this would suggest a gain from migration, which can be exploited after return in the form of a “productive” entrepreneurial activity. At the same time, return migrants seem to be less likely to be without an income generating work than non-migrants. This is an indication that they are generally able to join the labour market after their return, and even more than the non-migrants, and that the return migrants are no “retirement returnees”. However, considering more in detail the migration and return experiences of migrants, and introducing the notion of a duality in the informal market with a large part which is characterised by low entry barriers and low productivity, leads us to qualify this result.

On the one hand, a higher probability of self-employment compared to non-migrants can be observed for individuals who came back involuntarily, whose migration experiences are relatively short, and who returned during the 1980s and 1990s, a period in which the economic context in Senegal was difficult. In these cases, migration is unlikely to have

contributed to significant capital mobilisation and return lacks preparation. Rather than a choice, the self-employment status appears as a “last resort” for individuals who are not able to access wage-employment, but are obliged to continuously sustain their family (also reflected in the result on transfers).

On the other hand, the positive effect of foreign work experience suggests that the know-how accumulated through the stay abroad may come to use in an entrepreneurial activity once back in Senegal, possibly allowing for a higher-value and more sustainable activity. In this case, the self-employment activity may be a premeditated choice of the returnee, representing the conclusion of the migration experience. The finding that individuals who experienced only one migration episode and one return have a higher probability of becoming self-employed also supports this view.

The fact that returnees are in general less likely to be in unskilled wage employment than non-migrants indicates that self-employment may represent a substitute for unskilled wage-employment for otherwise similar individuals. At the same time, we do not find significant differences between return migrants and non-migrants in their access to skilled wage-employment. Migration experience thus does not seem to contribute to sufficient human capital accumulation to facilitate the search for a skilled salaried job. Nonetheless, human capital accumulated may also be used to start and develop a business activity.

To embed these conclusions further in the context encountered by return migrants in Dakar, and to provide ideas for discussion and further research, we join the quantitative analysis developed in this paper and the complementary qualitative analysis on returnees’ professional reinsertion (Flahaux, 2009). The qualitative analysis additionally captures the quality of the work through the subjective measure of work satisfaction, an element which is difficult to integrate in the quantitative analysis.

With respect to the role of return migrants in business creation, the findings from both approaches indicate that self-employed returnees do not form a homogenous group. Instead, it appears necessary to distinguish between two types of self-employed return migrants, which reflect at the same time the duality in the informal labour market. As illustrated in Table 6, one finds on the one hand returnees who are successful and satisfied in their entrepreneurial activity, but one also finds a group of unsuccessful and unsatisfied self-employed, and differences between these two groups can be associated with differential features of the migration and return experiences.⁷

Table 6 : Satisfied/successful self-employed returnees vs. Unsatisfied/unsuccessful self-employed returnees

	“Satisfied” and successful self-employed	“Unsatisfied” and unsuccessful self-employed
Return motive	Voluntary	Involuntary
Return preparation	Present	Absent
Wants to re-migrate	No (or only short stays abroad)	Yes, absolutely
Meaning and aim of the professional activity	Realisation of an objective, successful conclusion of the migration project (acquired	Obligation, otherwise there would be no resources to sustain the family. Represents a temporary

⁷ This table brings together conclusions from the qualitative and the quantitative analysis. Not all points are covered by both approaches.

	financial and human capital in view of a future activity). Self-employment generates relatively high revenues.	solution while searching for an unqualified wage-employment. Self-employment activity generates low revenues.
How the return migrant feels about himself	Proud of himself	Ashamed of himself
Transfers during the migration	No, not necessarily (if yes, also representing social links, not purely financial ones)	Yes, needed to sustain the family
Migration duration	Optimal	Too short
Accumulated knowledge, know-how abroad	Yes, what is useful for the return. Through work experience rather than studies abroad.	No, and in any case not useful for the type of activity taken up after return.
Worked abroad	Yes	Yes, but in unqualified occupation
Migrant's Destination	No impact	No impact
Short returns (visits)	Yes	No

Public policy commonly expects return migrants to contribute to “development” after their return through entrepreneurial activities, knowledge and skills acquired abroad and brought back, or to – in the “worst case” – reintegrate smoothly in to the local labour market at a similar level to the one of non-migrants. Moreover, policies rarely focus on the differential reintegration process depending on the motive of return – “spontaneous or voluntary” or “involuntary”.⁸ The findings of this analysis suggest that involuntary returns tend to be followed by unsuccessful reintegration processes, and the intention to re-migrate. Any forced return is thus unlikely to be beneficial. Moreover, the reinsertion process is strongly linked to the labour market context in Senegal. To prevent returnees from being pushed in a low-level independent activity, policies may aim at supporting the return process more actively, in particular if the migration experience was “unsuccessful”. A better integration at destination, on the other hand, would be a condition for more positive migration experiences, including the accumulation of useful work experience as well as social and financial capital.

However, further analyses would be needed to explore quantitatively the joint role of migration and return features on occupational status of returnees. In this analysis, we focused on the differences between return migrants and non-migrants and therefore included only one migration characteristic at one time. Future analyses should study the factors that facilitate or impede returnees’ reintegration and occupational attainment jointly, not only in the year 2008 but also at other points in time after the return.

⁸ Given that the majority of return migrants in the Dakar region had migrated to another country in West Africa, and not to Europe or North America, the “involuntary” return motive is not restricted to deportations, but may be triggered by the economic or political context at destination or family factors.

References

- Ammassari, S. & Black, R. (2001). Harnessing the Potential of Migration and Return to Promote Development. *IOM Migration Research Series No.5*, International Migration Organization.
- Ammassari, S. (2004). From Nation-Building to Entrepreneurship: The Impact of Elite Return Migrants in Cote d'Ivoire and Ghana. *Population, Space and Place* **10**, 133–154.
- Arif, G. M. & Irfan, M. (1997). Return Migration and Occupational Change: The Case of Pakistani Migrants Returned from the Middle East. *The Pakistan Development Review* **36**(1), 1-37.
- Black, R. & Castaldo, A. (2009). Return Migration and Entrepreneurship in Ghana and Côte d'Ivoire: The Role of Capital Transfers. *Tijdschrift voor Economische en Sociale Geografie* **100**(1), 44–58.
- Black, R., King, R. & Tiemoko, R. (2003). Migration, Return and Small Enterprise Development in Ghana: A Route out of Poverty? *International Workshop on Migration and Poverty in West Africa*. University of Sussex.
- Cassarino, J. (2004). Theorising Return Migration: the Conceptual Approach to Return Migrants Revisited. *International Journal on Multicultural Societies* **6**(2), 253-279.
- Colton, N.A. (1993). Homeward bound: Yemeni return migration. *International Migration Review* **27** (4): 870–82
- De Vreyer, P., Gubert, F. & Robilliard, A. (2008). Return Migrants in Western Africa: Characteristics and Labour Market Performance. Draft paper.
- Diatta, M. A. & Mbow, N. (1999). Releasing the Development Potential of Return Migration: The Case of Senegal. *International Migration* **37**(1), 243-264.
- Dustmann, C. & Kirchkamp, O. (2002). The Optimal Migration Duration and Activity Choice after Re-Migration. *Journal of Development Economics* **67**, 351–372.
- Dustmann, C. (2000). Temporary Migration and Economic Assimilation. *IZA Discussion Paper Series* **186**, 1-36.
- Flahaux, M.-L. (2009). Les migrations de retour et la réinsertion des Sénégalais dans leur pays d'origine. *MAFE Working Paper* 5, 133p.
- Gubert, F. & Nordman, C. J. (2008a). Return Migration and Small Enterprise Development in the Maghreb. Technical report, MIREM Project, Robert Schuman Centre for Advanced Studies.
- Gubert, F. & Nordman, C. J. (2008b). Who Benefits Most from Migration? An Empirical Analysis Using Data on Return Migrants in the Maghreb. Technical report, MIREM Project, Robert Schuman Centre for Advanced Studies.
- Harris, J. & Todaro, M.P. (1970). Migration, Unemployment and Development: A Two-Sector Analysis. *American Economic Review* **60**, 126-142.
- Hatton, T. & Williamson, J. (2003). Demographic and Economic Pressure on Emigration out of Africa. *Scandinavian Journal of Economics* **105**, 465-486.

- Ilahi, N. (1999). Return Migration and Occupational Choice. *Review of Development Economics* **3**(2), 170-186.
- Kilic, T., Carletto, G., Davis, B. & Zezza, A. (2007). Investing Back Home: Return Migration and Business Ownership in Albania. *World Bank Policy Research Working Paper* **4366**. The World Bank.
- Lindstrom, D. P. (1996). Economic Opportunity in Mexico and Return Migration from the United States. *Demography* **33**(3), 357-374.
- Lucas, R.E. (2006). Migration and Economic Development in Africa: A Review of Evidence. *Journal of African Economics* **15**, 337-395.
- Massey, D. S. & Parrado, E. A. (1998). International Migration and Business Formation in Mexico. *Social Science Quarterly* **79**(1), 1-20.
- McCormick, B. & Wahba, J. (2001). Overseas Work Experience, Savings and Entrepreneurship amongst Return Migrants to LDCs. *Scottish Journal of Political Economy* **48**(2), 164-178.
- Mesnard, A. (2004). Temporary Migration and Capital Market Imperfections. *Oxford Economic Papers* **56**, 242-262.
- Ministère de l'Economie et des Finances, République du Sénégal (2004). *Situation économique et sociale du Sénégal*, Edition 2004.
- Muschkin, C. G. (1993). Consequences of Return Migrant Status for Employment in Puerto Rico. *International Migration Review* **27**(1), 79-102.
- Nair, P. G. (1999). Return of Overseas Contract Workers and their Rehabilitation and Development in Kerala (India) - A Critical Account of Policies, Performance and Prospects. *International Migration* **37**(1), 209-242.
- Nicholson, B. (2004). Migrants as Agents of Development: Albanian Return Migrants and Micro-Enterprise. in D. Pop (ed.). *New Patterns of Labour Migration in Central and Eastern Europe*. Cluj Napoca: Public Policy Centre. pp. 94-110.
- Robillard, A.-S., Bourguignon, F. & Robinson, S. (2001). *Crisis and Income Distribution: A Micro-Macro Model for Indonesia*. The World Bank, mimeo.
- Sjaastad, L.A., (1962). The Costs and Returns of Human Migration. *Journal of Political Economy* **70**(5), 80-93.
- Stark, O. (Ed.) (1991). *The Migration of Labor*. Oxford: Blackwell.
- Stark, O., Helmenstein, C. & Yegorov, Y. (1997). Migrants' Savings, Purchasing Power Parity, and the Optimal Duration of Migration. *International Tax and Public Finance* **4**, 307-324.
- Tani, M. & Mahuteau, S. (2008). Return Migration and Working Choices. Technical report (2008/01). MIREM Project, Robert Schuman Centre for Advanced Studies.
- Thomas-Hope, E. (1999). Return Migration to Jamaica and its Development Potential', *International Migration* **37**(1), 183-207.

Wahba, J. & Zenou, Y., 2009. Out of Sight, Out of Mind: Migration, Entrepreneurship, and Social Capital, *CEPR Discussion Paper Series* No. 7552.

Woodruff, C. M. & Zenteno, R. (2001). Remittances and Microenterprises in Mexico. *UCSD, Graduate School of International Relations and Pacific Studies Working Paper*.

World Bank (2007). *Senegal Looking for Work — The Road to Prosperity*. Country Economic Memorandum. Report No. 40344-SN.

Yang, D. (2006). Why do Migrants Return to Poor Countries? Evidence from Philippine Migrants' Responses to Exchange Rate Shocks. *The Review of Economics and Statistics* **88**(4), 715-735.

Annex

Table 7. Examples of activities reported by self-employed individuals in the MAFE survey, 2008 (non-exhaustive list)

Occupational category	Open answer description of the job/activity - examples
Métiers de l'agriculture et du secteur primaire Agricultural and primary sector occupations	Paysan
	Cultures maraîchères et jardinage
	Aviculture
	Apprenti pêcheur
	Pêcheur etc.
Personnel des services Services occupations	Coiffeur à son compte
	Tresseuse
	Lavandière
	Jardinier
	Restaurateur
	Commerçant de riz et d'huile
	Commerçant de produits divers
	Commerçant d'électroménagers
	Commerçante (habits, cosmétiques, divers)
	Commerce de friperies
	Commerce de pièces détachées
	Gérant De dépôt de boissons
	Gérant d'un télécentre
	Je vends des habits pour hommes, femmes et jeunes dans ma boutique au marché Sandaga
	Commerçante (petit commerce)
	Commerce de tissus et divers
	Commerçante de divers tissus cométiques
	Commerçante qui vend des effets de toilettes (mèches,...) et des objets de mercerie
	Commerce de glace
	Commerce de légumes et divers
	Commerce de petit-déjeuner devant l'école
Commerce informel de tissus de porte à porte	
Petit commerce de denrées diverses	
Commerce de tissus et de produits cosmétiques	
Commerce de vente de glaces et d'eau fraîche	
Gérant de vidéo club	
Gérante D'un salon de coiffure	

Gérante d'une mercerie
Gérante d'un télécentre et cosmétiques
Propriétaire d'une boutique de tissus
Commerçant-grossiste
Commerce international de textile (demi-gros)
Gestion d'une salle de jeux
Vente de pains d'un kiosque
J'ai ma propre boutique
Vendeur de café « Touba » dans un kiosque
Vendeuse de pains
Vendeur de voitures
Vendeur de pièces détachées
Vente de produits électroniques
Voyante, commerçante de tissus et divers
Petit commerce de fruits
Vendeuse d'encens
Vendeuse de marchandises diverses
Petit commerce d'arachides
Petit commerce de légumes
Petit commerce de légumes et fruits
Vente de balais et d'arachides
Vendeur de condiments (poivre, piments, etc.)
Vendeur de produits à son compte
Vendeur de tomates fraîches et de légumes
Vendeuse de chaussures
Vendeuse d'arachides et de fruits
Vendeuse de cachets
Vendeuse de chaussures
Vendeuse de couscous
Vendeuse de fruits
Vendeuse de fruits (étalage)
Vendeuse de légumes au détail
Vendeuse de poisson frais
Vendeuse de poisson séché
Vendeuse de poisson
Vendeuse de tissus, tricoteuse
Vendeuse, elle a une table
Vendeuse de beignets, de sandwichs, et de café Touba
Vendeuse de pain au thon
Vendeuse de café Touba
Vendeuse de crème glacée et de jus
Vendeuse de friandises
Vendeuse de jus de fruits
Vendeuse de jus de fruits et de crème glacée
Vendeuse de jus et de glace
Vendeuse de petit-déjeuner
Vendeuse de poissons
Bana Bana, petit commerce
Vendeuse de « Omo » (détergents)
Vendeuse de beignets
Vendeuse à la sauvette
Chauffeur de taxi

	Chauffeur et propriétaire de taxi Chauffeur d'un transport en commun etc.
Métiers qualifiés de l'industrie et de l'artisanat Industrial and craft workers	Photographe Mécanicien automobile Menuisier charpentier à son compte Maçon Peintre Peintre en bâtiment Plomberie Technicien en froid Carreleur Frigoriste Plombier sous-traitant Electricien à son compte Electricien auto Electricien à son compte en atelier avec apprentis Boucher, vendeur de viande Menuisier, ébéniste Menuisier (patron) Cordonnier Gérant d'un salon de couture Tailleur Teinturier Broderie à la main Couture à domicile Couture chez moi Couturière à domicile de couvre-lits et de boubous africains Teinture de vêtements Teinture traditionnelle d'habits Teinturier et commerce de tissus Menuisier métallique Bijoutier etc.
Professions intermédiaires Intermediate occupations	Mécanographe Comptable, prestataire de services Fournisseur de matériels de bureau Animateur musical etc.
Professions intellectuelles et scientifiques Professionals	Traducteur en anglais Médecin en cabinet privé Sculpteur Musique Poète Marabout etc.

Table 8: Direction of marginal effects for control variables (at average characteristics, model 1)

Variable	Category	Skilled wage employed	Low-skilled wage employed	Self-employed	No income earner
		Marg. effect	Marg. effect	Marg. effect	Marg. effect
Migrant status	<i>Non-migrant (ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>

	Return migrant	n.s.	-	+	n.s.
Gender	<i>Male (ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>
	Female	---	--	--	+++
Education	<i>No education (ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>
	Primary	n.s.	n.s.	-	n.s.
	Secondary	n.s.	n.s.	---	n.s.
	Tertiary+	+	---	---	n.s.
Age	Age	+++	+	++	---
	Age squared	---	--	-	+++
Status in household	<i>Not household head (ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>
	Household head	n.s.	+	n.s.	--
Marital status	<i>Single (ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>	<i>(ref)</i>
	In partnership	n.s.	-	n.s.	n.s.
Children	Number of children 0-16	n.s.	n.s.	n.s.	n.s.

Observations in each model=1060; +++/--- significant at 1%; ++/-- significant at 5%; +/- significant at 10%; n.s. not stat. sign.

Table 9 : Basic return status specification with relative risk ratios for control variables (base category=skilled wage employment)

Variable	Category	Low-skilled	Self-employed	No income
		wage employed vs. Skilled wage employed	vs. Skilled wage employed	earner vs. Skilled wage employed
		RRR	RRR	RRR
Migrant status	<i>Non-migrant (ref)</i>	1.000	1.000	1.000
	Return migrant	0.548	1.334	0.773
Gender	<i>Male (ref)</i>	1.000	1.000	1.000
	Female	2.022	2.996***	9.222
Education	<i>No education (ref)</i>	1.000	1.000	1.000
	Primary	1.228	0.581	0.858
	Secondary	0.367*	0.236***	0.514
	Tertiary+	0.011***	0.114***	0.341
Age	Age	0.904	0.822*	0.631***
	Age squared	1.001	1.001*	1.005***
Status in household	<i>Not household head (ref)</i>	1.000	1.000	1.000
	Household head	1.398	0.773	0.434*
Marital status	<i>Single (ref)</i>	1.000	1.000	1.000
	In partnership	0.437*	0.898	0.821
Children	Number of children 0-16	1.095	1.121	1.162

Table 10. Occupational status models – Multinomial logit with different base categories

Variable	Category	Self-employed vs.			Skilled wage employed vs.		Low-skilled wage employed vs
		Skilled wage employed	Low-skilled wage employed	No income earner	Low-skilled wage employed	No income earner	No income earner
Model 1							
Migration experience	<i>Non-migrant (ref)</i>						
	Return migrant	1.334	2.432 **	1.725 *	1.824	1.294	0.710
PREPARATION OF RETURN – Willingness and links to origin							
Model 2							
Return motive	<i>Non-migrant (ref)</i>						
	Voluntary return	0.555	2.530	1.492	4.558 *	2.688 *	0.590
	Involuntary return	3.719 **	2.377	1.774	0.639	0.477	0.747
Model 3							
Links to origin household	<i>Non-migrant (ref)</i>						
	Transfers	2.517	1.719	4.326 ***	2.466 *	0.697	1.754
	No transfers	0.401	3.281 *	1.316	1.004	3.268	1.311
PREPARATION OF RETURN - Conditions for capital accumulation abroad							
Model 4							
Migration duration (cum.)	<i>Non-migrant (ref)</i>						
	Over 4 years	0.669	2.030	1.315	3.033	1.965	0.648
	4 yrs or less	3.010 **	2.835 *	2.210 *	0.942	0.735	0.780
Model 5							
Brain waste	<i>Non-migrant (ref)</i>						
	Brain waste	3.770 **	No est.	3.052 *	No est.	0.810	No est.
	No brain waste	1.012	1.886	1.514	1.865	1.497	0.803
Model 6							
Foreign education	<i>Non-migrant (ref)</i>						
	Studied abroad	0.576	0.714	0.681	1.240	1.182	0.953
	Did not study abroad	1.519	2.783 **	2.012 **	1.832	1.325	0.723

No est.: too low cell frequencies for estimation; Observations in each model=1060; *** significant at 1%, **significant at 5%, * significant at 10%

Variable	Category	Self-employed vs			Skilled wage employed vs		Low-skilled wage employed vs
		Skilled wage employed	Low-skilled wage employed	No income earner	Low-skilled wage employed	No income earner	No income earner
PREPARATION OF RETURN - Conditions for capital accumulation abroad (cont'd)							
Model 7							
Work experience abroad	<i>Non-migrant (ref)</i>						
	Worked mainly	1.364	2.233	2.671 **	1.638	1.959	1.196
	Mainly inactive	1.249	3.900	1.071	3.124	0.857	0.275 *
Model 8							
Destination region	<i>Non-migrant (ref)</i>						
	Europe/North	0.880	2.297	1.392	2.610	1.582	0.606
	Africa/South	1.529	2.499 *	1.856 *	1.634	1.214	0.743
CONTEXT OF RETURN EXPERIENCE							
Model 9							
Number of long returns	<i>Non-migrant (ref)</i>						
	One return	1.485	2.769 **	2.000 **	1.865	1.347	0.722
	More than 1 return	0.624	0.963	0.759	1.543	1.216	0.788
Model 10							
Years since last return	<i>Non-migrant (ref)</i>						
	More than 5 yrs	1.186	3.731 **	1.875 *	3.147 *	1.582	0.503
	5 yrs or less	2.536 *	1.084	1.293	0.427	0.510	1.193
Model 11							
Period of return	<i>Non-migrant (ref)</i>						
	<= 1980	2.601	0.766	1.492	0.295	0.574	1.948
	1981 to 1999	1.760	7.858 ***	2.794 **	4.465 **	1.588	0.356 *
	2000+	2.840 **	1.443	1.008	0.508	0.355 **	0.698

No est.: too low cell frequencies for estimation; Observations in each model=1060; *** significant at 1%, **significant at 5%, * significant at 10%