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A Neglected Phenomenon. Migrants who Return

Martin Klinthall, *Return Migration from Sweden, 1968–1996. A Longitudinal Analysis*, Diss, Lund Studies in Economic History 21, Almquist & Wiksell International, Stockholm 2003. 231 + 16 s.

One of the greatest mythologies associated with international migration from low income to high income democratic countries is that this is always or nearly always a permanent move. Who would give up living in a high income democracy if the alternative is living in a low income country, even if it is one's country of origin? This mythology has influenced immigration research which has focused on the determinants of the initial migration, the adjustment of immigrants in the destination, and the impact of immigrants on the host economy. Little research has focused on the question of which immigrants return home or move on to a different destination, and what impact, if any, return migration has on the country of origin. This is unfortunate as all migration streams are characterized by a return flow. This return flow can be substantial, as much as up to 50 percent of the original migration stream in some cases, although typically it is at a much lower rate.

Martin Klinthall's *Return Migration from Sweden 1968–1996. A Longitudinal Analysis* was submitted to complete the PhD in Economic History at Lund University. It is a welcome addition to the economics literature for several reasons. First, it adds to the slim literature on return migration, and one can hope it will encourage others to work on this topic. Second, it provides insights that will offer a more balanced view of the economic history of immigrants in Sweden. Third, it is a well written, technically sound analysis of migration and return migration.

The return migration of economic migrants and refugees may occur for one or more of a set of reasons. Return migration of workers may have been intended, if for example, the migrants had a target sum of capital they wished to accumulate for investment in a house, farm or business when they return to the native country. Then, the most successful would return sooner. Return migrants, however, may be individuals who found adjustment to living or working in the destination less successful than they had expected. Then, the least successful would return sooner. Alternatively, migration behavior may be determined by the stage of the life cycle, with people migrating to a higher real wage country for the working years and returning to a low- wage, low cost of living area at retirement.

Return migration may also be due to changes in the relative circumstances in the destination and the country of origin, whether these circumstances are economic or political. Economic development in origin countries and sluggish

growth or growing unemployment in the destination can spur return migration. Similarly, the replacement of despotism with democratic institutions can encourage some refugees to return. The returnees tend to bring with them the capital, in the form of financial resources and skills, that they have acquired in the destination.

After a brief introduction, Klinthall discusses the development of labor migration to Sweden during the last third of the 20th century (Chapter 2). In the 1960's, the immigrants were primarily economic migrants attracted to a country with little experience with non-Nordic immigrants, but with a liberal immigration policy and an industrial structure that had a demand for low-skilled foreign workers. This began to change in the 1970's, a process accelerated by the change in the industrial structure. Sweden was now a restrictive country regarding immigration, accepting non-Nordic immigrants primarily as refugees, with a rising immigrant unemployment rate.

This is followed (Chapter 3) by a theoretical analysis which develops the reasons for return migration among economic migrants and refugees. Chapter 4 discusses the data used for the analysis, the Swedish Longitudinal Immigrant Database (SLI) and in particular the sample of males who immigrated to Sweden at ages 18 to 64 years from 1968 to 1993. Immigrants from eight source countries are studied: high income origins (United States and Germany) which have the highest rates of return migration, refugee origins (Chile, Iran, Poland), and low income origins in certain non-refugee periods (Greece, Turkey, and Yugoslavia). The data set provides a mechanism for identifying immigrants who departed and a rich array of explanatory variables. Logistic regression analysis is employed with skill.

The general findings (Chapter 5) are consistent with the theoretical model and are all quite reasonable. Return migration decreases with duration in Sweden, rises with the unemployment rate in Sweden, decreases with the unemployment rate in the original country, is greater for those from high income origins (it is highest for immigrants from the US), and it is lower for refugees. Klinthall believes the data on return migration for immigrants from low income origins show some consistency with a "target earner" hypothesis, although it is difficult to develop an unambiguous test of this hypothesis. Return migration rates have been declining over time in Sweden, perhaps, in part, because of the establishment of immigrant concentrations or enclaves that can now provide seemingly "origin-specific" goods and services in Sweden.

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