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Artigo

MIGRATION FLOWS WITHIN A FRAGMENTED GLOBAL NORTH:
(RE)PLACING THE NEXUS BETWEEN MIGRATION AND DEVELOPMENT

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ABSTRACT – The migration and development debate has traditionally been focused on the Global South, constructing a rigid division between a "developed Global North" and an "underdeveloped Global South". This article seeks to challenge this binary by situating the migration and development debate within the Global North. We argue that maintaining this North-South divide overlooks the effects of global capitalism in the North, where uneven development and intra-regional migration are also prevalent. By examining the processes of reterritorialization and neoliberal restructuring, this article highlights how migration flows within the European Union (EU), are expressions of unequal development across its member states. Through a quantitative analysis of economic indicators and the dynamics of migration flows, this article exposes the contradictions within global capitalism and makes the case for embedding the migration-development nexus within the Global North. The discussion emphasises the urgent need for critical research that investigates the impact of migration on development at both national and regional levels within the EU.

Keywords: Development; migration; European Union space.

RESUMO – FLUXOS MIGRATÓRIOS DENTRO DE UM NORTE GLOBAL FRAGMENTADO: (RE)COLOCANDO O NEXO ENTRE MIGRAÇÃO E DESENVOLVIMENTO. O debate sobre migrações e desenvolvimento tem-se centrado no Sul Global, sustentando uma divisão rígida entre um "Norte Global desenvolvido" e um "Sul Global subdesenvolvido." Este artigo questiona esta dicotomia alargando a discussão ao Norte Global. Argumenta-se que a manutenção da divisão Norte-Sul ignora os efeitos do capitalismo global no Norte, onde o desenvolvimento desigual e as migrações intra-regionais também são fenómenos recorrentes. Ao examinar os processos de reterritorialização e reestruturação neoliberal, particularmente dentro da União Europeia (UE), evidencia-se como os fluxos migratórios dentro da UE são expressões do desenvolvimento desigual entre os seus estados-membros. Com base na análise de indicadores económicos e da dinâmica dos fluxos migratórios, apresentam-se as contradições do capitalismo global e defende-se a inclusão do Norte no debate sobre o nexo migrações-desenvolvimento. A discussão enfatiza a necessidade urgente de investigação crítica que explore os efeitos das migrações no desenvolvimento, tanto ao nível nacional como regional, dentro da UE.

Palavras-chave: Desenvolvimento; migrações; espaço da União Europeia.

RESUMEN – FLUJOS MIGRATORIOS DENTRO DE UN NORTE GLOBAL FRAGMENTADO: (RE)UBICANDO EL NEXO ENTRE MIGRACIÓN Y DESARROLLO. El debate sobre migración y desarrollo se ha centrado tradicionalmente en el Sur Global, construyendo una división rígida entre un "Norte Global desarrollado" y un "Sur Global subdesarrollado". Este artículo busca desafiar esta dicotomía situando el debate sobre migración y desarrollo dentro del Norte Global. Argumentamos que mantener esta división Norte-Sur pasa por alto los efectos del capitalismo global en el Norte, donde el desarrollo desigual y la migración intrarregional también son prevalentes. Al examinar los procesos de reterritorialización y reestructuración neoliberal, se destaca cómo los flujos migratorios dentro de la Unión Europea (UE) son expresiones del desarrollo desigual entre sus estados miembros. A través de un análisis cuantitativo de indicadores económicos y las dinámicas de los flujos migratorios, el artículo expone las contradicciones dentro del capitalismo global y defiende la necesidad de integrar el nexo migración-desarrollo en el Norte Global. La discusión enfatiza la urgente necesidad de investigación crítica que examine el impacto de la migración en el desarrollo tanto a nivel nacional como regional dentro de la UE.

Palabras clave: Desarrollo; migraciones; espacio Unión Europea.

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I. INTRODUCTION

The migration and development debate has traditionally been centred on the so-called Global South. This narrow focus stems from a rigid division between a "developed" North and an "underdeveloped" South, a divide that Santos (2010) referred to as the "abyssal line". This binary perspective overlooks the complexities of global capitalism and the uneven development that exist within the Global North.

This article seeks to challenge and deconstruct this rigid distinction between the Global South and North, bringing the migration and development debate into the context of the Global North. We argue that maintaining this North-South divide ignores the profound effects of the latest stage of global capitalism, which has reshaped economic and social landscapes within the Global North itself. Uneven development is a reality in the Global North, and migration is one of its key expressions. Therefore, we contend that it is crucial to bring back the migration-development debate within the Global North, where it has been largely absent from research and policy agendas.

This article is organised into five sections. The first section provides an overview of the most recent migration and development debates, focusing on how these discussions have historically been shaped by the North-South divide. The second section examines how neoliberalism, the latest stage of capitalist development, has contributed to eroding the idea of a uniformly developed Global North, by generating significant economic disparities within this macro-space. In the third section, we delve into how these processes have specifically unfolded within the European Union (EU), highlighting the impact of neoliberal restructuring. The fourth section traces intra-EU migration flows and explores how they reflect the uneven development across the EU. In the fifth section, we discuss the effects of brain drain versus brain gain, as well as social and financial remittances, which are often seen as contributing to development in the migrants' regions of origin. The conclusion emphasises the urgent need to reposition the migration and development debate within the context of the EU and, more broadly, the Global North.

II. MIGRATION AND DEVELOPMENT – A RESEARCH LINE EXCLUSIVE OF THE GLOBAL SOUTH?

At the turn of the millennium, there was a renewed interest in the migration and development nexus – the belief that migration could play a significant role in promoting development. The works of Ratha (2003) and Kapur (2004) were pivotal in highlighting the importance of remittances when compared to Development Assistance or Foreign Direct Investment in contributing to the development of the Global South.

This perspective quickly gained traction among international agencies and programs, aligning with new theoretical insights into the migration-development relationship. In the late 1990s, scholars like Stark, Taylor and others (*apud* Abreu, 2012; Massey *et al*., 1993) highlighted not only the role of migration in maximising expected income but also as a form of family insurance in the face of imperfect markets in the Global South. Additionally, the 1990s saw the emergence of the transnationalism perspective, which explored the regular flows of people, resources, and ideas between emigrant communities and their places of origin (Schiller *et al*., 1992). This approach brought attention to the significance of not only financial remittances but also social remittances as key drivers of development (Levitt, 1996; Levitt & Lamba-Nieves, 2011).

On these grounds, the turn of the millennium witnessed a symbiosis between policy-making and new theoretical insights, which can be traced back to the Tampere Conclusion of 1999 and the Hague programme of 2004 (Council Conclusions on Migration and External Relations, 2005). Research and policymaking converged on the idea of a clear separation between a “developed” North, and an “underdeveloped” South, where migration was seen as an effective tool for fostering development in the latter.

However, more recently, some authors have begun to challenge the simplistic migration and development nexus. Geiger and Pécoud (2013) for example, question the enthusiasm for migration as a driver of development, arguing that most of the previous evidence fails to demonstrate a positive link between the two. They criticise many studies for isolating areas of origin from the broader context of global capitalism, thus overlooking the dominant role of global power structures in shaping development – or lack thereof – in these origins. Although Geiger and Pécoud (2013) acknowledge global capitalism as a key determinant of development in the Global South, they fail to consider how these same global processes affect the Global North.

Raghuram (2009) further critiques the migration-development nexus by challenging the very concept of "development" that underpins much of the debate. She advocates for a decolonized understanding of development, one that reflects the specific contexts and needs of the Global South. However, in doing so, she overlooks the complex integration of countries, cities, and regions from both the Global South and Global North within the global capitalist system. This interconnectedness suggests that development cannot be understood in isolation – geographically or conceptually – and requires a more nuanced approach that accounts for the impacts of global capitalism on both regions.

III. ACCUMULATION ON A WORLD SCALE IN THE LATEST STAGE OF CAPITALISM

The accumulation of capital on a global scale must be understood in relation to the concept of *reterritorialization*. In this article, we draw on Brenner's definition of reterritorialization as "the reconfiguration and rescaling of forms of territorial organisation such as cities and states" (Brenner, 1999, p. 432), emphasising the restructuring of socioeconomic and political institutional spaces and the interaction of various scales within these processes. While reterritorialization is not exclusive to capitalism (Brenner, 1999; Harvey, 1995), what sets capitalism apart is its unique spatial organisation geared toward the accumulation of capital (Brenner, 1999; Harvey, 1995). One of the earliest and most significant forms of reterritorialization under capitalism was the division between a developed North and an underdeveloped South.

As Frank (1978) observed, this divide originated during the mercantilist stage of capital formation but became more pronounced in later stages of capitalist development. Emmanuel (*apud* Amin, 1974) described this division as rooted in unequal exchange, where labour with similar productivity levels was compensated differently in the South compared to the North. This unequal exchange contributed to capital accumulation in the North while simultaneously driving extraction and underdevelopment in the South. Amin (1974) further argued that economic specialisation in the South was shaped to serve the capital needs of the North, reinforcing a spatial organisation that positioned the Global North as the core and the Global South as the periphery.

This spatial hierarchy, initially forged through colonialism, was later institutionalised in international political and economic frameworks. Harry Truman's policies (Cooper & Packard, 1997) formalised this division, drawing a clear geographical and ideological line between the Global North and South. This framework was subsequently expanded in development discourse by figures such as Willy Brandt (Independent Commission on International Development Issues & Brandt [ICIDI], 1980) and later reinterpreted in postcolonial analyses, including the work of Santos (2010). These interpretations reinforced the idea of a binary global order, in which the North remained the centre of development and power, while the South was cast as the periphery, perpetuating global inequality within the capitalist system.

A second significant spatial configuration that consolidated under capitalism was the nation-state. For over 200 years, nation states have served as a crucial foundation for capital accumulation (Brenner, 1999; Harvey, 1995). Particularly during the era of Fordism, state territories were central to national development, with economic activity largely confined within national borders (Brenner, 1999; Weissenbacher, 2018). However, with the crisis of overaccumulation in the 1970s, this spatial arrangement became exhausted, leading to a new process of reterritorialization and rescaling on a global level with the rise of neoliberalism (Brenner, 2011; Harvey, 1995; Smith, 1995; Swyngedouw, 2004). Neoliberalism emerged in the 1980s as a response to the crises of overaccumulation from the previous decade (Fine & Saad-Filho, 2014; Harvey, 1995, 2006b; Jessop, 2014). Characterised by the deregulation of both labour and capital markets, budgetary austerity, financialization and privatisation, neoliberalism conformed to the rollback of the state from the economy, and the retreat of social and labour rights in favour of capital (Harvey, 1995, 2006a, 2006b,). It quickly became the dominant economic ideology, shaping policymaking practices across the globe (Jessop, 2014).

A key feature of this latest stage of capitalism, which extended territorial strategies beyond national borders, is what Harvey (2005, 2006b) termed *accumulation by dispossession.* While it closely resembles earlier forms of primitive accumulation – such as the exploitation of labour through force, fraud, predation, and the looting of assets – this form is now internalised and ongoing within contemporary capitalist processes. This cannibalization within capitalism can be seen in the expansion of the credit system, which has driven millions into debt peonage, and the privatisation of national industries, as well as health, education, and environmental assets.

In practice, this neoliberal restructuring has involved a reorganisation of space to accommodate new economic prescriptions, reshaping both global and local geographies in favour of capital (Brenner, 1999, 2009; Harvey, 1995). This transformation has fundamentally altered the spatial logic of capitalism, pushing the boundaries of capital accumulation far beyond the confines of the nation-state and further integrating global markets.

Facilitated by the impressive development of transport systems and communication technologies, borders became more porous, allowing for the increasingly free circulation of capital and services, as well as the dissemination of neoliberal economic prescriptions (Harvey, 1995). State functions were reconfigured, and new territorial units were rescaled, including supranational and subnational entities (Brenner, 1999, 2011; Swyngedouw, 2004). Supranational entities like the World Trade Organization [WTO], the International Monetary Fund (IMF), and the World Bank, as well as regional blocs like the North American Free Trade Agreemeny (NAFTA) and the European Union were created and served as disciplining entities to conform territories to the new prescriptions (Harvey, 2006a). Subnational entities re-emerged as sites of competition for capital, breaking away from previous logics of Fordist national development (Brenner, 1999; Çağlar & Schiller, 2011) and from the perspectives of the 1960s/1970s that separated international development based in a geography of nation-states marked by the North-South divide from regional development.

Under neoliberalism, competition for capital accumulation occurs at multiple scales – supranational, national, and subnational – with entities sometimes collaborating and sometimes conflicting in what has been termed a "politics of scale" (Smith, 1995). This reterritorialization and restructuring, driven by neoliberalism, has redrawn the spatial landscape of unequal development. The once-rigid divide between the Global North and South has become increasingly blurred, as processes of primitive accumulation are now visible not only between states but also within the borders of the Global North itself.

A critical understanding of the literature on the varieties of capitalism can help illustrate the ways in which unequal development has been proceeding in the EU through reterritorialization. In 2001, Hall and Soskice (*apud* Macartney, 2011; *apud* Palley *et al.*, 2023) launched their influential view on the varieties of capitalism amongst national states. Taking a political science approach, they classified the types of capitalism according to the way "firms coordinate with and relate to each other and other economic actors" (Palley *et al.*, 2023, p. 6). In liberal market economies:

> […] firms coordinate their activities primarily via hierarchies and competitive market arrangements (so that) actors adjust their willingness to supply and demand goods and services in response to price signals (…) and on the basis of marginal calculation stressed by neoclassical economics. (Macartney, 2011, p. 18)

In coordinated market economies "coordination difficulties are resolved primarily by collaborative relationships structured outside the market" (Macartney, 2011 p. 18).

Despite maintaining an influential presence in the literature on varieties of capitalism (VOC), their proposal has faced significant criticism. A primary critique points to the inadequacy of just two types of capitalism to describe all existing forms. As a result, the literature on VOC has witnessed a huge rise in the number of identified varieties. For example, echoing Marxist dependency theory, Jessop (2014) refers to peripheral capitalism when discussing Southern European capitalism, while King (2007) describes liberal dependent post-communism or patrimonial capitalism when referring to central and eastern European countries.

Secondly, the view of Hall and Soskice is the "privileging of institutions over and above the wider social relations in which they sit and by which they are constituted" (Bruff & Ebenau, 2014, p. 38). It tends to ignore the way institutional configurations are both a result and a consequence of capitalist dynamics. This is not to say that institutions do not matter, but they cannot be fully understood outside a framework that stresses the way territorial units interact often with tensions, sometimes as a result of soft and hard power, to form a tendentially singular, however incomplete and unevenly integrated spatial economy comprised of different types and stages of capitalist development (Jessop, 2012, 2014). This view constitutes Jessop's (2014) variegated capitalism proposal, a view that tends to stress the interaction between economic and political flows in a variety of scalar positions, from supranational to national and subnational.

The EU is one such case. Both Seers (1980) and Hudson and Lewis (1985), writing in the early 1980s, had already noted the way integration in the then European Economic Community (EEC) was exacerbating national and regional differences. But new developments in the EU demand a new look at how these processes are impacting the EU space.

IV. UNEVEN GEOGRAPHICAL DEVELOPMENT IN THE EUROPEAN UNION

The European space has never been a space of even development. But the creation of the European Economic Community (EEC) offered the promise of 'harmonious development by reducing the differences existing between the various regions and the backwardness of the less-favoured regions' (Preamble, Rome Treaty, 1957 *apud* Laffan, 2016).

As Jessop (2014) shows, the initial project was first comprised of variants of regulated economies (with the exception of Italy's southern peripheral capitalism) that were relatively compatible with one another. The Treaty of Rome was then oriented to integrating the six economies in the general frame of Atlantic Fordism, which it did by taking supranational steps towards positive integration (Jessop, 2014). But the pursuit of capital for profit and rivalry soon revealed tensions and fractures. As more countries joined, different varieties of capitalism with various accumulation and welfare regimes were forced to co-exist, further exposing fractures within the EU space (Jessop, 2012, 2014; Laffan, 2016).

One key aspect relates to Germany's dominant influence within the EU, which some scholars attribute to Germany's distinct model of capitalism, sometimes designated as *ordoliberalism* (Jessop, 2014, 2019; Young, 2014). According to Streeck (1997), this system is characterised by an enabling state that promotes competitive markets and maintains a stable currency. It is further distinguished by a neo-corporatist framework, reflected in a high-wage economy shaped by organised cooperation among competitors and collective bargaining between capital and labour, fostering social cohesion. Additionally, Germany's economic strength is rooted in its quality-driven international markets, supported by firms that prioritise diversified, high-quality production and rely more on long-term bank credit than on equity or financialization.

While recognizing the significance of institutions, Jessop (2001, 2012, 2014) argues that they are both a product and a driver of uneven geographical development within the European Union. When Germany introduced a revision of its accumulation regime in the late 1970s, known as *Das Deutsche Modell*, characterised by an export-led growth strategy, its success was as much due to the institutional framework of ordoliberalism as it was to the way Germany managed capitalism's inherent contradictions and its interdependencies with other Rhenish economies, as well as with the peripheral southern and eastern regions of the EU.

As Jessop (2014) points out, Germany maintains complementary linkages with the Rhenish economies, which provide crucial commercial and business services to support its economic model. In contrast, the French economy has a different specialisation profile, underpinned by more dirigiste and neo-corporatist institutional arrangements. Tensions arise between these two distinct accumulation regimes. However, the most significant fractures occur with the southern and post-socialist eastern peripheries of the EU. These fractures stem from the peripheral forms of capitalism that dominate these regions. Peripheral capitalisms are characterised by institutional frameworks involving the state, labour market relations, industrial structures, and banking systems that fail to foster capital- and research-intensive industrial capacity. Instead, they succeed in providing cheap labour or serving as consumption markets, which help absorb the contradictions of the core economies.

Before proceeding, it is important to distinguish between studies focused on convergence criteria and those that investigate the deeper processes underlying unequal development. In line with a tradition influenced by Arrighi's work (Weissenbacher, 2019), economic convergence is typically measured by higher economic growth of less developed economies and the reduction of income disparities. However, as Santos (1985) pointed out, using GNP per capita or income levels as indicators may not fully capture the complexities beneath the surface and can lead to premature conclusions about development trajectories in the EU.

We argue that the dynamics of unequal development within the EU cannot be fully understood without examining how the interplay between reterritorialization and variegated capitalism shapes divergent growth trajectories, distinct capital and labour specialisations, varying debt exposures, labour costs, productivity levels, social and economic rights frameworks, and different capacities for crisis management (Jessop, 2012, 2014).

Reterritorialization has restructured the EU in several ways. First, it eliminated internal borders, facilitating the free movement of trade, capital, and labour. Second, it enabled the rescaling of the EU into a supranational entity with legislative and executive powers, which helped implement economic policies at national and regional levels (Brenner, 1999). Third, it allowed for the rescaling of subnational entities and the reconfiguration of state borders.

Let us begin by examining the effects of the rescaling of the EU as a supranational entity. As Weissenbacher (2018) notes, the formation of the European Union allowed for the application of laissez-faire principles in trade, while the financial agenda at the supranational level became harmonised around the mantra of sound finances and stable inflation (Jessop, 2014; Laffan, 2016; Lapavitsas, 2012). This focus, however, hindered the development of a common industrial policy at the European level that could address regional imbalances and the challenges of globalisation (Weissenbacher, 2018).

The emphasis on sound finances, as enshrined in the Maastricht Treaty and reinforced by the Stability and Growth Pact's successive amendments, and more recently, the Fiscal Compact (part of the intergovernmental Treaty on Stability, Coordination, and Governance), significantly curtailed governments' room for manoeuvre. Restricted from intervening in the economy through tariffs or other protectionist measures, peripheral member states found their ability to compete with the core economies even further limited.

In contrast to fiscal and monetary policy, labour policy has remained one of the few areas where governments retain some discretion. This has made labour one of the few levers available to peripheral states to enhance competitiveness – often resembling a 'race to the bottom´ in accordance with the EU's guidelines on labour market flexibility (Lapavitsas, 2012).

The deepening of political and economic integration, most notably through the creation of the Economic and Monetary Union and the introduction of the Euro, further illustrates the absence of a more equitable model for development within the EU.

In the Eurozone, it is worth distinguishing three periods: the first running from 1995 until the 2009 crisis management, the second roughly from 2009 until 2013 and a third period running from 2014 onwards. These three periods are closely interrelated, but by disentangling them, it is easier to identify the mechanisms whereby unequal development proceeds in the Eurozone, opposing, for instance, the strong German economy to the peripheral southern economies, particularly Portugal, Greece, and Spain[i].

As for the first period, a relatively stagnant German economy seems to contrast with the apparently dynamic southern European economies, as illustrated in figure 1.

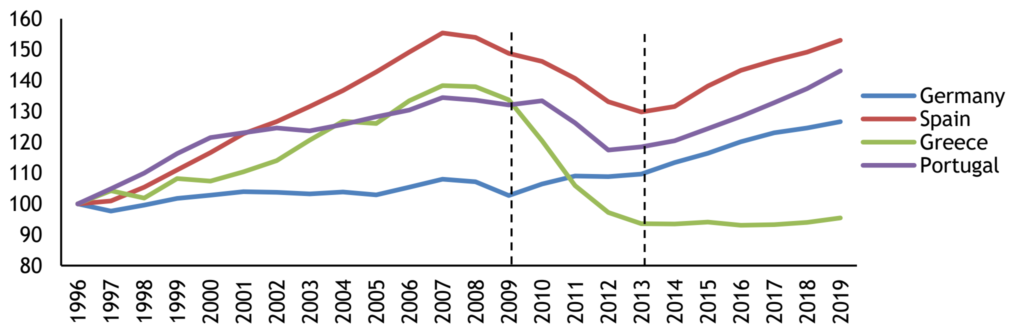

Fig. 1 – Gross Domestic Product, constant prices, base year: 1996 (1996=100). Colour figure available online.

Fig. 1 – Produto interno bruto a preços constantes, ano base: 1996 (1996=100). Figura a cores disponível online.

Source: Based on data from Pordata. www.pordata.pt

This period was characterised by wage restraint in Germany (Jessop, 2014; Lapavitsas, 2012; Varoufakis, 2013; Weeks, 2014), as reflected in a stagnant real compensation of labour (fig. 2) and a small increase in labour productivity (fig. 3). It is fair to say that the low growth in Germany was strongly influenced not so much by investment and technology but by the workers' squeeze (Lapavitsas, 2012), as evidenced by the diminishing adjusted wage share (fig. 4) and low growth of final consumption (fig. 5).

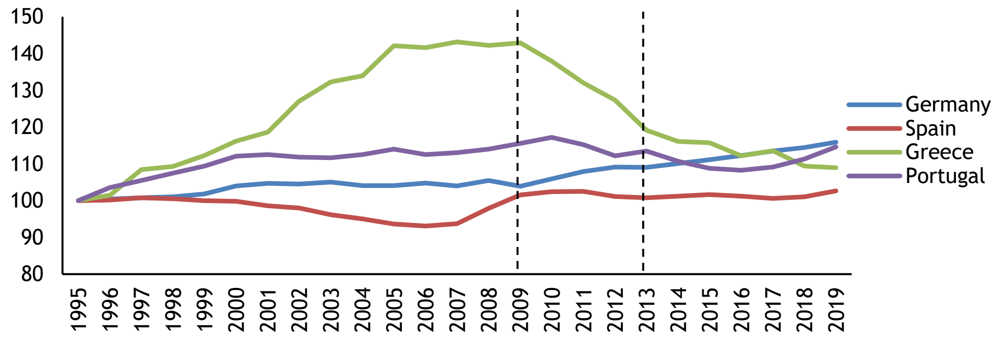

Fig. 2 – Real compensation of employee (1995=100). Colour figure available online.

Fig. 2 – Remunerações reais dos empregados (1995=100). Figura a cores disponível online.

Source: Based on data from AMECO. https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/sense/app/667e9fba-eea7-4d17-abf0-ef20f6994336/sheet/f38b3b42-402c-44a8-9264-9d422233add2/state/analysis/

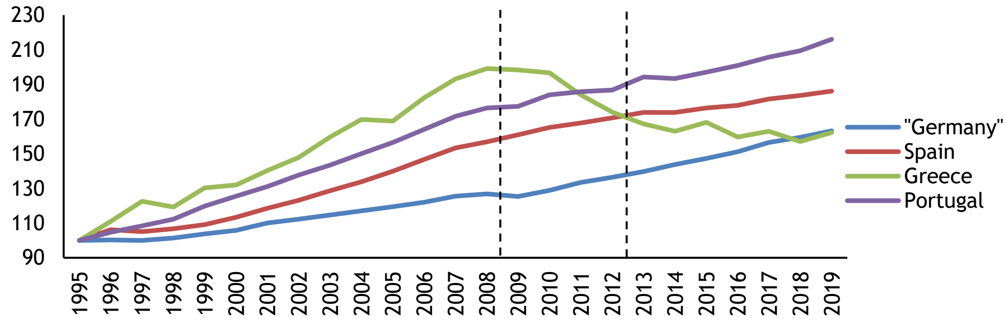

Fig. 3 – Labour productivity per hour (1995=100). Colour figure available online.

Fig. 3 – Produtividade do trabalho por hora (1995=100). Figura a cores disponível online.

Source: Based on data from Pordata. www.pordata.pt

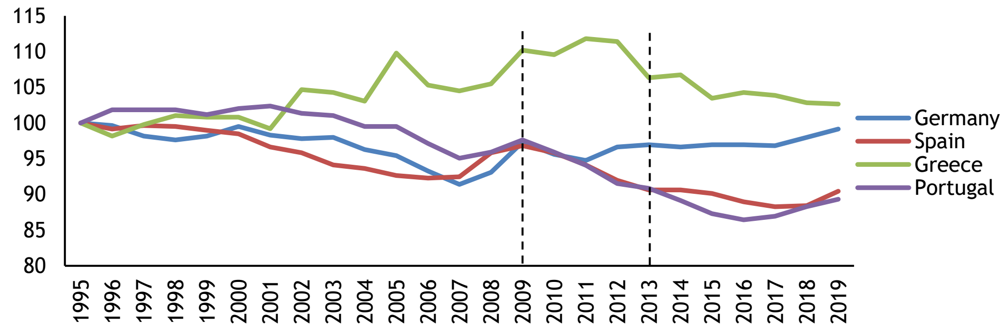

Fig.4 – Adjusted wage share, percentage of GDP at current market prices (1995=100). Colour figure available online.

Fig. 4 – Compensação dos trabalhadores em percentagem do PIB a custos correntes (1995=100). Figura a cores disponível online

Source Based on data from AMECO. https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/sense/app/667e9fba-eea7-4d17-abf0-ef20f6994336/sheet/f38b3b42-402c-44a8-9264-9d422233add2/state/analysis/

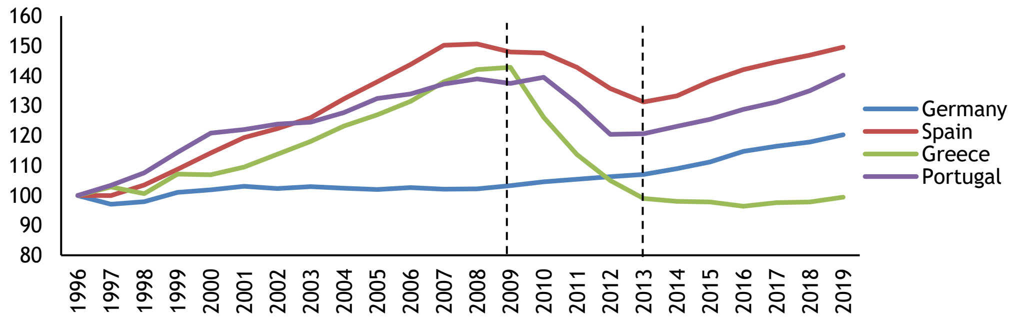

Figure 5 – Final consumption, total public and private at current prices (1995=100). Colour figure available online.

Figura 5 – Consumo final, público e privado a preços correntes (1995=100). Figura a cores disponível online.

Source: Based on data from Pordata. www.pordata.pt

With reduced aggregate demand and competitive unit labour costs, combined with the adoption of the euro – a weaker currency compared to the Deutsche Mark – the German economy shifted its focus towards southern Europe without significant losses in competitiveness. This shift was bolstered by the free circulation of goods within the eurozone (Jessop, 2014; Lapavitsas, 2012; Varoufakis, 2013). Consequently, Germany experienced a surplus in its goods account, trade balance, and current account.

In contrast, Southern European countries, unable to compete with both Asian economies and the depreciated Deutsche Mark, saw a decline in their productive sectors. This retreat was particularly evident in Portugal, where sectors such as construction, real estate, and tourism – characterised by low-added value, low wages, and precarious jobs – expanded (Lapavitsas, 2012; Santos & Reis, 2018). The real compensation of labour during this period underscored the precarious nature of employment in these industries. As a result, Southern European nations faced negative trade balances, driven by deficits in their goods accounts, despite positive performances in their services sectors.

Interestingly, despite these challenges, productivity in Southern Europe grew faster than in Germany during this period (fig. 3). This highlights a paradox: while productivity in the Southern European countries increased, wages – with the partial exception of Greece – stagnated or declined. In contrast, Germany experienced a slower rise in productivity, but similarly, wages saw little growth.

Leveraging the process of reterritorialization, German capital flowed into Southern Europe in pursuit of higher profits, a trend fuelled by Germany's large current account surpluses and reduced wages (Jessop, 2014; Lapavitsas, 2012). As a result, Southern European countries were inundated not only with German capital-intensive goods (Lapavitsas, 2012; Varoufakis, 2013), but also with an influx of cheap credit. This credit boom was sustained by Germany's position as a major creditor, sharply contrasting with the growing indebtedness of Southern European member states (fig. 6).

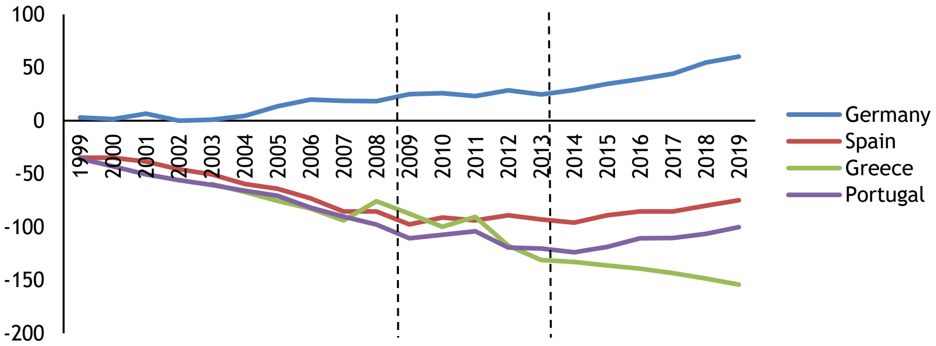

Fig. 6 – International Investment Position as a percentage of Gross Domestic Product. Colour figure available online.

Fig. 6 – Posição de Investimento Internacional em percentagem do Produto Interno Bruto. Figura a cores disponível online.

Source: Based on data from Pordata. www.pordata.pt

As we approached the 2009 crisis and entered the second period, southern European countries were extremely indebted, though Portuguese and Spanish debt was mostly to be found in the private sector. In both Spain and Portugal, exposure to debt was higher in the non-financial sector, followed closely by the financial sector, i.e., banks and households (Lapavitsas, 2012). Another important feature was that all three countries were highly indebted abroad, including Spain whose absolute volume of external debt was by far the highest and very significant (Lapavitsas, 2012).

In the aftermath of the 2009 crisis, several southern European banks were on the verge of bankruptcy, without enough means to repay the high debt they had incurred. However, the investors who had financed these banks were in no position to bear the risks they had assumed when they provided the money.

As a result, southern European member states not only had to rescue the banks in distress, but also had to ensure the repayment of foreign loans (Jessop, 2014; Lapavitsas, 2012). To rescue foreign banks, particularly German and to a lesser extent French banks, southern European countries were forced into indebtedness, the so-called sovereign crisis (Jessop, 2014; Lapavitsas, 2012), which had to be reduced at any cost, as dictated by fiscal norms. Because southern European states were constrained by these very same fiscal norms, it meant the only way to repay the loans would be to transfer the burden of debt to labour.

Over this period, consumption decreased sharply in all three countries (fig. 5), and Gross

Domestic Product (GDP) experienced negative growth rates. Real compensation of labour decreased sharply, particularly in Greece (fig. 2) and labour productivity became stagnant (fig. 3), followed by a sharp retreat of the adjusted wage share (fig. 4). Moreover, the crisis allowed for the devaluation of assets and large-scale privatisation (Lapavitsas, 2012) in ways that further contributed to the ongoing process of accumulation by dispossession. This tendency was then strengthened with additional cuts in nominal wages, more flexible labour relations, reduced pensions rights, higher costs for access to the health system, and increasing taxation of citizens rather than corporations in southern European countries (Lapavitsas, 2012).

The third period is characterised by a discreet positive current account for southern European member states. While the goods balance performed poorly – despite the improvement experienced by Spain – the performance of the current account is significantly influenced by a sharp increase of the service account, driven by the expansion of the tourism, construction, and real-estate sectors. In addition, despite improving their international investment position, both Portugal and Spain remain heavily indebted. During this period, there was also a rapprochement of real compensation of labour to pre-crisis values (fig. 3) as a consequence of actions taken by leftist parties in both Spain and Portugal, which interrupted the trajectory of drastic losses for labour, however, it remained well below the 1995 percentage.

As for Germany, the 2009 crisis represented a slight change of course. The apparent exhaustion of southern European countries as a source of high margins for capital is reflected in Germany's stagnant currency account, complemented by a goods balance showing signs of a decreasing trend. These statistics contrast with a historical take-off of the values in total final consumption - both public and private (fig. 5) – since the second period, and with the adjusted wage share, which from 2017 shows a positive trend for the first time since 1995 (fig. 4). In the end, despite neoliberal adjustments, Germany did not change its neo-mercantilist and neo-corporatist paradigm, retaining its socially oriented market type of capitalism. Meanwhile, southern European countries witnessed a neoliberalization of its peripheral capitalism.

In the Central and Eastern European (CEE) periphery, which lies outside the Eurozone[ii], King (2007) characterises the region as embodying a form of a liberal dependent post-communist capitalism. This model is marked by a near-total absence of working-class political mobilisation and an outdated technological infrastructure (King, 2007). Foreign investment is viewed as a means of safeguarding industrial legacies through technology transfer and workforce training (King, 2007). For EU, and particularly German, transnational corporations, the region's comparatively low labour costs presented an attractive opportunity for relocating industrial activities. As a result, the assets of these European countries have been integrated into the commodity chains of core transnational corporations (Bohle & Greskovits, 2007). This context helps explain why the 2008/09 crisis unfolded with distinct temporal and material differences compared to Southern European countries. However, the integration of the Eastern periphery into the EU has not been an unqualified success. A key indicator of this dynamic is the international investment position, which highlights the imbalanced relationship between Germany and the Eastern European member states. Germany emerges as a major creditor, while the Eastern European countries are significant debtors.

In the wake of the 2009 crisis, the Eastern European periphery, already burdened by rising indebtedness linked to free capital flows (Lapavitsas, 2012), faced an opportunity for capital-led restructuring. Countries such as Romania, Latvia, and Hungary, which were severely impacted by the crisis, sought financial assistance from the IMF and EU between 2008 and 2009. Notably, the EU imposed even more stringent austerity measures than the IMF (Lapavitsas, 2012; Lütz & Kranke, 2014).

The institutional restructuring of these countries cannot be separated from the processes they underwent to meet the political and economic requirements of the Copenhagen criteria (Bohle & Greskovits, 2007). For labour, the consequences were severe: rising unemployment, significant losses in real wages, a rollback of labour rights, the dismantling of unions, and drastic reductions in welfare provisions. In their pursuit of competitiveness, many Eastern European countries engaged in social dumping by reducing wages and lowering corporate taxes (Bohle & Greskovits, 2007). These processes of accumulation by dispossession transformed many of these nations into exporters of migrant labour, with workers migrating to Western countries – benefiting the UK, Germany, and, to a lesser extent, Italy and Spain, particularly before the crisis.

Ultimately, these neoliberal reforms, driven by reterritorialization, have contributed to a shift from a liberal dependent form of capitalism to a more patrimonial model. In this system, "patron–client relationships ensnare major enterprises, leading to the decomposition of the bureaucratic (in the Weberian sense) nature of the state" (King, 2007, p. 307).

Figure 7 provides a visual depiction of the uneven geographical development in the regions (NUT I)[iii] of the European Union in 2019. The existence of a centre in the European Union space is easily observable, comprising mostly of the Rhenish economies, and a southern and an eastern periphery coloured in dark or light orange. Some countries, like Spain (centres in Catalonia and around Madrid) or Italy (with a clear divide between the north and the south), display a clear "dual country" picture.

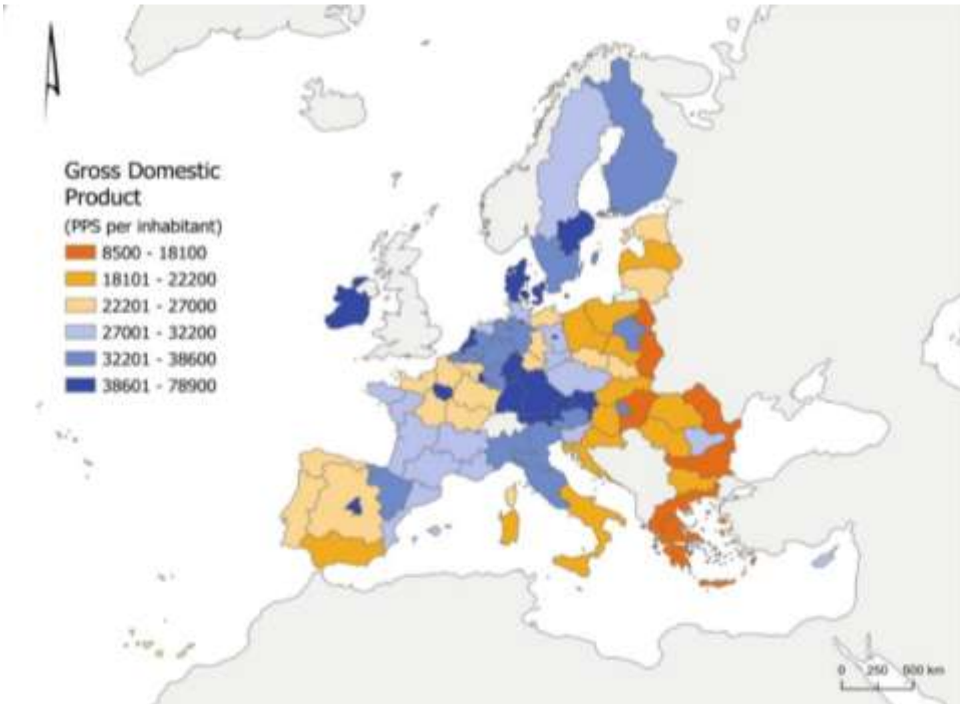

Fig. 7 – Gross Domestic Product (PPS per inhabitant) 2019, NUT I[ivv]. Colour figure available online.

Fig. 7 – Produto Interno Bruto (PPC por habitante), 2019, NUT I. Figura a cores disponível online.

Source: Eurostat (2021a)

However, these differences are not just detectable at the national level. Despite EU policies, they can also be grasped at the regional level. It is important to note that, with the reterritorialization that came with the European Union, there was also a rescaling of subnational entities, namely regional units.

Between national entities, differences in regional development were significant, and as sustained by the Werner Plan in 1970, it was widely known that the creation of the Single Market had the potential to reinforce asymmetries within the European Community (Madeira, 2019). The European Union responded to these disparities with the creation of regional policies and instruments like the European Investment Bank, the European Regional Development Fund (ERDF), the European Social Fund (ESF), the European Agricultural Guidance Guarantee Fund (EAGGF) (replaced by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development in 2007 ERDF, ESF, EAGGF (replaced by EAFG and EAFRD in 2007) and more recently the Cohesion Fund. After 2007, most instruments started to be implemented in a more articulated way, as stated by the regulation 1083/2006.

This meant the cascading of priorities defined at the supranational level to the national and increasingly regional levels, relying on the Open Method of Coordination, whereby "centrally agreed targets combine with decentralised implementation" (Jessop, 2014, p. 251). As a consequence, variegation in the EU space was reinforced under the EU Framework Programme for the period 2007-2013, priorities defined in the Lisbon Agenda – namely the need to raise competitiveness and create jobs – were communicated to regions via the financing instruments. A closer enquiry into the Fifth EU Framework Programme shows that competitiveness meant freeing the potential of medium and small enterprises to compete in the international market, while job creation meant a loosening of labour relations towards insecurity (Madeira, 2019). As such, the instruments that were initially created to balance structural inequalities that could be reinforced by the Single Market came to represent an incentive for the laissez-faire principle governing the European Union Economic Space (Madeira, 2019).

It is interesting to note that by going down the scale, differences that were previously not noticed at a higher level – specifically the comparison between figure 7 (NUT I) and figure 8 (NUT II) – become more easily detectable. At the NUT II level, the areas coloured in orange increase in the southern and eastern peripheries, enhancing regional differences and highlighting the relevance of depressed spaces. Secondly, the map also evidences the existence of 'cores in the south', such as Madrid or Lisbon, and 'peripheries within the core', as illustrated by the areas in pale yellow in France, like Limousin, Prov. Luxembourg in Belgium, or Lüneburg or Schasen-Anhalt in Germany.

Finally, what this figure makes more obvious is the apparent economic dynamism of some 'core cities', namely Amsterdam, Luxemburg, Munich, Stuttgart, Salzburg, Stockholm, Copenhagen, and Paris, as well as cities in the peripheries like Madrid, Lisbon, Budapest, Vilnius, Warsaw or Bucharest. However, they show very disparate GDPs per capita, denoting an urban hierarchy in the European Union Space, with Rhenish cities tendentially exhibiting a higher GDP per capita than cities in the southern and eastern peripheries. Nevertheless, rural areas seem to be the big losers of this competition.

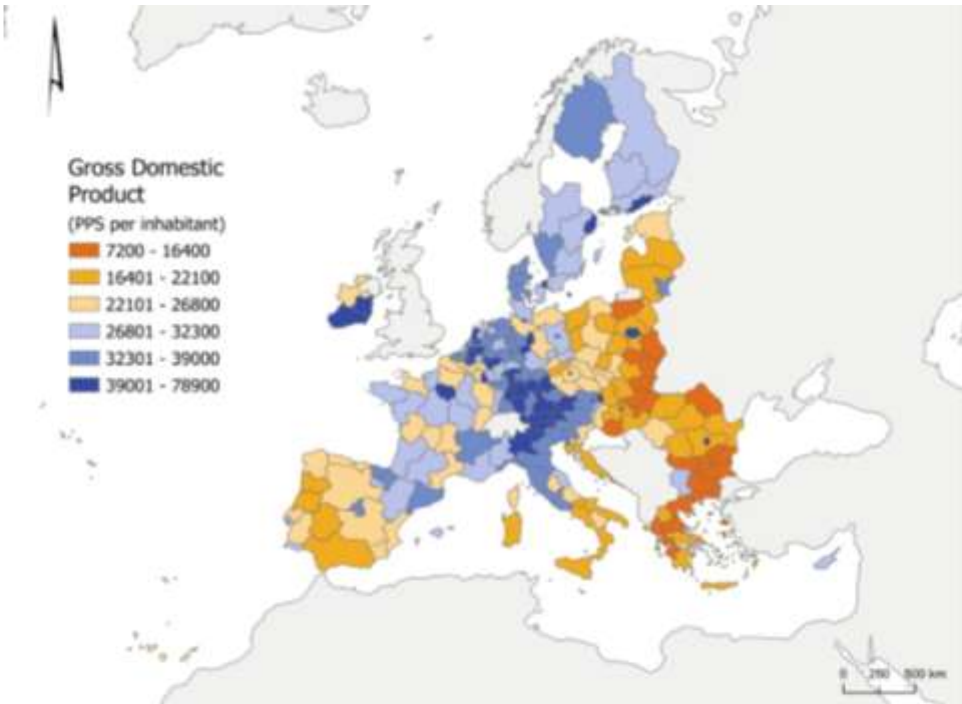

Figure 8 – Gross Domestic Product (PPS per inhabitant) 2019, NUT II. Colour figure available online.

Figura 8 – Produto Interno Bruto (PPC por habitante), 2019, NUT II. Figura a cores disponível online.

Source: Eurostat (2021b)

These variations seem to show how regions have become more autonomous from the national state, particularly the Fordist state. However, despite the diversity of situations that become visible when we go down the scale, it is still worth observing that the composition of diversity is different between the Rhenish territories and the southern and eastern peripheries.

Taken together, the peripheralization of the southern and eastern peripheries and the role of cities and its hierarchization seem to point to differences at national scales, despite the erosion of state functions that came along with reterritorialization. In the end, this variance in diversity at NUT II scale between countries reiterates how different types of capitalism, with varying degrees of soft and hard power, have navigated the reterritorialization that accompanied the EU.

Having discussed the European Union as a space of unequal development deepened by reterritorialization, it is now time to ask: to what extent is the increasing unequal development between countries and regions confirmed by migratory movements?

V. INTRA-EU MIGRATION – AN EXPRESSION OF UNEQUAL DEVELOPMENT?

Intra-European migration is not a new phenomenon. Haan (1999) reminds us that migration was already part of the European economy before the industrial revolution. However, as noted by Ravenstein (1885) it was the industrial revolution that prompted large masses of people from rural areas to cities. Since then, migration, both internal and international, has proved to be an intrinsic feature of capitalist development, serving as both an expression of class and of unequal space development (Novak, 2016). In this article, we focus on the latter aspect, specifically on how migration has accompanied the reconfiguration of space under capitalist development in the European Union.

With the emergence of the European Union, and despite the ideal of convergence laid down in its founding Treaty, "structurally induced intra EU migration" has been fostered by the interplay of different varieties of capitalism in the EU, under the shadow of reterritorialization that brought with it restructuring, accumulation by dispossession, and rescaling at the service of capital. As such, as memories from the Guest Labour system were fading, interest in migration within European borders gained momentum. Two different processes explain the continuous increase of intra-EU migration after the creation of the European Union: the persistence and reinforcement of unequal spatial development within the European Union economic space and the free movement of persons. A brief historical outlook on the evolution of intra-EU migration can better illustrate these two arguments.

In the 1980s, when Portugal, Spain and Greece became members of the then called EEC, intra-EU migration had already entered a stagnant phase. In Germany, it coincided with the end of the Fordist growth and reunification. With the management of the Fordist crisis, Germany maintained diversified, quality production that was intensive in capital and research, while delocalizing the mass production of goods less intensive in capital to eastern countries. As in other countries, an explosion of the service sector accompanied this restructuring.

Despite the reduced demand for foreign labour workers brought about by restructuring, the reunification process resulted in a huge number of internal migrants from eastern to western Germany, along with the entrance of a large number of ethnic Germans (Castles & Miller, 1998; Martin, 2002). As such, Germany did not feel the need to recruit more foreign workers.

In most southern European countries, this period coincided with the abolishment of dictatorships. The implementation of democracy, combined with access to substantial EU funds (Weissenbacher, 2018) and easier access to credit, helps to explain the booming period in Mediterranean countries, which created an illusion of improvement of living standards. Consequently, in 1995, when it finally became possible to move between seven European member countries without passport control at borders (União Europeia [UE], 2021), there was no significant rise in intra-EU migration. By this time, southern European countries had become the destination of many non-EU migrants. The fall of the Iron Curtain in 1989 and the subsequent restructuring of central and eastern European economies led to a net migration outflow of around 3.2 million, particularly to northwestern Europe but also to southern European countries where legalisation was found to be easier than in western European countries (Penninx, 2018).

After the accession of the A8 countries in 2004, and Bulgaria and Romania in 2007, a new era of intra-EU migration started. Benefiting from free movement facilitated by reterritorialization and rescaling, the southern corridor was replaced in relevance by the north-western corridor (Mol & Valk, 2016; Penninx, 2018). Migration flows from Poland and Romania began shifting more towards the western countries, with numbers rising sharply (Mol & Valk, 2016; Penninx, 2018).

In 2008 alone, approximately 2 million migrants moved within the European Union space, most of whom were Polish and Romanian (Penninx, 2018). In fact, the number of Polish citizens residing in other EU countries grew significantly, rising from 451,000 in May 2002 to 1,860,000 by the end of 2007 (Penninx, 2018). Emigration to southern European countries, particularly Spain and Italy, did not halt. On the contrary, these countries reinforced their position as destination countries for many Romanian and Bulgarians migrant, filling the low-paid, precarious, and intensive labour sector of tourism, construction, and agriculture (Bermudez & Oso, 2020; Lera, 2020).

With the crisis, the migratory landscape of the European Union was reconfigured once more. Hard hit by the crisis, southern European countries saw many of their eastern European migrants return home or re-emigrate to other EU countries (Lera, 2020). Between 2004 and 2017, of the approximately 4,000,000 migrants of all ages (both EU and non-EU) living in Spain, 1,150,000, – primarily from Romania, but also lifestyle emigrants from Germany and the UK – chose to return to their countries of origin (Lera, 2020). Additionally, the migration of native Spaniards rose sharply, particularly among the young and highly educated, a migratory trend that actually began prior to the crisis (Lera, 2020).

A similar pattern was found in Italy (Montanari & Staniscia, 2017), Portugal (Marques & Góis, 2017) and Greece (Pratsinakis *et al*., 2017) reviving the decades of emigration of the last century (Mol & Valk, 2016). Germany was one of such destinations. After the hard years of the 90s during which Germany refused to assume itself as immigration country (Castles & Miller, 1998), in the 2000s the country relaunched an active recruitment strategy (Heckmann, 2016; Menz, 2011).

The successive reforms in the German type of capitalism were accompanied by a new migration regime characterised by the privileging of both high and low skilled migrants. The regime for low skilled migrants, in particular, has been characterised by temporary and precarious jobs, long hours and perilous working conditions in agriculture, construction, and low-paid service sectors, however still representing attractive conditions for labour migrants.

This brief overview of the migratory flows within the European Union reveals a strong alignment with the spaces of unequal development that accompany variegated capitalism under the EU space. On one hand, EU labour mobility confirms the eastern periphery, where restructuring was particularly challenging, as consisting mainly of origin countries.

On the other hand, it confirms the core as consisting mainly of destination countries, with the UK and Germany at the forefront, each with a stock of 2,000,000 EU migrants in 2019, followed by France with 600,000 active movers and Austria, Belgium, Ireland, the Netherlands, Sweden, and Luxembourg, each hosting between 100,000 and 500 000 EU migrants in 2019 (Fries-Tersch *et al*., 2021). As for Southern countries, when exposed to the crisis, migration trends reveal not only the level of exposure and the peripheral nature of its economy but also the weakness of labour ties, limited job opportunities and low wages that led to a revival of emigration.

This geographical coincidence also aligns with the rising flows of highly skilled migrants. Between 2011 and 2019, the share of highly educated movers rose considerably, by 6pps, although medium-educated movers remain the largest fraction of all active EU movers (Fries-Tersch *et al*., 2021). The UK and Germany are by far the countries with the largest stock of highly educated migrants, 1.2 million and 790,000 respectively (Fries-Tersch *et al*., 2021), whereas Poland, Romania, Italy, France, and Germany appear as the main countries of origin for highly skilled individuals. However, while Germany and France are also main destination countries, Poland and Romania are not receivers of highly skilled intra EU movers.

On the demand side, one possible explanation could be the opening of new labour markets, like in the UK or Ireland. In Germany the explanation lies in the revision of its diversified quality production model, which shifted from vocational to more qualified workers. Additionally, as in its previous model, the diversified quality production of the new millennium seeks to control high salaries by relying on foreign workers, – now mostly qualified foreign workers (Sorge & Streeck, 2018; Brzozowski *et al*., 2017) – providing a cheaper workforce from the peripheral capitalism of southern and eastern countries.

In Eastern European countries, highly skilled citizens face a lack of opportunities in their native countries that are compatible with their skill set (Galgóczi & Leschke, 2015). For the southern countries, highly skilled emigration is not a new phenomenon (King *et al*., 2016; Lera, 2020), but it reached unprecedented levels during the crises, particularly among young people, for whom neoliberal economic restructuring resulted in fewer, precarious, and lower-paid jobs (Lera, 2020; Marques & Góis, 2017).

Therefore, and unlike Haas (2014), who tends to advocate the use of neoclassical lenses to understand the migratory movement of highly skilled migrants, we argue that a considerable share of highly skilled migrants move as an expression of unequal development (Fries-Tersch *et al*., 2018; Galgóczi & Leschke, 2015; Organisation for Economic Co-operation and Development [OECD], 2007).

Wise and Covarrubias (2012) argue that forced migration should not only include those situations where any alternative is possible, but also those that refer to the inexistence of appropriate local solutions as a result of processes of capitalist development. Therefore, highly skilled migration may not be the desired solution, but one that is made possible when compared to local alternatives. While subscribing to the weight of structure over agency in these cases, we would better understand these as cases of structurally induced migration to distinguish it from more obvious types of forced migration, like refugees.

Moving in scale to regional units of analysis allows us to further discuss the spatial patterns of intra-EU migration. Despite the scarcity of data produced at this level of analysis (Çağlar, 2015), existing data on urban growth reveals the importance of metropolises as spaces of intra-EU migrant concentration, particularly the metropolises of western developed countries. Like Çağlar (2015), we consider the concentration in metropolises as an expression of the importance of cities as engines of growth for global capital, where the structure of opportunities for migrants is more diversified, but also as a result of competition between cities to attract migrants who are understood as important competitive assets (Çağlar, 2015; Schiller, 2009).

This is consistent with data from internal mobility in Germany, suggesting that the distribution of migrants might follow a hierarchy of cities as a result of competition and different insertions in globalisation (Sander, 2014); while some regions move up in the scale of global power to become global cities (Sassen, 2005), others are subject to a process of moving down the hierarchy of power (Schiller & Çağlar, 2011).

As such, EU migrants not only seem to show a preference for moving into more economically dynamic cities, but also originate from cities positioned in lower positions in the power hierarchy and from poorer rural areas, as is the case of Poland (Barbone *et al*., 2012). This pattern reinforces the link between migration and unequal spatial development.

However, at the regional level, we are witnessing an increasing spatial dispersion of Intra-EU migration. This process emerges as a reaction to rescaling dynamics and a response to processes of restructuring by capital both in areas of origin and destination (Çağlar, 2015).

Depopulation, the extreme ageing of rural areas in southern countries like Portugal, Greece, Spain and France and the development of agri-business activities (Fonseca *et al*., 2021; Kasimis, 2010), regulated by highly exploitative and lucrative human resources agencies (Penninx, 2018), explain the restructuring by capital in smaller towns and rural areas. This is compensated by intra-EU labour and third country national migrants (Fonseca *et al*., 2021; Kasimis, 2010).

For example, Romanians are mostly concentrated in Madrid, although their presence in small and medium-sized cities is increasing (Martínez, 2011), particularly in rural settings where they find jobs in construction, tourism, and care sectors (Camarero & Sampedro, 2020).

Finally, despite the level of intra-EU mobility, some authors point out that numbers are well below expectations, particularly when considering unemployment rates in potential countries of origin (Bartolini *et al*., 2017). The reality behind the idyllic free movement of persons within the European Union space may reflect different capacities to emigrate, that not only involve class issues but also territorial ones.

According to the 2010 Gallup World Poll, 20% of the Portuguese population manifested an aspiration to migrate, corresponding to the potential exit of 2,000,000 people. However, according to data from the European Foundation for the Improvement of Living and Working Conditions from 2019, between 2011 and 2014, only 485,000 left the country (less than 5% of the resident population). Nonetheless, numbers of intra-EU migration are significant. For the areas of origin, this represents the exit of manual, vocational, and highly skilled labour, posing demographic challenges (Haller *et al*., 2018).

VI. THE MIGRATION AND DEVELOPMENT DEBATE WITHIN THE EU SPACE

The migration and development debate has not always been absent from the European context, as shown by the works by Carlos Almeida (1973) and Manuela Silva (1984) on Portugal, or Russel King *et al*. (1985) on Italy, the latter within the context of the then EEC. However, in 2016, Grabowska and Garapich (2016, p. 2146), in their paper on social remittances and intra-EU mobility, begin their argument by stating that “due to the implicit conceptual relationship between the social remittances’ literature and the “migration-development nexus” social remittances, and in particular within the enlarged EU, have received much less attention”.

The reasons behind this omission are various, yet it seems that there is a widespread assumption among scholars that social remittances do not travel between developed countries in the same way, or do not produce the same effects as when happening within an economically unequal migration system. The view that the EU space consists only of developed countries leads the authors to exclude the migration and development nexus from their theoretical framework, looking instead at social transformations taking place in the modernization of Poland. This perspective seems to be shared by other authors looking at the effects of migration in the territories of origin, as we will be able to confirm.

Having discussed the European Union as a space of unequal development, fostered by the interplay between neoliberalism, reterritorialization, and variegated capitalism, and having explored intra-EU migration as a consequence of this process, the inevitable question arises: What are the effects of the intra-EU migration upon the development of origin territories? Traditionally, the migration and development debate has discussed these effects at two different levels of analysis. First, it considers the effects of the brain drain for the areas of origin. Second, it explores the effects of financial and social remittances on the areas of origin.

Portes and Walton (1981) understand brain drain as the transfer of cheap, qualified labour force from the periphery to the centre, thus depriving of the periphery from a key source of capital for its development and further reinforcing spatial inequalities. In contrast, supporters of neo-classical approaches view migration as a balancing factor between spaces with different allocations of capital and labour (Lewis, 1954). More recently, several authors (Portes, 2009; Vertovec, 2007) have argued that with the increasing circularity of migration, terms such as ‘brain circulation’ or ‘brain gain’ are appropriate for the countries of origin if the return of highly skilled workers is successful. In the EU single market, labour mobility is perceived as a balancing factor and a win-win solution for all member states (Hasselbalch, 2017).

As discussed in the previous section, the numbers involved in the migration of the highly skilled are high and they consistently originate from the southern and eastern peripheries, though with different time rhythms. This entails that

> […] we are left with a clear sense that there are two different kinds of brain drain playing out within the Single Market: a slower-moving, long-term flow of Eastern workers draining West, and a faster moving, short-term flow of Southern workers draining North. (Hasselbalch, 2017)

This has prompted a proliferation of studies on return migration, exploring who is returning, with what qualifications, at what premium incentives, and holding what labour market status (Apsite-Berina *et al*., 2020; Coniglio & Brzozowski, 2018; Hazans, 2012; Martin & Radu, 2012; Zaiceva & Zimmermann, 2016). However, these studies tend to focus on the returned migrant, leaving the origin territory out of the analysis and overlooking the ways it is changed by brain drain and brain circulation.

Moreover, not only should human capital circulation and brain gain be explored, but social remittances are also deserving of more discussion. This refers to the normative structures, identities, systems of practices, and social capital that migrants carry with them, which have the potential to promote transnational community development (Levitt, 1998). Grabowska and Garapichc (2016) are a rare exception in looking at intra-EU social remitting. They acknowledge the transfer of objects, ideas, and new practices; however, their concern is more on the stages and modalities of social remitting rather than how these social remittances relate to the development of the territory of origin.

As for financial remittances, they represent one of the most visible effects of post-accession central and eastern European countries (Brzozowski *et al*., 2017). For Poland alone, the volume of remittances increased sharply after 2004, reaching 10.7 billion US dollars in 2008, which represented 3% of the GDP (Brzozowski *et al*., 2017). According to 2019 data, it is in Eastern European countries, such as Croatia (where intra-EU remittances alone represented 1.68% of GDP), Bulgaria (1.23%) or Romania (1.09%), where the proportion of remittances in relation to GDP seems to be higher[vi]. At first sight, these numbers may not seem impressive; however, it is important to remember that they refer to intra-EU remittances alone.

Secondly, at the regional level, the numbers seem to be more striking. The case of Portugal is paradigmatic. In the absence of data on remittances per region, we consider the deposits made by migrants per NUT II. One should bear in mind that these values correspond to deposits made by Portuguese emigrants from all over the world and not only intra-EU Portuguese migrants. According to estimates calculated by authors based on data from Pordata database, the region with the highest share of deposits made by emigrants in 2019 was the northern region, representing 3.7% of the regional GDP.

The central region came second in absolute value, but its share of remittances was higher, at 5.1% of regional GDP. Madeira, being the fourth region with the highest value of deposits made by emigrants, had the higher proportion of deposits per regional GDP, at an expressive 6.4%. In Poland, it is Opolskie, one of the poorest regions, that concentrates the highest percentage of remittances (Barbone *et al*., 2012).

Nevertheless, few studies look at the effects of these financial remittances in the territories of origin, namely if they contribute to underdevelopment and dependency, as stated by structuralists like Lipton (1980) or Almeida (1973), or whether they represent an opportunity to correct imbalances in the international distribution of resources, as argued by the neoclassical theory, or serve as a means for community development, as argued by the New Economics of Labour Migration (Haas, 2012). Existing studies tend to focus on who remits (Brzozowski *et al*., 2017; Coniglio & Brzozowski, 2018) or on the economic growth of the countries of origin (Barbone *et al*., 2012; Cismaș *et al*., 2020). In these studies, and others (Haller *et al*., 2018), there is a tendency to understand a country's economic growth as isolated from internal and external factors, including policies and power relations.

In addition to the limited focus given by the absence of a critical political economy analysis, these studies, like the previous on brain circulation, brain gain, and social remittances, fail to situate the discussion in the larger migration and development debate. Furthermore, the majority of studies on remittances in Europe are concentrated in the eastern European periphery, mainly adopting a national perspective. The southern periphery and the regional perspective seem to be absent from existing literature, with an exception being the work of Jończy and Rokita-Poskart (2013) on the fiscal effects of migration in local and regional disparities in the Opole voivodeship in Poland.

It is not only the expressive numbers relating to brain drain and social and financial remittances that make it urgent to position the development and migration debate in the EU space. The new mobilities emerging in the EU space, along with new development conditions, might challenge what were once more pessimistic results, thus expanding the migration and development debate. In the early 1980s, the poor results regarding the role of migration in Portugal's development could not be dissociated from the profile of migrants, namely the older age and low qualifications of returnees (Silva, 1984). Additionally, because they were returning at an older age, they tended to return to the areas of origin where opportunities were scarce (King *et al*., 1985; Silva, 1984)

The new mobilities emerging in the EU space differ from those mobilities that were once characteristic of guest work schemes in terms of length of stay, frequency qualifications, and skills. While shorter stays and increasing mobility can be traced back to the new accumulation regime, that translated into more flexible precarious labour contracts (Williams *et al*., 2004), one cannot overlook the important role of transports and communication systems in facilitating mobility. The stimulus provided by the ERASMUS programme and the recognition of diplomas within the EU space also facilitate this process, particularly among highly skilled individuals.

As for the new conditions of development, it is worth noting how reterritorialization redefined state functions, leaving more room for regions to promote their own development. Regions are less tightly bound to national policies and more exposed to restructuring by capital, which is always in search of new opportunities for accumulation. In addition, the European Space is no longer characterised as an industrial economy, but primarily a service economy (Robinson, 2009; Williams, 2009; Williams et al., 2004), which adds to the portability of skills.

In Fordism, production relied on assembly lines where migrants performed a particular routinized function that required specific skills with limited transferability to the productive systems of their countries of origin, as in the case of Italy (King *et al.*,1985). The post-Fordist form of production relies more on social and technical competences that are more transferable, not only to the destination region (Williams *et al*., 2004), but also back home.

In this context, the flow of knowledge, as well as the social and financial remittances, can become important assets in the making of competitive places for the attraction of capital. Moreover, at the local level, the agency of actors becomes more apparent, including that of migrants – particularly those that comprise the new mobilities promoted by the EU space (Schiller, 2009).

VII. CONCLUSION

In this article, we highlight the unequal landscape of development that characterises the Global North, a consequence of the latest phase of capitalism. We aim to challenge the rigid division between a "developed" North and an "underdeveloped" South by exposing the global impact of contemporary capitalism. A central theme of our analysis is the role of migration as a fundamental element of this unequal development, with a specific focus on the EU.

We explore how these dynamics have unfolded at the EU level, showing that reterritorialization and rescaling processes within the EU have contributed to restructuring without addressing the conflicting coexistence of different forms of capitalism, each with varying degrees of influence. Instead, reterritorialization has primarily benefited Germany, exacerbating the peripheralization of Southern and Eastern European economies.

This occurred through the supranational rescaling of the EU, which promoted a laissez-faire approach, harmonised financial policies based on deflationary measures, flexible labour markets, reduced welfare rights, and a rollback of state involvement in the economy. Additionally, the EU's regional development policy, which employed the open coordination method, further emphasised economic disparities across its member states.

As a result, core regions like Germany have become hubs of capital- and research-intensive production, while peripheral regions in the EU have been relegated to roles that serve Germany's accumulation regime. This includes the creation of consumption spaces that sustain Germany's export model, financialized spaces that enable the extraction of super-profits by German and French capital, and labour spaces in the EU periphery that provide cheap – and often highly qualified – labour through either migration or delocalization.

A key aspect of this process is the significant intra-EU migration flows, particularly from less developed regions to more developed ones. The scale, origins, and destinations of these flows, when analysed over time, support the view that intra-EU labour migration is "structurally induced" rather than voluntary, even for highly skilled workers. This perspective moves beyond the simplistic push-pull factor model commonly used in migration studies (Galgóczi & Leschke, 2015; Penninx, 2018). It helps explain why certain countries and regions are persistently defined as "core," where pull factors dominate, and others as "peripheral," where push factors prevail.

Contrary to Galgóczi and Leschke (2015), we argue that the issue is not simply one of regulating migration to maximise the freedom of labour movement; rather, it is about addressing the underlying spatial inequalities that drive "structurally induced migration". Currently, freedom of movement tends to concentrate wealth in already privileged destination countries rather than redistributing it, as suggested by Lafleur and Stanek (2017). Therefore, from a classical regional development perspective, intra-EU migration seems to sustain rather than counter regional economic inequalities.

Nevertheless, understudied issues such as the role of social remittances, the connections with regions of origin, as well as the aforementioned conditions of return, and the transferability and use of acquired skills in the context of post-industrial economies involving larger proportions of highly skilled migrants may contribute to push for the development of the peripheral regions and thus achieve a greater regional balance.

Moreover, the assumption that migration leads to successful outcomes for migrants is increasingly questionable (Bakewell, 2010; Haan, 1999; Haas, 2012; Lafleur & Stanek, 2017). Even EU migrants face precarious employment conditions and diminished labour and social rights, especially when compared to more stable employment in countries like Germany (Penninx, 2018).

The extent to which the COVID-19 pandemic and the digital transition will reshape processes of reterritorialization, rescaling, and accumulation, as well as their impact on space and mobility within the EU, warrants further investigation. Additionally, the war in Ukraine and the looming economic crises are likely to bring new sites for capital restructuring and mobility that should not be overlooked.

Finally, while we recognize the powerful influence of capital in shaping space, we do not argue from a strictly structuralist perspective that it is the sole force driving spatial production. Migrants are also agents of transformation, though their agency cannot be discussed in isolation from the broader structures and powerful actors that influence their actions.

The extent to which migrant agency contributes to the development of their home regions, supports neoclassical views, reinforces unequal development within the Global North, or creates new regional imbalances is an open question that requires urgent attention. This article calls for more critical studies that move beyond merely observing migration patterns to understanding how those patterns emerged. It also urges a shift in the development and migration debate to the regional level, emphasising the need for improved data.

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AUTHORS' CONTRIBUTION

Maria Teresa Santos: Conceptualization; Methodology; Formal Analysis; Research; Writing – first draft Writing – revision and edition. **Maria Lucinda Fonseca**: Methodology; Validation; Writing – revision and edition; Supervision. **Jorge Macaísta Malheiros-** Methodology; Validation; Writing – revision and edition; Supervision.

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[i] We opted for concentrating in the southern periphery, excluding Ireland, because it would demand a more complex analysis that would consider the presence of many important corporations whose headquarters are based in the country. We also exclude Italy from the analysis. This option lays with the understanding that Italy bears elements from both core and peripheral countries (Lapavitsas, 2012).

[ii] In 2009, apart from Slovakia and Slovenia, Eastern and Central EU countries were outside the Eurozone.

[iii] NUT I (Nomenclature of Territorial Units for Statistics 1) corresponds to territories comprising a minimum of 3000000 and a maximum of 7000000 inhabitants mirroring whenever possible the territorial administrative division of member states.

[iv] Note that Eurostat includes Turkey in the map, though it is not part of the EU.

[v] Eurostat grouped values into six classes using the percentile distribution of values.

[vi] Estimates calculated by the authors based on data from the PORDATA database.