IMPACT OF MIGRATION ON POVERTY AND DEVELOPMENT

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*Migrating out of Poverty*
Research Programme Consortium
Working Paper 2
September 2012
The UK Department for International Development (DFID) supports policies, programmes and projects to promote poverty reduction globally. DFID provided funds for this study as part of that goal but the views and opinions expressed are those of the author(s) alone.

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This is an output from a project funded by UK aid from the UK government. The views expressed do not necessarily reflect the UK government’s official policies.

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Executive Summary

Migration has become an integral part of the current global economy. Both internal and international migration can have major development and poverty implications for individuals and their families, for origin and destination areas, as well as for national economies. The aim of this paper is to review existing literature, and find evidence on linkages between migration and poverty, and between migration and development. Recently, evidence has emerged on the linkages between migration and development at both global and national levels. In the area of migration and poverty, however, conclusive evidence is yet to be revealed.

This paper reviews the literature on migration in South Asia, Southeast Asia, Southern Africa, East Africa and West Africa in order to highlight the complexity of migration patterns and impacts. It is also accompanied, where relevant, by evidence from Latin America and the Caribbean. It draws attention to the many types of migration including: internal migration; short-term international contract labour; cross-border mobility and regional migration and the different impacts that they have at the household level and beyond. The findings are presented under five broad headings: the impact of migration on individual migrants; left behind family members; community; local economies; and national economies of origin. The review was undertaken to inform the research strategy of the Migrating out of Poverty Research Programme Consortium.

Poor people migrate internally, but also internationally. A recent Human Development Report estimated that the number of internal migrants is about four times the total number of international migrants (UNDP 2009). Internal migration, especially in large countries such as India and China, can be across very substantial distances. In turn, the distance over which international migration occurs can be shorter compared to internal ones, and can become as important (or more important) for poor people, especially when pre-existing social networks are strong, or when incomes are higher compared to those in the areas of origin.\footnote{This statement mostly refers to cross-border population movement. Cross-border migration is considered as a separate category of migration and not subsumed under international migration because it usually involves people from similar cultural and ethnic backgrounds where mobility is part of historical ties that may predate political boundaries. Also, the costs of such migration are likely to be lower than long-distance inter-continental migration.}

Furthermore, the establishment of social networks, the assurance of migration finance loans, or delayed payment systems, may encourage poor people to pursue short-term international contract labour. In this context, the migration of women domestic workers from poorer backgrounds from South Asian countries to the Gulf and Southeast Asia is singled out for discussion in this paper.

Impacts at the level of the individual

The evidence presented here confirms the thesis that a majority of male and female migrants, be they internal, cross-border/regional or international contract workers, benefit economically from their movements. Their migration leads to an increase in both employment opportunities and income. In Asia, female domestic workers tend to reap the financial fruits of their migration.
sooner than their male counterparts, as the cost of migration is much lower for women whereas their incomes are similar to those of men.

But economic gains come at the cost of some other areas of wellbeing. Both male and female migrants have very few rights at work. A significant proportion of the three categories of migrants mentioned above (internal, cross-border, or short-term international contract workers) face difficult living conditions. Vulnerability varies according to the type of migration. Some of the problems faced by migrants are linked to faulty urban planning. Although the internal or international migrants are often essential for the economic activities in receiving areas, their living spaces are not typically allocated in national economic development or urban planning, especially in cases of rural-urban migration. Furthermore, to date policymakers in both origin and destination countries have paid little attention to the health of poor migrants, who are generally at risk of water borne diseases, HIV/AIDS and other sexually transmitted diseases. While, in the migration context, literature on HIV/AIDS is over-represented, mainly because of donors’ preferences towards conducting such research, there appears to be a lack of studies examining whether migrants are at higher risk of disease than non-migrants, in general.

Impacts at the household level

The impact of migration on households is a comparatively well-researched area. Some country-specific studies on short-term contract international migration show that migration reduces poverty at the family level. Short-term contract international migration has greater potential to reduce poverty than internal migration, because of the size of remittances received per household. Short-term contract international migration positively contributes to human capital formation both in Asia and Africa. Research findings show that education and healthcare receive high priority in the spending of remittances. However, gendered analysis of the distribution of benefits from remittances amongst girls and boys has been less researched. Elderly household members receive income support, but there is sometimes a vacuum of care for them because of absent household members. Moreover, there are also opposing examples, which show that migrant remittances reduce incentives for receiving families to generate their own income and employment.

Impacts at the community level

The literature includes a number of references to migrants’ contribution to community development, particularly on the contribution of long-term migrants and short-term international contract migrants. However, conclusive work on the potential impact of these migrants’ philanthropy work on poverty is not available. In Asia and Africa, migrant remittances create multiplier effects in rural economies and can thus contribute to economic development.

Impacts at the national level

In the area of short-term contract international migration, a large pool of evidence from Asia, Africa and Latin America demonstrates that migration contributes to the reduction of poverty at national levels. It is believed that internal migration, too, contributes to the reduction of poverty in various ways, with some newly emerging studies revealing that internal migration helps poor families to cope with risk and to smooth incomes. Nevertheless, the evidence on the poverty reducing impacts of internal migration remains divided.
Cross-country analysis indicates that remittances are related to greater income inequalities in Africa and Latin America. Other studies, however, suggest that migration enhances the welfare of the rural poor disproportionately. The current paper shows that migration and its outcomes are extremely complex. Diverse, sometimes contradictory, findings are available on the impacts of a particular aspect of migration even within the same country. The study suggests that impacts of any type of migration are influenced by a range of macro-, micro- and meso-level factors. Different combinations of all these factors produce different outcomes with respect to poverty and development. Based on such an understanding the paper suggests the development of a shared conceptual framework for pursuing future research on the impact of migration on poverty and development in Asia and Africa.

Furthermore, some questions for future research are suggested:

- Under what circumstances does migration help the poor to move out of poverty?
- How does migration impact the migrants themselves, especially women and girls?
- How does migration impact left-behind spouses, children, and the elderly?
- How does migration affect the source and destination economies?
- What are the multiplier effects of migration on employment creation, agricultural growth, small and medium enterprise development, and the expansion of local markets in the areas of origin?
1. Impact of migration on poverty and development

1.1 Introduction

Migration has become an integral part of the current global economy. In 2010, 214 million people were living outside their countries of birth. In 2010, an estimated US$440 billion was remitted worldwide by international migrants (World Bank 2011b: 19). The number of people who move within national borders is much higher than international migrants. It has been estimated that the number of internal migrants is nearly four times the number of international migrants (UNDP 2009). Both internal and international migrations can have major development implications for origin and destination areas. UN bodies involved in migration policy, research and governance generally uphold that migration can reduce poverty and stimulate economic and social development if conducive policies are operational at global, regional and national levels, reflecting the interest of both origin and destination areas. Evidence is emerging on the linkages between migration and development at both global and national levels. However, conclusive evidence is yet to emerge on the links between migration and poverty. The aim of this paper is to review the existing literature and find evidence linking migration and poverty, as well as migration and development.

This paper is based on qualitative and quantitative migration impact literature of two continents, Asia and Africa, which was summarised in five regional papers for South Asia, Southeast Asia, Southern Africa, East Africa and West Africa. It also includes, where relevant, comparative evidence from Latin America and the Caribbean. Evidence on the impact of migration on poverty and development are presented under five broad headings: individual migrants; left behind family members; community; local economies; and national economies of origin. It covers all types of migration streams, both in ‘regular’ and ‘irregular’ situations, including internal migration, short-term international contract labour, cross-border mobility, regional migration, diaspora movements and long-term migrants.

The specific areas of inquiry and key questions this paper pursues are:

- Do poor men and women have access to migration?
- How do poor people benefit from migration?
- How does migration affect the poverty level of those left behind?
- How does migration of poor or non-poor migrants impact on their communities of origin?
- What implications does migration have for the economies of the origin locations?
- Does migration reduce poverty at the national level in origin countries?

The definitions that were used in investigating poverty, development and the different types of migration are outlined below.

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2 Global Migration Group (2010)
1.2 Terminologies

Poverty

In 1995, the World Summit on Social Development in Copenhagen defined poverty as a condition characterised by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information (United Nations 1995). Poverty is not only defined by earnings but also by access to services, including: a lack of income and productive resources to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments and social discrimination and exclusion (United Nations 1995).

Robert Chambers (1983) referred to the idea of poverty as a multidimensional concept, reflecting clusters of disadvantage. His theory covered five dimensions of poverty which, independently or combined, could make an individual or household poor: poverty proper; physical weakness; isolation; vulnerability; and powerlessness. Each of these aspects of poverty in itself is a cluster of disadvantage that can act as a deprivation trap locking people into poverty.

Blanco (2002) defined poverty ‘as the total absence of opportunities, accompanied by high levels of undernourishment, hunger, illiteracy, lack of education, physical and mental ailments, emotional and social instability, unhappiness, sorrow and hopelessness for the future’. Poverty is also characterised by a chronic shortage of economic, social and political participation, relegating individuals to exclusion as social beings, preventing access to the benefits of economic and social development and thereby limiting their cultural development (Blanco 2002).

All these definitions define poverty from a broad perspective, providing certain criteria such as state of employment and income, food security, type of shelter, access to education, health and sanitation, and level of social and economic inclusion. This working paper uses these definitions as its basis and defines poverty according to these broad criteria and not only in economic terms.

Internal migrants

This paper defines internal migration as the movement of people from one place to another, within the boundary of a state of which they are citizens, in order to take up employment or establish residence for a minimum of six months. Movement of internal migrants includes rural to rural, rural to urban, urban to urban, as well as urban to rural flows. The migration duration can be both short and long term. A particular section of internal migrants circulate repetitively between origin and destination areas based on their respective seasonal conditions and labour demands. These groups are referred to as seasonal and circular internal labour migrants. Most contemporary research is on rural to urban internal migration. From the perspective of poverty reduction, seasonal and circular migration may provide important insights, as these types of migration appear to be more prevalent among the poor (Deshingkar and Farrington 2009; Srivastava et al. 2011).
International labour migrants

This paper defines international labour migration as the movement of people outside the boundaries of their country of origin, in order to take up employment. This paper deals with three types of international labour migration: short-term contract workers; regional/cross-border labour migrants; and diaspora or long-term migrants.

A short-term contract migrant refers to a person who is engaged, or has been engaged, in contractual remunerative work for a specific period of time in a country of which s/he is not a national (United Nations Convention 1990). Cross-border and regional migrant workers are international migrants who are engaged in remunerative work in a country within their own region, but of which they are not citizens. When migrants work across the border of their country of origin, they are referred to as cross-border migrants. Regional migrants include those who have to cross more than one border within the region of their country of origin in order to reach their work destination. Many cross-border or regional migration flows have been internal migration flows in the past. Contemporary nation state formations have transformed them into international migration.

Diaspora members are part of a community of migrants who have settled in countries outside of their, or their ancestors’, country of origin, but who continue to retain links, to varying degrees, with their ancestral homeland (Singhvi 2001). Diaspora is defined differently by different countries. For example, the above definition is used by the Indian government, but when actually counting its diaspora members, it also includes current short-term contract migrants in the Gulf and neighbouring countries. However, most countries do not recognise short-term contract workers to be part of their diaspora. For the purpose of this paper, ‘long term migrant’ will be used to refer to migrants who have taken up residence in other countries.

1.3 Structure of the paper

This paper is divided into seven sections. Section 2 presents a review of the literature on poverty situations of individual migrants. Section 3 reviews literature on the impact of migration on those who did not migrate, such as left-behind households and members of the extended family. Sections 4 and 5 investigate the impacts of migration on communities and local economies in the area of origin, in order to assess the impact of migration on non-migrants beyond the immediate family. Finally, section 6 deals with the impact of migration on the national economies in the country of origin. The paper concludes in Section 7 with major findings and suggests areas for future research.

2. Implications of migration for individual migrants

This section looks into the impact of migration on the migrants themselves. It explores the migration alternatives available to poor men and women and the level of economic and social
wellbeing attained by them. It begins with a discussion on migration types and assumptions related to poor people’s migration.

2.1 Poorer people migrate both internally and internationally

The cost of migration is a major hindrance for poor people who want to move. Migrating shorter distances incurs lower costs, an observation which has led some to argue that poor people tend to engage more in short distance (internal) migration, such as rural to rural or rural to urban migration (Abrar and Seeley 2009). However, there are a numbers of important exceptions to this general rule. For example, in some cases distances from rural areas to domestic urban migration centres may be greater than those to cross-border or regional migration destinations. For some, both the travelling distance and the cost of international migration may be less than for internal movement. People who reside in border areas may prefer to cross international borders rather than migrate internally. For example, a section of Bangladeshis and Indians who live on either side of the Benapole-Petrapole border engage in employment in Kolkata or Jessore rather than in Dhaka or Delhi, which are much further away (World Bank 2011a). One of the reasons why the migrants are drawn to certain destinations in particular is the available social capital and support networks there. In addition to social capital, cost and distance, well-established colonial links may play a role (Samaddar 2003). However, as labour migration between Bangladesh and India is legally restricted, people tend to move illegally.

In most migration corridors, during the initial migration phase, international migration tends to be accessed more by those from relatively better-off backgrounds. However, policy interventions in countries of origin, the types of labour demanded in destination countries, development of social networks by migrants and access to migration finance loans, have made various types of international migration accessible for poorer people too (Docquier et al. 2010; Koechlin and Leon 2007; Taylor et al. 2005). The South Asian experience further suggests that success stories of short-term international contract migrants encourage members of poorer communities to mobilise resources through high-interest loans, dowry or by accepting bonded labour situations in order to migrate (Afsar 2009). Compared to the non-poor, members of poorer communities often resort to risky – and generally irregular – ventures, in order to migrate internationally.

Female domestic workers in Gulf countries who migrate from South and Southeast Asia are often from poorer backgrounds. A large pool of literature has been generated on the migration experiences of this specific group of women (Gamburd 2000; Perera and Siddiqui 2000; Raharto 2011; Rahman and Lian 2009; Siddiqui 2001). None of these studies, however, provide a systematic analysis of pre- and post-migration poverty situations. Filipino domestic workers to Hong Kong and Singapore do not come from the poorest sections of society, but some Sri Lankan, Bangladeshi and Indonesian domestic workers do belong to economically poorer families, illustrating important differences in national migration contexts. The costs of such migrations vary; while there is little cost for the women from Bangladesh when their job contracts are processed (GoB 2011a), migrants going through informal or licensed recruiting agents often have to pay hefty agent fees (Siddiqui 2011). The salaries of domestic workers
range between US$150-200 per month. The monthly salary of Bangladeshi domestic workers in Jordan is US$200, while the cost to move to Jordan is just US$150 (GoB 2011a), an amount female migrants either borrow from relatives, neighbours or through NGO microcredit programmes. Such circumstances allow poor female migrants to attain economic benefits from labour migration relatively quickly. Their migration cost is covered with half a month’s salary and the income earned for the remainder of their contract is theirs. In Sri Lanka, female domestic workers, or the family of these workers, receive commission from their employer for agreeing to migrate internationally for work purposes.

In Sub-Saharan Africa, meanwhile, there is a long history of cross-border and regional migration (in addition to substantial internal migration flows), which is often more accessible to poor people than migration to high-income OECD countries. In South Africa, significant cross-border flows exist from Malawi, Mozambique, Lesotho, Swaziland, Botswana and Zimbabwe, with the state receiving a mix of skilled and unskilled migrants, refugees, and even cross-border child migrants (Freemantle 2011: 20). However, there is a lack of data on these flows, as estimates of South Africa’s immigrant population range from 1 million to 8 million (Freemantle 2011: 21). As Landau and Segatti (2009: 5) argue, ‘no one knows how many international migrants are in South Africa, how long they’ve been there, and how long they stay’. In the West African context, there is a long history of intra-regional migration, with Ghana, Cote d’Ivoire and Nigeria all receiving significant flows of West African migrants in recent decades (Kwankye and Anarfi 2011: 6-7). There is also a high volume of cross-border movement, including commuting, at key borders within the region, including Ghana’s borders with Togo, Cote d’Ivoire and Burkina Faso, and those between Niger-Benin, Senegal-The Gambia, etc. (Kwankye and Anarfi 2011: 6). In East Africa, cross-border labour migration has occurred for work on coffee and cotton plantations in Uganda, for work in mines in Uganda and DR Congo, and amongst pastoralist communities in Uganda, Tanzania and Kenya (Rutaremwa 2011: 8).

Although, for some, cost may be no barrier to the actual migration, a move to reduce the migration costs could be as significant as policies to reduce transaction costs on remittances, in improving migrants’ own well-being as well as the well-being of their families (Martin 2011). There is growing demand for domestic workers in the Gulf and Southeast Asia because an increasing number of women are taking up formal employment and assistance is required for household maintenance. An aging population in some of the destination countries in the Gulf has also caused a need for caregivers. These two scenarios have created migration opportunities for women from poorer communities (Shah 2008). Having said that, caregivers who migrate to the North are unlikely to come from poorer backgrounds as such moves often require fluency in English, a skill which poorer migrants generally do not possess. Systematic research is needed, however, to understand how true these latter assumptions are.

2.2 Many migrants benefit economically from migration

Regional papers commissioned for this survey indicate that the majority of migrants, be they internal, cross-border, regional or contract workers, can benefit economically from their moves in two ways. Firstly, migration increases livelihood and employment opportunities, and
secondly, it often increases their financial income (Afsar 2009; Dang 2005a; IOM and Bangladesh Bank 2009; Kwankye and Anarfi 2011; Mahmood 2011; Ranabahu 2004).

Data sources from which such evidence derives vary from country to country. Some are taken from national household panel survey data whilst others are from smaller scale surveys. In the majority of cases employment and income levels are compared between pre- and post-migration situations, while a few draw comparisons with non-migrants from similar socio-economic backgrounds. The Nepal Institute of Development Studies (NIDS) and the World Bank (2009), for example, showed that the monthly income of Nepalese migrants in Middle Eastern countries was 7.4 times higher than the average monthly income in Nepal.\textsuperscript{4} Internal migrants also earned 7.61 per cent more than those who do not migrate within Nepal (Adhikari 2011; Afsar 2009; Billah 2011; Guest 2003: 11; Srivastava et al. 2011). Although it was found that there are more internal migrants than international migrants, it seems that short-term contractual international migration has more potential to help people move out of poverty. In the state of Kerala, India, for example, international migration has reduced the unemployment rate by 2.2 percentage points (Zachariah and Rajan 2009). Filipino and Indonesian migrants who move abroad earn four to five times more than what they earn at home (Firdausy 2005; Orbeta and Abrigo 2009). One study also found that nearly one-fifth (18.4 per cent) of UK based South Africans earn more than £750 a week and that they enjoy the sixth highest employment rate compared to other nationalities (Freemantle 2011).

Nonetheless, evidence on the impact of migration on income and employment is context specific. In South Africa, internal migrants are more likely to be without an income and more likely to rely on informal, survivalist livelihood strategies, as well as more likely to experience food insecurity (Vearey et al. 2010).

The literature on gender and migration indicates that autonomous female migrants often originate from poor economic and socially powerless positions (INSTRAW/IOM 2000). However, few studies compare the impacts of such migration on poverty levels of migrant women, and their families’ potential to climb out of poverty, with non-migrant families from similar socioeconomic backgrounds.

2.3 Poorer migrants enjoy very few rights at work

A significant proportion of all three categories of migrants (internal, cross-border/regional and short-term international contract workers) experience difficult living conditions (Asis 2006; Srivastava 2005). Along with some common difficulties, vulnerabilities vary according to the type of migration. For example, short-term international contract migrants moving from Mozambique, Lesotho, Swaziland, Botswana and Zimbabwe to South Africa do not have access to basic services or social protection, even though they work under formal contractual arrangements (Freemantle 2011). Adhikari (2011) showed how Nepalese workers in Qatar experienced differences in work conditions and health coverage on the basis of their

\textsuperscript{4} The average income of unskilled short-term international migrants ranges between US$150 and US$2,000. Unskilled cross-border migrants’ monthly income ranges from US$22 to US$60.
educational background. Research done by the Economic and Social Commission for Asia and the Pacific (ESCAP 2008) shows how Indonesian migrants in Malaysia are more exposed to health risks – with more reported incidents of illness and injuries – than local workers in the same occupation. Srivastava (2005) notes that in India most poor internal migrants live in urban slums under unhygienic conditions. These living conditions lead to health problems and various diseases. Those working in India’s quarries, construction sites and mines suffer from various health hazards, mostly lung disease. Workers in tile factories and brick kilns often suffer from occupational health hazards such as lung disease, body ache, sun stroke and skin irritation. The informal or temporary labour sectors in India, in which a section of the internal female migrants are involved, do not provide maternity leave arrangements. Rather, women often have to resume work immediately after childbirth, which results in all kinds of reproductive health problems (NCRL 1991, cited in Srivastava and Sasikumar 2003). When recovering from injury or illness, migrants in Southern Africa are generally not entitled to sick leave (IOM 2010). Unfortunately, many of these studies do not draw comparisons between migrants and non-migrants.

2.4 Little space allocated in urban areas for migrants

Some of the problems mentioned above are linked to work entitlements whilst some can be linked to faulty urban planning. Living space for migrant and non-migrant service providers has not been allocated in urban planning in many cities in Africa and Asia and, as a result, both migrants and locals from poorer backgrounds tend to reside in urban slums. Ratha and Mohapatra (2011) highlight that most internal and international migrants move to the urban centres of developing countries because of employment opportunities there, with many working in the informal segments of the business, transport, crafts and services sectors. For example, a quarter of the population of Libreville in Gabon originates from another Central or West African country (Lassailly-Jacob et al. 2006). The common results are increased disparities and expansion of slum areas in the cities (UNDP 2009). The rapid expansion of cities, combined with weak local administration and lack of migration policies, has led to desperate actions by host country officials. In Dhaka, Bangladesh, 60,000 people were forcibly cleared from the slums in early 2007, many of whom were believed to be migrants, though exact figures with regard to the latter are not available (Ratha et al. 2011). In Jakarta, Indonesia, migrants are required to show proof of employment and housing to enter the city (Ratha and Mohapatra 2011). And in Zimbabwe, in 2005, both migrants and non-migrant dwellers were evicted from shanty towns in the Harare region (UNDP 2009).

2.5 Poor migrants may experience health risks

Existing studies show that migrants are often vulnerable to health risks at their destination, where they may lack access to proper care. For example, female labour migration to the Free Trade Zone (FTZ) in Sri Lanka has increased migrants’ risk of sexually transmitted diseases and caused a rise in unwanted pregnancies (Hettiarachchi 2001; Perera 2004; Siddhisena and Boyagoda 2007). Vulnerability to HIV/AIDS has been identified as a major concern for certain types of mobile populations. The prevalence of HIV among migrants and their partners is
significantly higher compared to non-migrants in South Africa (Lurie 2006). In Uganda, a longitudinal cohort study in a rural county of the Masaka district found age and sex-standardised prevalence rates of HIV were 7.9 per cent overall, but were higher among migrants (Nunn et al. 1995). A study conducted in the Krobo area in the Eastern Region of Ghana also found a positive association between migration and the spread of HIV (Oppong et al. 2006).

These findings indicate that, on the one hand, migration can reduce poverty amongst migrants through access to better income and employment opportunities, whilst, on the other hand, it also increases their risk of ill health and deadly diseases, perhaps keeping them in, or forcing them back into, poverty. Thus, migration can have different, at times contradictory, impacts. Freemantle (2011), in the South African context, and Dang (2005b), in the context of north Vietnam, highlight incidences of return migrants passing the HIV/AIDS virus on to their spouses in their countries of origin. Lurie et al. (2003) found that among South African migrants, in situations where the male partner was abroad and the female partner remained at home, about a third of the females were infected. However, the relationship between migration and health risks remains somewhat inconclusive, and would benefit from a systematic review of existing studies that grades the quality of the evidence that they cite.

2.6 Female migrants, including domestic workers, are often vulnerable to mistreatment and abuse

As discussed previously, international migration for domestic work is widespread in Asia (Gamburd 2000; Perera and Siddiqui 2000; Siddiqui 2001; Raharto 2010; Rahman and Lian 2009;), and is one of the most common occupations amongst internal migrants in South Africa (Freemantle 2011: 7). Internal and international domestic migrant workers work within the private sphere of the home of the employer. As such, they are typically excluded from prevailing labour laws in destination areas (Khan and Harroff-Tavel 2011). They are also often excluded from wider society. In the case of short-term contract international migration, the passports of domestic workers are often confiscated and their movements are restricted beyond the household, particularly in the Gulf countries. Movement of homebound internal domestic workers is also restricted. Some are subjected to physical and sexual violence affecting their physical and mental wellbeing (Indian Social Institute 1993; Scaria 2004). Even in situations where employers do consider the rights of their workers, instances of homesickness are highly prevalent as the experience of living in a rural setting – where most domestic

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5Lurie's (2006) study showed that 24 per cent of migrants are HIV/AIDS affected as opposed to 15 percent of non-migrants. A study of North-South migrants in Ghana indicated that some of the migrants returned home with illnesses. Some were also found to have engaged in commercial sex activities and others had been forced to have sex, and thus were exposed to sexually transmitted infections (Anarfi et al. 2009).

6The study also shows that the prevalence rate is 5.5 per cent for adults who had not moved home, 8.2 per cent for adults who had moved within the village, 12.4 per cent for those who had moved to the neighbouring village, 11.5 per cent for those who had left the area, and 16.3 per cent for those who had joined the study area.
workers are recruited from - is completely different from the houses or flats that characterise the urban areas. Although the patriarchal social structures in the various origin countries are no less restrictive than those in the destination areas, the concept of the home in the rural setting usually involves inner courtyards and connected households of kith and kin, where women have more freedom of movement and more contact with friends and relatives. In destination countries, domestic workers are confined to urban high-rise flats or, even worse, the kitchen areas of private houses, which restricts their movement and isolates them. The physical and mental wellbeing of homebound domestic workers are further affected by physical and sexual violence. Some domestic workers, unable to cope with these conditions, flee their employers. In some cases, they fall prey to traffickers (Ruhunage et al. 2011). There are examples in the cases of Sri Lanka, Bangladesh and Nepal, where female migrants are lured into the sex trade by fellow countrymen, often with the promise of better job opportunities. In order to save themselves from abusive employers, some of these women ended up murdering their employers or committing suicide. In recent cases Filipino and Indonesian domestic workers have been beheaded for such murders (Raharto 2011). It was for this reason, perhaps, that Asis (2008) highlighted the Filipino domestic workers’ perceptions of migration as a sacrifice for the larger family. Both male and female migration to the Gulf is managed under the Kafala system. Kafil means sponsor and under this system migrants are tied with a Kafil. Technically, the Kafil pays for the migrant to come and provide services to the Kafil. Therefore, a worker cannot change the Kafil or take some other job without the consent of the Kafil. This system, although founded on the Bedouin principle of hospitality to foreign guests, has been increasingly denounced over the years as a system of structural dependence between the Kafil and the migrant worker, violating fundamental human rights (Khan and Harroff-Tavel 2011). There are other categories of female workers who are not protected by law either, sex workers for example.

2.7 Conclusion

These discussions highlight that poor people migrate both internally and internationally. Compared to their situation before they migrated, the income of migrants often increases significantly. It is important to note, however, that this is not the case for all migrants – some find themselves in serious debt, which they are unable to repay and causes them to fall into further difficulties. The risks that migrants face are not only financial. Internal and international semi- and low-skilled migrants may also face poor living and health standards whilst abroad, and homebound domestic workers are situated in the most unprotected positions.

3. Impact on immediate and extended family

3.1 Migration increases household income and acts as insurance during unforeseen events

A range of literature is available on the economic impact of migration on migrant households and extended families, in both Asia and Africa. There is a general consensus that migrant remittances constitute a valuable input to family income. Take the case of South Africa, where remittances of internal migrants constitute a significant 32 per cent of the total income of rural
households (Rwelamira and Kirsten 2003). In the four districts of Bangladesh, remittances by international contract migrants constituted 55 per cent of the overall migrant household income (Siddiqui and Abrar 2003), whereas the IOM Household Remittance Survey of Bangladesh (2009) found that 20 per cent of migrant households experienced a rise in their household income due to remittances. In Java, remittances accounted for 60 per cent of the average commuter’s household income and nearly 50 per cent of the total income of the average circular migrant’s household. This could be classified as off farm income. Dang et al. (2010) showed that households with migrant family members in Vietnam tend to earn more and have higher savings than households that do not have migrant members. In Ghana, remittances were found to help minimise the effects of economic shocks on household welfare (Kwankye and Anarfi 2011). Remittance receiving households in Ethiopia used their cash reserves in order to avoid having to sell their livestock during times of drought (Mohapatra et al. 2009). Recent evidence from Mali also confirms that a substantial part of remittances are being saved for unexpected events. Migrants, thus, often serve as insurers for their households (Ponsot and Obegi 2010).

3.2 Some country specific evidence shows that migration reduces poverty at the family level

Although it appears obvious that migration leads to an increase in family incomes, particularly those of internal and short-term contract international migrants, evidence linking reduction of poverty to migration at the family level is not always comparable. Adams and Page (2005), by reviewing data from 71 countries, established a broad correlation between international migration and poverty reduction, and estimated that a 10 per cent increase in official international remittances per capita would result in a 3.5 decrease in people living in poverty. Taylor et al. (2005) use evidence from the Mexico National Rural Household Survey to suggest that international remittances become more effective at reducing poverty as the prevalence of migration increases. In the case of internal migration, Deshingkar and Akter (2009) calculate that there are roughly 100 million circular migrants in India, who contribute roughly 10 per cent to the national GDP. In Vietnam, meanwhile, De Brauw and Harigaya (2007) found that seasonal migration in Vietnam accounts for a three per cent decrease in poverty. As yet, in Southern Africa there is very little evidence that indicates the potential developmental value of migration (Pendleton et al. 2006). However, Deshingkar (2006) suggests that even if migration does not reduce poverty, it does help families from sliding into further poverty.

A recent survey of 624 households and 460 young people in six provinces in the Mekong River Delta in Vietnam, Nguyen and Tran (2010: 170) found that the percentage of very poor households decreased from 20 per cent to one per cent when their daughters married Taiwanese men, whilst the proportion of wealthy households increased from eight per cent before such marriages to 38 per cent after. However, the link between marriage migration and poverty needs to be probed further as a majority of marriage migrants are from the Mekong Delta which is one of the wealthiest regions of the country (Asian Development Bank 2003). More research is required to determine whether these migrants initially come from poor households. In Bangladesh, the extent of poverty was found to be much lower amongst households with internal migrants – around 30 per cent – than amongst non-migrant households.
households, where the percentage was as high as 60 (Rahman et al., 1996, cited in Afsar 2003). The proposed 6th Five Year Plan of Bangladesh (GoB 2011b) stated that the level of poverty is less in international migrant producing areas, compared to non-international migrant producing areas. The policy document does not look at migration as an option for poverty reduction, rather it suggests the provision of incentives for recruiting agencies to recruit workers from districts where there is little migration instead of only concentrating on existing migration intensive areas.

3.3 Migration contributes to human capital formation

Ratha *et al.* (2011) highlighted that international migration contributes to the formation of human capital. Various studies showed that remittances from international migration are disproportionately spent on education and health, rather than on everyday consumption (Adams 2005; Adams *et al.* 2008; Nagarajan 2009; Ratha *et al.* 2011; Valero-Gil 2008; World Bank 2006a). The literature on internal migration in South Asia, however, shows that the bulk of the remittances are spent on consumption (Abril and Rogaly 2001). Once in school, the children of international migrants are more likely to finish their education as the increased income from remittances provide additional financial resources (Ratha *et al.* 2011). In addition, better prospects associated with migration influence social norms and incentives towards gaining more education (Cox-Edwards and Ureta 2003; UNDP 2009; Yang 2008). Evidence from rural Pakistan, India, Nepal, Sri Lanka, Bangladesh, the Philippines and South Africa suggest that temporary international migration is associated with increased school enrolment (Bhadra 2007; Mansuri 2006; SMC 2004). The 2004 Vietnam migration survey (VMS) found that the third largest use for remittances received by households of internal migrants was for children’s education, with about one-in-five migrants surveyed using remittances for this purpose (Marx and Fleischer 2010). In South Africa, children’s education consumes a significant part (52 per cent) of short-term migrants’ remittances (Pendleton *et al.* 2006). Furthermore, children of migrant-sending households are more likely to be enrolled in schools, compared to children from non-migrant households (Bracking and Sachikonye 2009; Lu and Treiman 2007). Again, it is difficult to compare the impact of internal and international migration on education. Srivastava (2011) and Srivastava and Dasgupta (2010) showed that in India children accompanying seasonal and circular internal migrants do not attend school, as school systems generally do not allow children to be absent for prolonged periods. In Sri Lanka, internal migrants who live in slum areas face problems accessing schools for their children (Fernando 2005: 692; Hugo 2002). However, these studies do not indicate if children of non-migrant families face the same problems in the same settlements.

Battistella and Conaco (1998) demonstrated that the education of migrants’ children suffered in the absence of the parents who had migrated abroad. UNICEF Vietnam (forthcoming) found that more than half of the families of internal migrants reported a negative impact on children’s school performance after the migration of their parent(s). This was attributed to a lack of guidance and support, as well as to an increase in the amount of time these children spent on household chores. On the other hand, the CHAMPSEA project, which studied children under 12 years of age in 4,000 households across Indonesia, the Philippines, Vietnam and Thailand, found
that the children of overseas Filipino workers often did better economically in terms of better schooling but not always psychologically (CHAMPSEA undated). Clearly, different impacts are possible, depending in part on the local family and cultural context.

Unfortunately, regional studies and country papers have not documented any significant work on the intra-family benefits of remittances. Generally, studies show that a certain part of remittances goes to children’s education. However, gendered analysis of the way benefits are distributed amongst girls or boys is hard to obtain. While research on who decides how remittances are spent or used in households – and what specific role the migrant plays in this process – is generally limited, there are some studies which seek to understand how these decisions are made, particularly with respect to female migrants’ influence over the remittances they send home (cf. UN-INSTRAW 2010a; UN-INSTRAW 2010b; UN-INSTRAW 2010c). In recent years, some studies have looked into the gendered outcome of education of left behind family members. Hugo (2003) and Asis (2000) provided evidence that in many parts of Southeast Asia parents prefer to educate their sons rather than their daughters. Compared to non-migrant households, children of migrants tend to marry early: for example, migrants marry off their sons early so that their wives can look after the households, whilst daughters are married off early to ensure their physical and sexual chastity in the absence of their mothers (Perera and Siddiqui 2000).

Evidence on the relative significance of internal and internal remittances is also mixed, and this is an area that merits further analysis.

3.4 Migration can empower as well as disempower left behind wives

The migration of their male spouses appears to have a positive influence on many left-behind wives, who receive and manage the remittances. In the absence of a husband, women become the head of the household and their decision-making autonomy increases. D’Emilio et al.’s work (2007) concentrated on the emotional strain on migrant families in Latin America and the Caribbean caused by international migration. In some cases, temporary and circular migration increases the risk of family breakdown, fragmentation of social networks and psychological stress. Left behind family members, particularly children, may spend their early years without one or both parents. However, results from the CHAMPSEA project in the Philippines indicate that the children of overseas Filipino workers were generally happy, but needed more support (CHAMPSEA nd). In Kerala, India, left-behind wives of male migrants in the Gulf reported considerable ‘insecurity’ (32.6 per cent), ‘loneliness’ (85.8 per cent), ‘added responsibilities’ (86.7 per cent) and ‘difficulties in bringing up children alone’ (38.6 per cent) (Zachariah and Irudaya Rajan 2009).

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7 In South Asian culture, premarital sex of girls is seen as a loss of honour for the household. From puberty to marriage, keeping an eye on her daughter is an important function of the mother. In the absence of the mother it could be difficult for the family to monitor the young adolescent girls. Under such circumstances girls are married off early.
3.5 Migration provides income to the elderly but also creates a vacuum for care

Hoang (2011) found that, despite their immobility, the extended families of internal migrants in source areas have played a significant role in migration. Migrants often receive various kinds of support, including funds mobilised through family networks. In turn, they are expected to fulfil their duties to those family members (Hoang 2011). The Vietnam Household Living Standard Survey (2002) reports that remittances in Vietnam are disproportionately directed to those who are over the age of 50. Furthermore, Vietnamese women aged 60 and over are more likely to receive remittances than men of the same age (Marx and Fleischer 2010: 41). Similar findings exist in relation to the Bangladeshi context, where 50 per cent of remittances sent by short-term international contract migrant workers were received by fathers who were over 50 years of age, followed by elder brothers and mothers respectively (Siddiqui and Abrar 2003). Links were found between migration and the health and wellbeing of left-behind elderly in Indonesia, where risks of dying amongst the elderly are doubled if children move abroad rather than within Indonesia (Evert et al. forthcoming). Hugo (2002) suggests that in Indonesia ties between the elderly and their adult migrant children have been weakened by international migration. In these instances, migration creates a vacuum for the much needed care of the elderly parents. In Bangladesh and Sri Lanka, female migration has increased the workload of elderly women whose children have migrated abroad (INSTRAW/IOM 2000). Particularly having to look after the grandchildren is extremely demanding for these elderly women. On the other hand, it did strengthen the extended family bonds (INSTRAW/IOM 2000; Siddiqui 2001).

3.6 Conclusion

In Asia and Africa, migration impact studies have mainly focused on households, income levels, human capital formation, women’s empowerment, investment and the emotional strain on families. Migration of family members helped the majority of the left behind households to increase their family incomes, and some country specific evidence shows that migration reduces poverty at the family level. Remittances of internal migrants reach wider in terms of number of households covered, but short term contract international migration has greater potential to reduce poverty. International migration contributes to the formation of human capital.

4. Impact on origin communities

In South and Southeast Asia, micro-level studies have found mostly positive and a few negative relations between migration and the development of origin communities. A general conclusion is yet to emerge. In the African context there is limited literature available on the impact of migration on communities of origin, with the majority of research focusing on the impact of diasporas.
4.1 Migrants contribute to community welfare

The left-behind community comprises an important part of self-identity of migrants both in Asia and Africa. A general understanding exists that migrants often contribute to the welfare of their communities of origin. Studies show that first-generation diaspora members can play an important role in ensuring home community welfare through the provision of various services and donations to their educational, religious and socio-cultural institutions. While the second and third-generation offspring of migrants may not maintain very close connections with members of their immediate families, studies show that they do make attempts to connect with their roots through charity and philanthropy (Rusdiana and Saidi 2008; Sidel 2007). All major religions inspire charitable aid and donations. Muslims are supposed to annually share two and a half per cent of their assets and savings with the poor. Buddhism and Hinduism encourage donations as a method of purifying the mind. Christianity encourages church-based philanthropy. In addition to religious influences, some also donate because of a sense of civic duty or to give to those who are in need (ERCOF 2009; Garchitorena 2007; Sidel 2007; Singhvi 2001).

Philanthropic remittances are channelled to home countries by individuals or through different types of organisations based in the destination areas. The Bangladeshi diaspora in the UK and the USA have been organising economic and social support through four types of associations: ‘hometown associations’ made up of members from particular geographical areas of origin, such as cities, states, districts, sub-districts, and villages; professional bodies; spiritual and religious bodies; and federating bodies. These associations formed in destination countries bring about different types of impacts in Bangladesh. Hometown associations are the most important among them. They organise scholarship programmes for children of poorer backgrounds within the community, run health camps for those who cannot afford treatment, and create local infrastructure (Siddiqui 2004). The association of Filipino brides in Japan contacts formal institutions such as the Catholic Church, hospitals and educational institutions to find suitable avenues for their charity (Hoang: 2011). The Filipino diaspora community contributes to government-run programmes such as LINKAPIL, which channels financial and in kind donations to projects supporting education, health care, small-scale infrastructure and livelihoods through a system called PHILNEED (Newland and Patrick 2004: 9).

In Nepal, the Nepal Institute of Development Studies (NIDS) and the World Bank (2009) revealed that collective remittances, from both diaspora and short-term migrants, have contributed to the establishment of public libraries, trade schools, health posts in schools, water supply in remote areas, tower clocks in village centres and computers in schools. Short-term contract migrants in West Africa supported the construction of community centres and schools. However, these are often not documented in existing literature (Kwankye and Anarfi 2011). Migrants from South Asia have established orphanages and religion-based schools, mostly in their own villages (Singhvi 2001; Siddiqui 2004).

Although the above evidence highlights examples related to international migration, this does not mean that internal migrants do not contribute to their community of origin. Rather, it signifies a lack of research on the role of internal migration in community development in origin
areas. In the 1960s and 1970s, considerable research was carried out on the role of migrant associations in both the adaptation of migrants to destination areas and the development of home areas in both Africa and Latin America (Mangin 1959; Doughty 1969; Little 1973; Jongkind 1974). A contrast existed between those who believe that the primary role of the migrant was to help facilitate the migration of others to urban areas and those who saw their role as more developmental, even if that development may have been more symbolic than real: the construction of a fountain or the paving of the central square in the village of origin, for example. It has been argued that their role could be related to the stage of intensity of migration. In the early days, the associations were more concerned with migrant welfare. Then, as the numbers of migrants in the towns increased, they became more concerned with home-town affairs and development. As yet more people left the villages for the towns, their role changed yet again to more of an urban social club, as the numbers of associations multiplied and factions developed (Skeldon 1976, 1977). Nevertheless these observations do not seem to have penetrated into more recent research on the developmental role of home-town associations in international migration.

4.2 Conclusion

Community development activities organised by migrants may have major poverty reducing implications, as the services mentioned above attempt to target the poorest of the poor. However, systematic studies are required to measure the impact of such philanthropy. Some examples highlight that philanthropy by members of the diaspora, in the form of remittances, contributes to the alleviation of hardship of individuals or families in places of origin. The support given by migrants, towards food, clothing and healthcare needs, often functions as a safety net for poorer relatives or other villagers. Systematic research is needed to generate robust data so that policy interventions can be advocated for institutionalising philanthropic remittances, both individual and collective, to enhance their poverty reducing potential.

5. Impact on Local Economies

There is a significant gap in our knowledge of the impact migration has on poverty in migrants’ origin areas. Available studies indicate both negative and positive impacts on local economies.

5.1 Migration contributes to rural economic development

A number of studies suggest that migrant remittances play a crucial role in rural economic development (Hugo 2002). Remittances can provide flows of capital into small farms in the peripheral rural areas (Ratha 2003). However, in the case of the Canada-Mexico circular migration programme one of the criticisms is that its investments in peripheral areas in Mexico are not effective, as little development potential exists in those areas (Ratha et al. 2011). McKay (2003) found that remittances from domestic workers were used as capital for new commercial agricultural crops in the Philippines. Sukamdi (2004) identified West Nusa Tenggara, East Nusa Tenggara and East Java as areas in Indonesia where the positive impacts of migration on local economies are most evident. This observation was based on the
information that West Nusa Tenggara has seen years in which the remittances of cross-border/regional migrants exceeded local revenue (Hernández-Coss et al. 2008).\(^8\) In West Africa, poverty indicators have declined, a situation that is explained by the rural households’ dependence on migrant remittances from within and outside countries in the sub-region (Kwankye and Anarfi 2011: 12). Remittance investment can create local employment. A study by RMMRU (2011) showed that returnee migrants and left behind families of current migrants in Bangladesh invested a part of their remittances in small and medium enterprises that employed 5-to-200 labourers. Smith (2007:143) reports that links with the diaspora help local entrepreneurs in Accra develop enterprises.

On the other hand, in some cases it is found that an adequate remittance flow alone cannot cause significant changes – smoothly functioning local level institutions and policy interventions are needed as well. For example, the comparative analysis of two diaspora remittance receiving areas in the bordering districts of India and Pakistan, Jullundhur and Mirpur, showed that with the same types of remittance flows Jullundhur experienced agricultural development whereas Mirpur did not. Difference in levels of infrastructural development, extent of industrialisation and policy environment between the two locations accounted for these different outcomes (Ballard 2005).

5.2 Migration creates multiplier effects in the local economy

Migrant remittances can also create considerable multiplier effects in the local economies of origin areas and countries. In India, for example, remittances sent by short-term international migrants from Kerala and the diaspora of Punjab boosted agricultural growth at the local level. Greater production in agriculture generated local demands for certain products such as water pumps, high quality seeds, chemical fertilisers and pesticides, adding new dynamism to the local market (Srivastava et al. 2011). Tacoli (2004) highlights that internal migration has stimulated the demand for locally produced goods in Vietnam. She argues that rural-urban linkages can create a virtuous cycle of local economic development, by increasing demand for local agricultural produce, stimulating the non-farm economy and absorbing surplus labour. Pham and Hill (2008: 70) found that, in Vietnam, remittances also had a multiplier effect on the local economy: households increased their daily consumption of locally made products and jobs were created in the construction and transportation sectors.

Circular movement by internal migrants, between areas of origin and destination, can enhance the scope for development of both urban and rural economies. A study tracing the linkages garment workers in Bangladesh established with their rural area of origin, found that, through their movement between rural and urban areas, these workers created demand for certain consumables in rural areas. Specific types of outfits, sandals, hair accessories, bags, and pots and pans, brought back by internal migrants as presents for their families, created demand for such items in the local market. These items are produced in urban areas and, as migrants

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\(^8\) In the first quarter of 2007, it was estimated that migrants from the province of East Java remitted over US$90 million, accounting for nearly 62 per cent of the total incoming remittances to the country.
introduce them to their rural family members, the products find their way to local rural
markets. Therefore, these garment workers can be seen as a bridge between rural and urban
development (Siddiqui et al. 2008). Levitt (1998) referred to such effects of migration, which
change local practices, as ‘social remittances’.

5.3 Remittances reduce incentives for generating local employment and income, hence
increasing inequality

In some cases remittances may have negative impacts on communities of origin, for example
by increasing existing inequalities or creating dependency on such external flows. In the
Philippines there is concern that short-term international migrant remittances have insulated
a backward agricultural sector and diverted attention away from attracting foreign direct
investment into manufacturing (Yue 2008: 109). In the case of Nepal, remittances are mainly
invested into urban areas and thus migrant origin areas do not receive economic benefits from
remittances, other than to maintain subsistence (Adhikari 2011: 10). In Zimbabwe, remittances simultaneously caused price inflation, exacerbated poverty for non-migrant
sending households and increased inter-household inequalities (Maphosa 2005). Cross-
country analysis indicates that remittances are related to greater income inequality in Africa
(Anyanwu and Erhijakpor 2010) and Latin America (Barham and Boucher 1998). However,
other studies suggest that migration greatly enhances the welfare of the rural poor, for example
in Mexico (Stark and Taylor 1989), in rural Egypt (Adams 1991) and in other regions
(Portes 2009). Migration may also increase inequality initially, as only the relatively well-
off have the resources to send workers abroad and therefore receive remittances (Lipton 1980).
However, as migrant networks are established in destination countries, the cost of migration
falls, causing those who are less well-off to be able to migrate as well (Docquier et al. 2010;
mutual causality between migration and inequality varies across space, both between and
within different continents. They also highlight the important roles institutions play in
mediating the impact of migration on equality.

5.4 Conclusion

There is a significant gap in the knowledge on the economic impact of internal migration on local
economies. The above discussion provides evidence that international migration can boost local
economies. It can, however, also slow down indigenous processes of development and increase
inequalities. Therefore, both the ways in which non-migrant rural poor populations benefit from
development at the local level and the ways in which they are affected by the slowdown of
growth require further detailed research. Most of the findings are based on micro-surveys and
qualitative, often anecdotal, research. Multi-region, multi-country and multi-location findings
based robust data, covering all types of migration, need to be generated in order to determine
the relationship between migration and poverty.
6. Impact on national economy

When it comes to international, short-term contract and settler migration, the impact of migration on national economies of origin countries has been well researched across continents. However, less evidence is available on the impact of cross-border/regional and internal migration. The following section provides evidence on the impact of migration on poverty at the national level.

6.1 Remittances reduce the depth and severity of poverty

Migration and remittances have both direct and indirect effects on the welfare of populations in origin countries. A cross-country study of 71 developing countries found that a 10 per cent increase in official international remittances per capita will lead to a 3.5 per cent decline in the share of people living in poverty (Adams and Page 2005). Evidence from Latin America, East-West- and South Africa, South Asia and other regions suggest that remittances reduce the depth and severity of poverty, as well as indirectly stimulate economic activity (Adams 1991; Adams 2006; Ajayi et al. 2009; Anyanwu and Erhijakpor 2010; Fajnzylber and Lopez 2007; Gupta et al. 2007; Lachaud 1999). In Nepal, the dramatic increase in remittances was responsible for a significant reduction in the headcount poverty rate: from 42 per cent in 1995-1996 to 31 per cent in 2003-2004 (World Bank 2006b).

6.2 Remittance increases financial flow to the national economy

In recent years, global remittance flows have significantly increased. Ratha (2007) identified remittances as perhaps the most tangible and least controversial link between migration and development. Official statistics show that, in 2009, migrants from developing countries sent over US$315 billion to their origin countries. This number constitutes three times the amount received in official development assistance by those countries (Ratha et al. 2010). The true size of remittances, including unrecorded flows through formal and informal channels, is likely to be even larger. In Nepal, internal migrants’ remittances constitute 2.8 per cent of the total GDP whilst the remittances received from international workers constitute 23.8 per cent of the total GDP (World Bank 2011a). In the Philippines and Bangladesh, international remittances account for 12.3 and 11.8 per cent of these countries’ GDPs, respectively. In 2009, India received US$31 billion worth of long-term migrants’ savings deposit outside the flow of remittances, which constituted 8 per cent of the domestic savings and 2 per cent of the country’s GDP. Remittances help maintain a positive balance of payments. Remittances were also a resilient source of capital for many developing countries during the global financial crisis in 2009. Although the amount of remittances reduced during the crisis, compared to previous years, it was still much higher than private capital flows. This continuing flow of remittances helped the remittance receiving countries in maintaining a stable economy (Ratha et al. 2011).
6.3 In some origin countries migration promotes enterprise development

The Nepalese diaspora in Europe and North America are involved in promoting the tourism sector of their country of origin. Non-resident Nepalese have a programme entitled ‘Send home a friend’ and have a plan to construct ‘a Nepalese house’ in 55 countries. These houses will represent the ‘exotic’ Nepalese culture in order to attract the local citizens of destination countries to Nepal. The Non-Resident Nepalese (NRN) association is currently generating a US$100 million Nepal Investment Fund. One of the major demands of the Nepalese long-term migrants across the different destination countries is to receive dual citizenship rights from the government of Nepal.⁹

6.4 Migrants contribute to the political development at origin

The political impact of the diaspora has been demonstrated in the West African context. The European and North American Diasporas of Ghana were instrumental in the passing of the Representation of People’s Amendment Law (ROPAL), which guides the presidential and parliamentary elections of the country. Both the government and the opposition generated substantial financial support through overseas branches of their respective political parties (Kwankye and Anarfi 2011).

A comparative study in India, the Philippines and Bangladesh, on the role of dual and multiple citizens in attracting diaspora investment, found that policies are important in encouraging investment (Siddiqui and McPhee 2007). However, policies will not produce the desired outcomes if the overall investment climate is not favourable. Segments of the diaspora population of each of these three countries are interested in engaging with development initiatives in the countries of origin, but they choose different forms of engagement based on their own and their host countries’ capacities (technical, economic, institutional and infrastructural). India has experienced large scale investments, such as private airlines and deposits in banks; the Philippines have been successful in attracting large diaspora philanthropy; and Bangladesh has seen community level interventions and investments in housing (Siddiqui and McPhee 2007).

6.5 Migration can contribute to brain drain in the country of origin

South African studies suggest that the country experiences a brain drain caused by skilled professionals moving to developed countries. IOM (2007: 8) estimated that between one-third and one-half of all medical school graduates in South Africa emigrate to the United Kingdom or the United States every year. In 2003, over one-fifth of the public health sector posts were vacant in the majority of South Africa’s provinces (IOM 2007: 12). Although some 32,000 vacancies existed in the public sector between 1996 and 2001, there were also an estimated 35,000 registered nurses who were inactive or unemployed at the same time (OECD 2004, in Skeldon 2005). These figures suggest that migration is just one factor in accounting for losses of

⁹ www.nrn.org.au
personnel in the health sector (Skeldon 2005: 21). The real issue is that there is an exodus of health workers from the sector due to poor conditions and personnel appear to be inappropriately trained for local needs.

The Government of the Philippines officially promotes the migration of nurses. It is estimated that 100,000 nurses left the Philippines between 1994 and 2003, whilst 4,000 doctors also migrated, although many of them became nurses in their destination countries (Hoang: 2011). However, permanent emigration of health workers does create a problem in the Philippines. An impact study by the ILO (2005) concluded that the societal losses incurred as a result of this situation were considerable. The health-care system was more fragile as a result of rapid turnover and a permanent loss of skilled and experienced health workers. More widely recognized consequences were the effects on the continuity of care and quality of services provided (ILO 2005). The loss of skilled health professionals from West Africa to South Africa, Europe and North America, has constituted a big drain on the resources of source countries in the sub-region (Kwankye and Anarfi 2011). Yet Aminuzzaman’s (2005) study on highly skilled migration from Bangladesh concluded that a policy of restricting the migration of nurses would not produce the desired result of filling the vacant positions of nurses in the hospitals of origin countries. Rather, regulatory barriers to the training of nurses by the private sector should be reduced to encourage the production of more nurses (Aminuzzaman 2005). South-South migration of nurses can also be encouraged to fill vacant positions in the hospitals. For example, outward migration of Filipino nurses to Europe led to a shortage of nurses in Filipino hospitals (Asis 2008). To fill the vacant positions the government could encourage recruitment of nurses from India or Sri Lanka. This would enable origin countries to benefit from highly skilled migrants’ remittances while ensuring access to adequate number of nurses for local hospitals (Siddiqui and Appiah 2009).

6.6 Conclusion

There is an existing pool of evidence showing how different types of international migration contribute to poverty reduction at the national level, and this section has explored this evidence by looking at examples from Asia, Africa and Latin America. However, there is a greater need for comparable country-level evidence in this area. In the case of internal migration, less research exists on its impact on poverty at the national level and this is an issue that needs greater attention in migration scholarship.

7. Conclusions and future research areas

7.1 Conclusions

This paper has reviewed the available literature on the impact of migration on poverty and development. The major findings of the review are summarised below.

Section 2 examined the nature of poor people’s access to migration. It looked into the types of migration that offer more opportunities for reducing poverty. Poor people generally have more access to internal migration. Yet, they migrate both internally and internationally. Where cross-
border distances are shorter or historic links and social networks exist, poorer people do migrate internationally. During the early stages of contract migration to a certain country, poorer community members have less access to such migration. However, as migration networks are established in the destination countries and the cost of migration falls, the less well-off then can take part in such migration. Domestic work creates employment for a great number of poor women, both internally and internationally.

Many migrants, be they internal, cross-border/regional, or short-term contract workers, have been successful in increasing their income significantly. Compared to their pre-migration situation, their employment status also improves. In both Africa and Asia, the income of short-term contract migrants is higher compared to internal migrants working in similar types of employment. A large number of rural to urban migrants and short-term international contract migrants experience poor living conditions in the destination areas. Female domestic workers constitute one of the least protected groups of the migrant workforce.

Section 3 reviewed the literature on the impact of migration on left-behind immediate and extended families. It found that the migration of family members often helped left-behind households to increase their overall family income. Some country-specific evidence shows that migration reduces poverty at the family level. Evidence is available both from Asia and Africa, showing that international migration contributes to the formation of human capital. It often ensures access to better schooling for the children of left-behind families. Contrary to the popular belief that migrant families spend disproportionate amounts of remittances on daily consumption, findings show that education and health receive very high priority. However, gendered analyses of benefits received by male and female children and the elderly are limited. While migration provides income support to the elderly, it can also create a vacuum for care.

Section 4 concentrated on the impact of migration on the community of origin. It showed that the community of origin constitutes an important element of a migrant’s identity and that migrants often contribute towards the welfare of their wider community of origin. The poorest of the poor are amongst the major recipients of community-level interventions by migrants. Some country-specific studies of migrants’ contributions to community development are available, particularly on the contribution of diasporas and of short-term international contract migrants. However, conclusive work on the impact of diaspora philanthropy on poverty is not available. Early research on internal migration shows that migrant associations helped new arrivals adapt to the destination areas and that, as the migrant community increased, they also began to take part in the development of their home areas. Similar findings are emerging now with regard to international migration.

Section 5 reviewed existing literature on the impact of migration on local economies. In Asia and Africa, experiences indicate that migrant remittances can create a multiplier effect in rural economies and contribute to economic development. Contradicting examples are also available, which show that migrant remittances reduced incentives for the remittance receiving families to generate their own income and employment.

Section 6 presented the key findings on the impact of migration on poverty at national levels, drawing on experiences of Asia, Africa and Latin America. In the area of short-term contract
migration, a large pool of evidence is available on how migration contributes to the reduction of poverty at the national level. It is believed that internal migration also contributes to the reduction of poverty in different ways. However, evidence needs to be generated through targeted research.

7.2 Future Research Areas

An important objective of this review was to identify gaps in the knowledge, in order to inform the research strategy of the Migrating Out of Poverty research consortium. The following areas have been identified as requiring further research.

**Poor people’s access to migration**

In-depth qualitative and quantitative research is required to understand the various strategies that poor people employ in order to establish access to different types of migration. Systematic research is also needed to understand the circumstances in which migration helps them to move out of poverty. Furthermore, comparative research is needed on under-researched and vulnerable categories of migrants (both internal and international), such as female domestic workers, in order to understand how each stream of migration helps the poor to move out of poverty. The pre- and post-migration poverty situation of these workers should be compared.

Robust data are required to compare the impact that different types of migration have on household poverty. Studies are required to understand intra-family distribution of the benefits of remittances. From a gendered perspective, it is of great importance to know whether male and female children equally benefit with respect to education and health, and whether elderly men and women are treated differently. When analysing how poor people are affected by migration, emotional costs and sacrifices also need to be taken into account.

**Impacts at destination**

There is a dearth of information on the poverty impacts of migration at destination. The poverty situation of current migrants in receiving areas, in terms of social and economic indicators, needs to be studied. Such studies should particularly cover the experiences of three types of migration: short-term contract international migration, cross-border migration and internal migration. Such research could offer suggestions for policy makers as well as for urban planners in the receiving areas and countries, and help governments and civil societies in the countries of origin to develop programmes and policies that ensure the rights of migrants. The situations of migrants and non-migrants from similar socio-economic backgrounds need to be compared wherever possible. With these aims in mind, studies on work and living conditions could be conducted, which reflect both the employer’s concerns and the employee’s rights. If the interests of employers and employees can be accommodated, major progress can be made in ensuring the protection of vulnerable workers. For example, action research can be
conducted with the help of activist organisations, to encourage ratification of the recently adopted ILO convention on domestic workers of 2011.10

**Impacts on economies at origin**

Few studies examine impacts beyond the household and there is a need to better understand how migration impacts on economies at origin. Studies need to be conducted to understand under what circumstances local economies benefit from remittances and from skills of return migrants. Research is also required in order to understand how the non-migrant rural poor benefit from such local level developments. Multi-region, multi-country and multi-location data needs to be generated in this area. Further studies are needed to understand the contribution of internal migration towards reduction of poverty as well as to unemployment at the national level.

**Diaspora/long-term migration**

The potential impacts of diaspora groups on economies at origin have received a great deal of attention recently, but evidence is still sparse. Cross-continental research on the contribution of different migrant/diaspora groups is needed in order to find out what socio-economic and policy environment is encouraging philanthropy work of migrants when serving the poorer members of the origin communities. It is also important to conduct policy studies that explore whether philanthropy remittances could be institutionalised in order to ensure greater achievements. Both qualitative and quantitative studies need to be designed for research in particular communities. This will help us understand the impact each type of migration has on members of poorer communities.

**Acknowledgements**

Contributions to this paper were received in the form of regional papers drafted as follows:

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10 C189, Convention Concerning Decent Work for Domestic Workers, 2011
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About the Migrating out of Poverty Research Programme Consortium

*Migrating out of Poverty* is a research programme consortium (RPC) funded by the UK’s Department for International Development. It focuses on the relationship between migration and poverty and is located in six regions across Asia and Africa. The main goal of *Migrating out of Poverty* is to provide robust evidence on migration drivers and impacts that will contribute to improving policies affecting the lives and well-being of poor migrants, their communities and countries through a programme of innovative research, capacity building and policy engagement. The RPC will also conduct analysis in order to understand the migration policy process in developing regions and will update and extend world renowned migration databases at the University of Sussex to include internal migration.

The *Migrating out of Poverty* consortium is coordinated by the University of Sussex, with Dr Priya Deshingkar as the Research Director. Core partners are: RMMRU in Bangladesh; the Centre for Migration Studies at the University of Ghana; the Asia Research Institute, National University of Singapore; the African Centre for Migration & Society at Witswatersrand University; and the African Migration and Development Policy Centre, Nairobi.

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