

Rural-urban links, seasonal migration and poverty reduction in Asia

The role of circular migration in economic growth

Rural livelihoods are far more multi-locational than is often assumed with many rural people spending a part of the year outside the village working in non-farm occupations. Contrary to early theory, persistent circular or seasonal migration within countries or between neighbouring countries is emerging as the migration pattern of the poor. Nowhere is this more evident than in Asia.



Photo: Deshingkar

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In the densely populated Asian countries the number of people engaged in seasonal migration vary between 30-50 million people in India; the numbers for China are several times higher exceeding 120 million. Most of these people travel from marginal areas variously termed «remote», «difficult», «weakly integrated», or «less-endowed». They travel to towns, cities and industrial centres where they find jobs in a dynamic and expanding informal sector. Jobs include working as construction workers, factory workers and workers in prawn processing units as well as porters, domestic servants, drivers, bus conductors, rikshaw pullers, street hawkers and petty traders.

Circular migration is growing

Rural-urban circular migration is the fastest growing type of temporary migration in countries that are experiencing rapid urbanization and an increase in manufacturing. In Vietnam for example temporary migration of traders, labourers and carpenters from rural areas to urban areas such as Ha Giang and Hanoi has increased perceptibly. Cambodia has also witnessed a sharp increase in migration recently as more young girls and women migrate to urban areas to work in garment manufacturing units (now under threat with the end of the Multifibre Agreement) as domestic helpers, beer girls and sex workers. The source of evidence is mainly village studies undertaken by universities, rural development agencies, labour research institutes and NGOs.

While these jobs have been characterized as underpaid, dangerous and insecure, they are very attractive to those who come from marginal areas where daily wages are too low to make a living. For example: an agricultural labourer in a semi-arid location in India who earns 35 rupees a day (1 USD=50 rupees) can earn at least 80 rupees a day in the city as a construction worker. Similarly in Cambodia the wage difference

between agricultural work and unskilled work in Phnom Penh is very large: workers in paddy fields earn 4,000 riels (roughly 1 USD) per day, while the prevailing wage rate for unskilled/semiskilled workers in the city is 6,000 to 10,000 riels.

Added advantages of urban and manufacturing jobs are that they are not always tied to the agricultural season and options for switching jobs and climbing up the social and economic ladder are often greater. While older «pushes» from the countryside such as drought and population pressure remain important and valid, the new «pull» of growing urban wages and expanding job opportunities is an important driver of migration. Circular migration has been greatly aided by relatively good road networks, communication technology, and export market links that have emerged as many countries have opened up their economies.

Who migrates?

Early studies on migration showed that most migrants were young men. But migration streams have become highly diverse and there is no uniform pattern. What is clear, however, is that the migration of women for work is growing almost everywhere in Asia. More women are migrating for work independently and not only to accompany their husbands. This so-called «autonomous female migration» has increased because of a greater demand for female labour in certain services and industries, and also because of growing social acceptance of women's economic independence and mobility. Even in societies where there are strong cultural restrictions on women's mobility, they are being allowed to move away from the family because the gains are so

Migrant jobs are better paid and more regular than agricultural labour in marginal areas.



Photo: Deshingkar

Migration of women for work is growing almost everywhere in Asia.

evident. In fact, the feminization of migration is one of the major recent changes in population movements.

Migration for accumulation not just coping

There is tremendous diversity in internal and south-south migration streams. Some migration streams are undoubtedly negative, as early structural analyses had feared; stressing family ties and spreading poverty and disease. Here one could include brick-kiln workers in South Asia who work in near-bonded conditions because they usually take an advance from their employer and repay it through work at very disadvantageous rates. They are always overworked and in debt. But there are also many migration streams that are accumulative i.e. actually undertaken to earn more, rather than just a way of coping with rural distress.

Migration, poverty reduction and rural development

There is now plenty of evidence to suggest that remittances from migration are contributing to poverty reduction at the household level. A number of micro-studies from South Asia, Southeast Asia and

China, conducted in the last five years, strongly demonstrate that migrant households often have more disposable income, are able to pay off debts and save money. Many of the participatory poverty assessments conducted by the World Bank (synthesized in «Crying out for Change») identified migration as an important factor leading to upward mobility.

The manner in which remittances are utilized varies, and although much is used for sometimes criticized consumption purposes, these too can have positive impacts on sending households and exert a multiplier effect on the economy, in turn leading to a virtuous circle of poverty reduction and development in the countryside, and eventually reducing regional inequalities. Substantial remittances can also offset the effects of the loss of labour on

agriculture that were feared by many analysts (the so-called lost-labour effect).

With a few exceptions, official statistics in most countries completely fail to capture part-time and seasonal occupations. This has the effect of making seasonal migration invisible. Linked to the lack of visibility is a lack of awareness and political will at the policy level and when combined with middle class urban bias and rural development optimism it has tended to yield policies that aim to discourage migration and keep the poor in the countryside.

While legislation does exist in some countries to protect migrant workers' rights, it is routinely disregarded due to the lack of political interest. In addition, the occupations pursued by migrant workers in the informal economy such as street vending are declared illegal; this fuels rent-seeking

A growing informal economy: Share of informal workers in various sectors by continent (in %)

Informal Workforce as share of	Africa	Latin America and Caribbean	Asia
Non-agricultural employment	78	57	48-48
Urban employment	61	40	40-60
New jobs	93	83	NA

Source: Fact finding study: The Informal Economy, Swedish International Development Agency (Sida)

Migrant workers' rights are routinely violated and they have few entitlements to pro-poor schemes.

and corruption and also curtails economic activity. The result is that migration often involves extremely high costs and risks to the migrant workers themselves. They usually face harassment while in transit, unhygienic and unsafe living conditions at their destination as well as a loss of entitlement to government services that are based on residence. A particularly vulnerable group of migrants are girls and women who are exposed to the danger of sexual harassment.

Remittance mechanisms are inefficient and unsafe

Formal banking channels are usually inaccessible to migrant workers and many of them send money through friends, relatives or informal remittance mechanisms such as the «hawala» system. In some locations such mechanisms are very prone to theft (for example labourers carrying

Urban manufacturing jobs are not tied to the agricultural season. Young people can take the advantage of working in urban as well as in rural regions.

back earnings for a group of people are often mugged in Bihar) and delays.

Policy implications

First there needs to be a greater recognition of the contribution of circular migration to poverty reduction in national poverty reduction strategies and plans. Attempting to control or reverse migration, as many rural development and poverty reduction programmes do, would in fact choke off a major livelihood opportunity that has become available to those living in marginal areas.

Second there is a need to restructure large scale demographic and employment surveys so that they can capture part-time and seasonal occupations.

Third, the existing negative policy and institutional context in many developing countries imposes unnecessarily high costs and risks on migrants. Ways need to be found to support migration. Priority areas include reforming pro-poor programmes based on residence criteria, identity cards for migrants, skills enhancement and awareness creation about migrants' rights, migrant friendly personal insurance schemes and support for those left behind through facilitating remittances and understanding the special requirements of de facto female headed households in areas with high male out-migration. An example of this is the Migrant Labour Networking Unit recently set up by DFID-India to upscale a successful migrant support programme established under its Western India Rainfed Farming Project.

And finally the link between migration and marginal areas raises some important questions about the course of future poverty reduction efforts. The dominant

The feminization of migration

- Female migration is increasing almost everywhere.
- Highest levels are found in Southeast Asia.
- The majority of female migrants in East and Southeast Asia are young and unmarried and the concentration of this group is greatest in the mega cities.
- Socio-religious seclusion and other cultural restriction on women's mobility continue to constrain mobility but are gradually breaking down as the gains from migration become evident.
- Societal norms and gender stereotyping may exclude women from higher return work.

approach to rural poverty reduction in marginal areas aims to increase per capita earnings through increased agricultural investment.

In fact, there is renewed hope for marginal areas after the International Food Policy Research Institute (IFPRI) argued that increased public investment in roads, agricultural research and education in less-favoured areas may generate competitive if not greater agricultural growth than comparable investments in many high-potential areas and that these investments could have a greater impact on poverty reduction. The reality on the ground however is that agricultural growth remains very low. Recent figures suggest that agricultural growth is less than 2 percent p.a. on aggregate, which is too slow for poverty reduction in many rural areas. We need to understand whether this has any link with migration.



Photo: GlobalAware