

# Scoping Study on the Contribution of Circular Migration to Poverty Reduction in India and Vietnam

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## **Summary**

The potential of circular migration to reduce poverty in agriculturally marginal areas is now being discussed by leading donors and researchers. This scoping study assesses how much we know about this and what we need to know for more effective policy design. The scoping study will take place in the second half of 2007 and will:

- i. assess the scope and quality of existing reports on labour
- ii. identify what might additionally be gleaned from existing qualitative and quantitative databases
- iii. identify the questions that cannot be addressed from existing information, and propose how they might be tackled by fuller studies.

The scoping study will then identify knowledge gaps and outline the types of further work needed to fill these gaps in order to improve public investment and service provision to support accumulative migration and provide social protection to the most vulnerable migrants.

## **Background**

Circular migration, much of it seasonal, is now an integral part of the livelihood strategies pursued by a large number of poor people living in agriculturally marginal areas. For individual households, it may be a precursor to more permanent out-migration, or an enduring phenomenon in its own right. While the drivers of migration are complex and diverse, important ones include the lack of sufficient local employment (both farm and non-farm), land fragmentation, and better opportunities in other locations. Common destinations include urban centres and industrial parks where migrants work as street vendors, porters, labourers, industrial workers, brick-kiln workers, security guards and domestic servants. While the poor and unskilled appear to circulate closer to home, more skilled workers go farther for higher wages. Earnings and savings from migration also show tremendous variation by occupation, wage rates, expenses at the destination, contracting arrangements and debts. Some households barely manage to survive while others accumulate wealth over time, but what is clear is that most would be worse off if they were depending solely on local employment.

But poor migrants face a hostile policy and institutional environment. This is largely because migration is not properly understood at the policy level: temporary movements for work and the contribution of remittances to household budgets tend to be underestimated in national statistics. This is one of the reasons for the invisibility of temporary migrants and the neglect of rural-urban links in planning. Added to this are problems of urban and middle class prejudice which view poor rural migrants as a burden on towns and cities, without acknowledging the contribution that they make to the economy. An implicit aim of many rural development and poverty reduction programmes has been to stem migration by creating more employment locally. However this goal has remained elusive, especially in remote and poorly governed areas from where migration levels are high. The stance against migration has imposed unnecessary hardships on poor migrants who are routinely harassed by officials.

The scoping study proposed here would be a first step towards improving our understanding of circular migration. The study will be located in India and Vietnam which share the common features of sharp regional inequalities, rapidly deteriorating conditions facing smallholder agricultural production in some areas, and a negative policy environment for rural-urban migrants. However the countries differ in some important aspects too and will provide location specific insights into the challenges and opportunities for

donors and government in understanding and supporting multisectoral livelihood strategies. In India migrants originate mainly from drought prone areas and forested areas and in Vietnam many originate from the Red River Delta. Secondly in India the caste system is strongly connected with the way in which labour markets have become segmented with certain castes and tribes occupying specific niches and not being able to move easily out of disadvantaged positions.

In India, Bihar and Orissa have been chosen for study as these are the poorest states in the country with extremely high rates of seasonal/circular migration of unskilled and skilled labourers to other parts of the country. But both differ in terms of agro-ecology, governance and social structure. In Bihar a combination of poor governance, seasonal flooding and highly unequal asset ownership led to increasing migration (all kinds) after 1990 which further increased towards the end of the last decade as the rural economy ground to a virtual standstill. While migration from flood and drought prone areas was not new, the closure of industries as well as law and order problems added to the outflow of people. Orissa has also seen an increase in migration to urban areas and industrial zones in more prosperous states. The main driving factors in this case have been drought, rising population densities and falling profits in agriculture.

In Vietnam the study will cover the Red River Delta and the Northern Uplands. Migrants to Hanoi and other Northeast Economic Zone are drawn overwhelmingly from the Red River Delta, given its proximity to these provinces. Population density and pressure on land are very high in the Red River Delta and this has led to outmigration. Seasonal/circular migration has become a livelihood strategy for the poor (compared to the non-poor). Although outmigration is lower in the Northern Uplands, this region is the source of ethnic minorities who face more barriers in the job market. Both ethnic and Kinh people participate in circular migration but often to different destinations.

***The scoping study aims to locate and synthesize information related to five questions:***

- What are the broad kinds of labour migration, both seasonal/circular and more permanent, in the study areas by class, caste, gender and age?
- What proportion of household income is provided by each type of migration and how does this vary by the categories above?
- Which groups of people have been able to accumulate assets and skills through migration and why? Conversely which groups have been excluded from these positive outcomes and why?
- How can policy support more positive kinds of migration? In particular how can migrants who want to invest money in economic activity in their source areas be supported in terms of access to technical support, institutions, infrastructure and resources?
- How can policy reduce the costs and vulnerabilities faced by the poor in different kinds of migration? In particular what kinds of social protection will be needed for the most vulnerable migrants and their families?

***Timeframe***

The study will begin on the 15th of July and be completed by the 15<sup>th</sup> of December.

***Workplan***

The study will be completed in six stages as outlined below:

1. The first step is to finalize small teams of researchers in India and Vietnam who have previous experience of migration research. The principal contact in VAPEC will be Dr Dang Anh who is a leading authority on migration with Vietnam and is familiar with GSO databases. At ODI, the research team will comprise Priya Deshingkar and John Farrington. Priya Deshingkar has conducted major research on circular migration within India, Vietnam and elsewhere in Asia. John Farrington is a specialist on social protection and agriculture.

2. Reviews of published and unpublished literature, examination of databases underpinning major reports and key informant interviews.

In India the databases will include:

- Census 1991, 2001 in particular the Migration tables and reports on migration based on these.
- National Sample Survey 55<sup>th</sup> Round (1999-00) – Report on Migration
- UP-Bihar Survey of Living Conditions
- Databases generated by regional research institutes and Universities
- The collection of literature and key informant interviews will be conducted at the organisations listed below subject to availability of staff and their willingness to share information.
  - Ministry of Labour
  - Ministry of Rural Development
  - The Planning Commission
  - Indian offices of the International Labour Organization and the International Organization for Migration
  - National Aids Control Organisation
  - Unorganised Sector Workers Commission
  - Jawaharlal Nehru University, New Delhi (Ravi Srivastava)
  - Institute of Human Development, New Delhi (they have conducted long-term research on labour migration in Bihar)
  - Donor funded projects on rural livelihoods in the two states (The Western Orissa Rural Livelihoods Project and the Bihar Rural Livelihoods Project)
  - The A.N. Sinha Institute of Social Science Research in Patna, Bihar
  - The Asian Development Research Institute in Patna, Bihar
  - Xavier Institute of Management
  - Nabkrushna Choudhary Centre for Development Study Bhubaneswar, Orissa
  - Centre for Youth & Social Development (CYSD) Bhubaneswar, Orissa.
  - Department of Sociology, Utkal University, Bhubaneswar, Orissa
  - Gabeshana Chakra (a social science research group with branches in different parts of Orissa)

In Vietnam the databases will include:

- Census data 1989, 1999
- National Multiround surveys (7 annual surveys since 2000)
- The 2004 Intercensal Migration Survey
- Household Living Standards Surveys 2002, 2004
- Selected surveys on migration in Hanoi and Ho Chi Minh City
- The collection of literature and key informant interviews will be conducted at the organisations listed below subject to availability of staff and their willingness to share information.
  - Institute for Sociology (IOS)
  - Institute for Ethnology (IOE)
  - Institute for Family and Gender (IFG)
  - Institute of Agricultural Policies and Research (IAPR)
  - Institute of Ethnic Minority Affairs (IEMA)
  - Department of Social Affairs – Vietnam’s Office of National Assembly (VONA)
  - Ministry of Agriculture and Rural Development (MARD)
  - Ministry of Labor Invalid and Social Affairs (MOLISA)
  - Vietnam Committee for Population, Families and Children (VCPFC)
  - General Statistical Office (GSO)
  - Farmer’s Association of Vietnam (FAV)

- Center for Women Education and Empowerment (CWEE)
- Institute of Economic Research in Ho Chi Minh City (IER)
- Southern Institute of Social Sciences in Ho Chi Minh City (SISS)
- University of Social and Human Sciences in Ho Chi Minh City (USHS)
- International Organization for Migration (IOM)
- Major Donors (including UNDP, UNFPA, ILO)

3. The scoping study will then identify knowledge gaps and outline the types of further work needed to fill these gaps in order to improve public investment and service provision to support accumulative migration and provide social protection to the most vulnerable migrants.

4. The findings of the study will be written up as a 30-35 page report with annexes. A first draft of the report will be ready by the first week of October.

5. A small end of project workshop will be held in both countries around mid Oct to discuss the results of the scoping study. Discussions will focus on the specific themes of:

- Developing support packages for more accumulative kinds of migration (technical, institutional, infrastructure and financial)
- Developing models of social protection for the most vulnerable groups of migrants. This would include types of migration that share many characteristics with trafficking and bonded labour i.e. debt, underpayment, restricted movement and belonging to a disadvantaged social group.

6. The final report will be submitted on the 15<sup>th</sup> of December 2007