

Gambling on a better future: is international labour migration worth it?

Key messages

- In order to make international migration more beneficial for migrants and their family members, the costs and risks of migration must be reduced
- Achieving this will require better enforcement of existing regulations and laws in order to prevent international migrants from being exploited
- Improving the transparency of the sending process and making migrants aware of the support available to them is another important step.

Migration can bring huge economic returns for migrants and their families, especially those from poor regions and countries. As much as 60% of the difference between real incomes worldwide can be explained by country of citizenship (Milanovic, 2013). This means that, if we care at all about poverty reduction and inequality, then we must also care about international mobility.

There are, however, several barriers that prevent poor people from enjoying the benefits of international labour migration, from restrictive migration regimes to the sometimes insurmountable costs associated with sending someone overseas. Much has already been said of the abuses and suffering experienced by migrants working in the Gulf States, and a new report by the International Organization for Migration (2014) highlights that more than 4,000 migrants have died whilst crossing international borders in 2014 alone. But such elements of risk are not limited to transit and destination countries. As we show here, in many cases, the potential for exploitation exists even before migrants board the plane.

Against this backdrop, this briefing paper asks: is international labour migration actually working for those people gambling vast amounts of money – and, in some cases, their lives – to participate in it?¹ Drawing on original research carried out in Rolpa district in western Nepal and the districts of Swat and Lower Dir in Khyber

1 The research on which this briefing paper is based used a mixed methods approach, drawing mainly on qualitative fieldwork conducted in Rolpa, Nepal in late 2013 and in Swat and Lower Dir districts in KP province, Pakistan in October 2013. This is complemented by descriptive statistics based on the SLRC baseline surveys (conducted in the same locations in late 2012 – see Shahbaz et al., 2014 and Upreti et al., 2014) and secondary literature.

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Remittance bureau in Rolpa, Nepal

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Secure Livelihoods Research Consortium
Overseas Development Institute (ODI)
203 Blackfriars Road, London SE1 8NJ
United Kingdom

T +44 (0)20 7922 8249
F +44 (0)20 7922 0399
E slrc@odi.org.uk
www.securelivelihoods.org



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Pakhtunkhwa (KP) in north-western Pakistan, it discusses: the gendered nature of international labour migration from these places; how migrants get overseas; and the material and subjective effects of overseas labour. A series of policy recommendations emerge from the analysis.

Migration is inevitable for some...

For people in KP and Rolpa, international migration is seen as an obvious, almost inevitable, livelihood strategy. There are relatively few opportunities to make a decent living in remote, rural areas, and subsistence agriculture remains common in both sites.

The idea of moving away or 'getting out' has become a fixture of the social and economic landscape in these marginal areas, embedded ever more deeply over the course of generations of continuous movement. Many Nepalis and Pakistanis have a family history of migration. This not only serves to make the idea of migrating overseas seem more familiar and attainable, but it also helps in practical terms: when younger family members follow in their relatives' footsteps to the same destinations, they often find they can draw on a network of support provided by these contacts.

... but not others

Access to international migration is not the same for all. In most cases, it seems that young males from the non-poorest households are the ones who migrate overseas; the high financial cost of international migration constrains the very poorest households' participation.

International labour migration is also deeply gendered. According to recent SLRC survey data, for every female international migrant from Rolpa there are roughly four and a half male migrants, while in KP males outnumber females by a factor of 50 (Shahbaz et al., 2014; Upreti et al., 2014).² For young men, the act of moving away in order to support the family can be partly considered a rite of passage. Women's migration, however, is restricted by powerful ideas about gendered roles and responsibilities. Our evidence suggests that women from Rolpa tend to migrate internationally only in 'exceptional' circumstances of social loss and suffering (for example, the death or injury of her husband).

'These days, due to the increasing cost of life, there needs to be at least one person abroad'
(Informant, KP)

From one country to the next: costs, middle-men and vulnerability

The process of migration is costly: for most of those interviewed, financial constraints are one of the biggest barriers to international migration. Migrants from KP reported having to pay the equivalent of anywhere between \$3,000 and \$7,000. From Rolpa, the costs are generally not as high, usually coming in at somewhere between \$1,000 and \$2,500.

Still, these sums are a substantial expense in both places. For instance, average migration loans amount to about 97% of mean annual household expenditure in Rolpa.³ This places poor households in a risky situation, and raises the stakes for the migrant: an 'unsuccessful' migration which produces low economic returns (and hence small remittances) makes it difficult for the household to meet loan repayments and eventually free itself from debt.

In order to access jobs overseas, migrants from Rolpa and KP must navigate their way through a process that involves interactions with state authorities, but which are often mediated by a series of 'migration middle-men'. Even those with long-standing social networks in foreign countries often find themselves having to work through these intermediaries.

It is the role of the 'migration middle-men' – recruitment agencies and individuals known as agents or brokers – to arrange documents, book tickets and generally help push migrants through the bureaucratic process. For many aspiring migrants unfamiliar with the nuts and bolts of the international migration process (see Box x), such agents are both a necessary expense and a source of risk. Stories of exploitation by agents, such as overcharging, are widespread (see also Donini et al., 2013). In some cases, migrants are told when or where they are going less than 24 hours before they are due to fly.

While agents are theoretically regulated by the state, legislation tends to be poorly implemented, motivated by corruption and political gain (Jones and Basnett, 2013). So there is often little in the way of protection. Whilst clearly important, focusing on the abuses experienced by migrants in transit and destination countries overlooks the abuses faced by migrant workers even

'Such fellows don't know about the cost of a passport. So they will be cheated by the agents ... Like, if I pay 80,000 NPR to the agent, we might have to pay 20,000 NPR for the ticket and the agent will devour 60,000 NPR.'
(Informant, Rolpa)

² In both cases, these survey data are not representative at the district level.

³ Own calculations based on SLRC survey data and the Nepal Living Standard Measurement Survey 2010/2011.

'So, we have to make fake stories and tell them that we work for eight hours only. And for example, my wife tells her friend that I am having a good time abroad. As a result, her friend pushes her husband to go.'
(Informant, Rolpa)

in the construction or unskilled service sectors. The type of work engaged in by migrants was partly determined by their legal status (with irregular migrants engaged in more precarious forms of employment) and partly by their skill and education levels.

Our evidence suggests that the realities of working abroad are often grim: working days are long, temperatures are high, breaks are infrequent, and safety measures are often not in place.

In both our case studies, salary issues were of huge concern to migrants. Around a third of our respondents had some kind of problem around payment. These included: wages not corresponding to the informal/formal terms of reference; not receiving the full wage; additional costs being taken out of the wage; delays in payment; and not being paid at all. Having migrated for economic reasons, labour migrants are expected to make substantial remittance transfers in order to support their families back home (and to repay substantial migration loans). But many respondents talked of the difficulties of saving money and sending remittances, despite cutting back on their own living expenses as much as possible. Although most migrants were able to send home around 50-75% of their income, some ended up staying longer than anticipated, returning home with outstanding debts, or having to migrate again in the future.

Upon arriving in a host country, migrants depend on their *Mudir* (manager), employer or 'guarantor' to navigate almost every aspect of life, including employment, accommodation, food and healthcare (Donini et al., 2013). These relationships are often not just unequal but also exploitative. In both case studies, a number of migrants shared specific experiences of being exploited and discriminated against by employers. In many cases, this is a consequence of migrants' weak bargaining power, as well as their unfamiliarity with the available grievance or justice systems (if indeed they are available at all) (ibid.).

Many migrants we talked to felt humiliated, angry and

before they board the plane.

The realities of working abroad

Most of our respondents in Nepal and Pakistan had previously migrated to the Gulf States, where they typically worked

frustrated about the conditions and circumstances they faced overseas. Nevertheless, many felt they had little option but to put on a brave face with family members back home. What this means is that the validity of information coming from those overseas back to their families and communities may be highly questionable at times – a clue to why aspiring or current migrants seem to be only partially aware of the problems experienced by earlier migrants.

What happens to the families left behind?

SLRC's survey data show some clear differences between the two research sites in terms of the material wellbeing of family members left behind by international migrants. In KP in Pakistan, more than 80% of respondents from households with a migrant (in the sample population) felt that remittances helped the household 'quite a lot' or 'a lot'. Further, statistical analysis shows that migrant households are more likely to own land and live in high quality houses, although the data do not shed any light on causality: migrant households could already be better off in the first place. In Rolpa in Nepal, 18% of respondents from households with a migrant (in the sample population) found remittances too small to make a difference, while almost half reported that remittances help them a bit by enabling the purchase of some additional food.

Loan repayment seems to be a major expenditure for households in Rolpa. With average migration loans equivalent to approximately one year's worth of household expenditure, repaying a loan is a lengthy process that can take years. Interviews in both research sites clearly indicate that food is the main spending priority. However, only in KP were we able to measure a statistically significant effect in terms of better food security and dietary diversity. In contrast, our qualitative evidence suggests that some migrant households in Rolpa are unable to improve their diet because of constant inflation and the burden of loan repayments.

Our evidence clearly shows that migration produces changes in family and household structures, leading to shifts in roles, responsibilities and power relations between various family members. In turn, these shifts have tangible effects: interviews with spouses in Rolpa show that the out-migration of their husbands often results in an increased workload for many household members staying behind – mainly for spouses but to some extent also for children. Further, in both case study areas,

'We face many problems – like we can't go to the doctor, and other matters that require a male to represent or solve – as we don't have a male member in our family now.' (Informant, KP)

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the absence of household heads and (male) adults can result in difficulties securing children's admission to schools. In KP, where a comparatively more patriarchal set of social norms appears to exist, the absence of a husband or male household head can, in some cases, further restrict the mobility of female family members left behind. This then has implications for a household's access to public spaces and services, such as health clinics. The absence of male members as a result of migration also often results in greater stress for family members staying behind, especially for spouses. There are many reasons for this: the burden of being the sole adult in charge; new and increased responsibilities; the pressure of having to repay the migration loan; or worrying about the family member overseas.

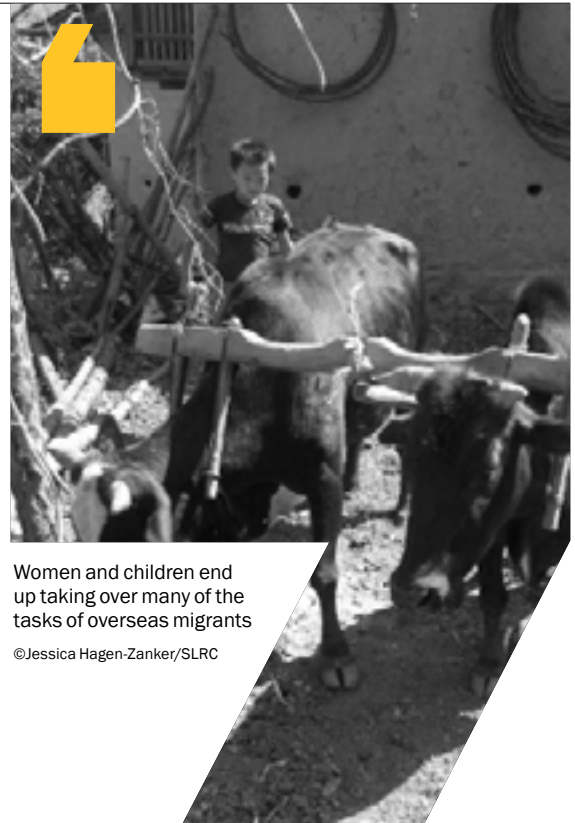
Conclusions and policy recommendations

The findings of our study ultimately speak to the importance of international labour migration as a way of making a living – particularly for those in or from difficult environments, such as regions affected by or recovering from conflict. But there are a number of problems and concerns with the process of migration for people living in these places. Below, we make four recommendations to governments and aid agencies looking to support the livelihoods of migrants and households from Rolpa, KP and similar crisis-affected areas.

Invest in local employment and markets. In post-conflict Rolpa and KP, households have few livelihood opportunities available to them and perceive hardly any state presence. Migration for work often appears to be the only option available to young people, yet in countless interviews respondents expressed their preference for working at home and for the state to create employment opportunities. While creating livelihood opportunities in areas of origin is not easy, it is a necessary requirement for reducing the reliance on migration.

Reduce the excess costs involved with migration. The costs of migration are huge and often lead to high levels of indebtedness among migrant households. Failure to pay back these loans, perhaps because of failed migrations or exploitation by employers or brokers, can have long-term consequences on family members. This highlights two key policy areas in need of attention: reducing the cost of migration and remittance-sending; and tightening up the monitoring of the agencies and actors who shape the migration process and as such determine the costs of migration.

Enforce existing regulation. Better enforcement of existing



Women and children end up taking over many of the tasks of overseas migrants

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laws is crucial, complemented by additional regulations that legalise and monitor informal agents, as these are used by the vast majority of migrants.

Reduce information asymmetries. There is a need for better dissemination of information about the process of migration, the rights of migrants at various stages of the process and the risks associated with migration. Interviews in both case studies showed that migrants have only limited awareness of these issues. This information could be disseminated by local governments as part of the passport application process.

Written by Jessica Hagen-Zanker (j.hagen-zanker@odi.org.uk) and Richard Mallett (r.mallett@odi.org.uk)

This briefing paper is based on the following SLRC report: [Migration from the margins: mobility, vulnerability and inevitability in mid-western Nepal and north-western Pakistan](#) written by Jessica Hagen-Zanker, Richard Mallett, Anita Ghimire, Qasim Ali Shah, Bishnu Upreti and Haider Abbas.

Report link: http://www.securelivelihoods.org/publications_details.aspx?resourceid=330

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