

MAINSTREAMING MIGRATION IN NATIONAL DEVELOPMENT STRATEGIES

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Introduction

The 2009 Human Development Report of UNDP effectively drew attention to the potential human development gains among the migrants, their left behind family members and communities, and members of destination societies. This input paper attempts to locate some of the key sectors where migration can be mainstreamed in national development strategies and increase large unrealised gains to human development and also towards achieving some of the Millennium Development Goals (MDGs). It identifies some key sectors of development planning in which migration should be considered as a factor. These are poverty reduction policies, national policies for economic growth, and financial commitment of the state in national revenue and development budget.

Poverty Reduction Policies and Migration

Poverty can be either the cause or effect of migration. Likewise, poverty might be reduced or enhanced due to migration (Skeldon, 2002). Therefore, any intervention to reduce poverty should try to decrease the negative results of migration and increase the positive outcomes. Adams and Page (2003) empirically demonstrated that international migration can be positively linked to a decline in the number of people living in poverty. A World Bank report (2007) recently linked 6 percent poverty cut in Bangladesh in 2006 due to migration. During the year 2004, 11 percent poverty reduction in Nepal was attributed to migration (Gurung and Adhikari, 2005). These evidences lead us to argue that in order to reduce poverty migration should be linked to national development planning of different countries. It should also be placed in the global strategic development planning such as Poverty Reduction Strategy Papers of various countries and in the institutional mandate and development agenda of donor organisations. Following are some of the areas where poverty reduction policies of individual countries can link with migration.

Increase access of the poor to migrate: Studies have shown that international migration requires relatively large investments. So the poorest of the poor cannot use this as a livelihood option to overcome poverty. Policy directions are needed in all the above poverty reduction strategies to encourage public and private financial institutions to lend the poor at a lower interest rate for soft collateral to finance migration. Migrants can pay back through instalments once they start to earn in the country of destination. Repayment of loan will also expose migrants to formal channels of remittance transfer. While increasing access of the poor it is important to bear in mind that some countries have restrictive policies towards migration of their female workers. Equal rights of men and women to migrate should be honoured while creating such access. As women migrants are particularly vulnerable to harassment, the state must ensure their due protection while facilitating their migration.

Reducing poverty of slum dwelling migrants: Fast economic growth in the urban areas has resulted in the migration of a significant number of people from rural areas. Such internal migration may have balanced the demand and supply of labour between rural and urban areas. Nonetheless, huge growth of cities has created new challenges for policy makers. In urban areas internal migrants, both men and women, employed in low skilled jobs are staying in slums in sub-human conditions. They enjoy very little civic amenities such as decent housing, safe drinking water, hygienic sanitation and quality education (UN, 2003).

Traditionally urban planners have treated internal migration as a problem. According to them such migration leads to 'slumisation' of urban cities. The easy solution they prescribed was to create more employment in rural areas. An important reason for 'slumisation' in different urban areas is the absence of understanding of the policy makers about the need for allocation of space in the urban planning for the service providers. Any urban planning should demarcate spaces for low income workers with basic minimum civic amenities catering the need of both men and women. Without being accompanied by their families, a large groups of single women (married or unmarried) move to cities. Urban planners also need to design accommodation for these women. Migration will be a major source of urban growth especially in the developing countries. Ministries of housing, health, education and institutions in charge of urban planning should be targeted for bringing in changes in this area.

Emigration of essential professionals, transforming weakness into strength: Some countries of Africa are deeply concerned with the outflow of their professional workers, particularly doctors, nurses and teachers, at a faster rate than they can replace. Depletion of skilled human resource may result in the unavailability of essential health and educational services in these countries resulting in impoverishment. Ghana tried to resolve this issue by imposing restriction of movements of professionals as well as providing incentives. Past experiences demonstrate that restriction only increases undocumented flow. Besides, these countries also need remittances for their economic growth. Some of the receiving countries, on the other hand, have come up with policies of restricting movements of professionals from countries of origin by introducing the concept of ethical recruitment. However, experts particularly representing countries of origin perceive this as a way of market protection in favour of the professionals of countries of destination. Besides, traditionally the majority of the health workers who migrated are women nurses. Restricting their movements reduces opportunities of women who are not organised enough to articulate their voice against such policies.

The Philippines on the other hand, addressed the emigration issue of health professionals differently. It has provided all kinds of incentives to public and private sector institutions to offer training and created a big pool of nurses for taking up overseas employment. Therefore, in order to reduce the harmful effects of emigration of skilled workers at the national level, health and education ministries of the countries of origin need to draw a long term planning. It needs to create enabling environment for growth of education institutions both at public and private sectors which will produce quality human capital for local and international markets. Therefore national health and education policies should be targeted for bringing in changes in this area.

Nonetheless unilateral national planning is not enough in this area. Sending countries can bilaterally and multilaterally approach the receiving states to direct a section of their development assistance towards establishment of such training centres. If a person receives education through government subsidised educational institution then the

government may think of claiming compensation from the migrants concerned or the institutions of receiving states that are employing those essential professionals. In producing higher number of health professionals, countries of origin can develop higher education link programme with similar institutions of receiving countries.

Integrating migration in national policies of economic growth

At a national level both labour receiving and origin countries have particular industrial, agricultural, trade, service sector or infrastructure development policies to achieve certain growth rate. Migration needs to be interfaced with those national policies (GFMD-2009)

Expand access of migrants to formal transfer channels: Access to foreign exchange is crucial in pursuing many of the developmental goals of national government of most of the sending countries. It has become the largest source of foreign exchange earning for many countries. High level of foreign exchange reserve and positive balance of payment ratio are direct outcomes of steady growth in foreign exchange flow to the countries of origin (Ratha, 2008). Since 2000 remittances sent by the migrants through formal channel has increased in a major way, yet a large amount is still transferred through informal channels.

High cost of transfer is another area of concern. Some countries have reduced the cost by introduction of internet and mobile solutions, and some others have addressed the problem through introduction of grassroots level non-governmental organisations as the last leg of remittance transfer (Siddiqui, 2009). Along with national governments unilateral interventions the sending countries need to sit with receiving countries to harmonise their policies for increasing formal flow. Access to increased amount of remittance to the sending countries has deep significance in terms of dependency on foreign aid. A significant part of development budget for some of the developing countries come from foreign aid which have all kinds of strings attached. Although remittances are in no way substitute of foreign aid, targeted policies of encouraging use of remittance in certain sectors by the migrants and their families can produce higher economic growth and reduce external aid dependence. Finance Ministry and central bank of sending countries are the key actors in implementing innovative solutions to improve volume of remittance through formal channel without even increasing the number of workers.

Business Advisory Services: Studies (Ratha 2008) have shown that after meeting some basic consumption needs a section of remittances still remain as savings. Migrant families use this amount in purchasing of land and constructing houses. A typical avenue for migrant's investment for income generation is construction of market place, buying general and grocery stores or transport business. A section of remittances is also used in agricultural production such as buying seeds, irrigation, employing labour during harvesting. Remittances are also used in off farm activities such as poultry farm, cooperative for fish farming.

The governments of countries of origin need to develop specific programmes that will target the returnee migrants and current migrants' family members and help them to transform their small investment ventures into SMEs. Challenge funds can be made available by the development partners to these organisations to bring innovations. In this respect DFID-Bangladesh Bank Challenge Fund project under Remittances and Payments Partnership is a good example (Siddiqui 2009). Following this example a special body may be created with a substantive endowment fund. The aim of this body will be to

nurture migrant enterprises by offering various business packages that includes advice on selection of enterprises, linking with project planning, financial management and marketing techniques and credit opportunities and marketing of products. Non-governmental organisations can be taken as partners at the grassroots to reach the left behind families of migrants. A large number of left behind families are women headed. Women specific investment avenues have to be consciously integrated. Through research, conferences and other forms of engagement civil society organisations and research bodies can advocate to their governments as well as to donor organisations for such SME development programmes.

Large scale development projects: Migrants' remittances can also be used for large scale infrastructural and other development projects. Instead of depending on foreign aid or loans at concessional rates the governments can float special bonds targeting the migrants and their families. Diaspora investment can be specifically targeted for this. Government and semi-government bodies may float bonds for funding construction of bridges, modernization of airports power generation and communication development projects. Some of these projects can come up with profit sharing arrangements with the migrant investors. India and China have been greatly successful in this area. The Philippines and India have recently amended their citizenship laws to accommodate diaspora. Other countries can design programmes for diaspora investment in their development strategies by incorporating similar changes. Nonetheless, incorporation of these policies may not produce similar results like China and India, if the investment climate is not congenial.

Local development and philanthropic remittances: Migrants are particularly interested to help develop their own locality. Local governments of migrant intensity areas can interface with local development and migrants' remittances. This they can do by targeting the philanthropic portion of migrants' remittances. In the national budget allocation is needed for local governments to encourage such innovative projects. The civil society bodies can help local government articulate their demand for allocation of resources from the national government.

Attracting permanent or temporary return and circulation of the highly skilled: In the 21st century, knowledge workers are seen as the driving force behind economic growth and development. The migration policies of industrialised and newly industrialised countries are competing to attract the highly skilled migrant workers from all over the world. Migrants desire to explore the best possible options for their lives and livelihood. Some highly skilled professionals in developing countries may not have sufficient opportunities for utilising their skills in their countries of origin and it is therefore natural that a significant portion of highly skilled professionals from developing countries will continue to migrate.

Using diaspora for home country development: From the perspective of developing world in the 1960s migration of highly skilled persons was theorised as 'Brain drain'. This brain drain seriously affected many countries, particularly those in Africa. However, recent studies have shown that a section of these migrants at certain stages in their lifetimes, return to their countries of origin and contribute to the development of the country by using the knowledge and technology they acquired in the countries of migration. Some of them circulate between home and host countries and bring back valuable knowledge and experiences. A recent survey of the Silicon Valley immigrant professionals found that 80-90 percent of Chinese and Indian migrants, who have business relations in their home countries, travel home more than five times a year. Countries have undertaken various measures to encourage return of workers; these are,

tax exemption, access to land, housing, voting rights, dual multiple citizenship, scope of lateral entry into public service etc (RMMRU and DRC 2006). Those countries who lag behind can replicate some of these to attract temporary or permanent return of their diaspora. Ministries of Education, Finance and Planning will need to develop programmes when increasing human development goals are targeted.

Financial Commitment of the State in National Revenue and Development Budget

Investment in Human Resource Development: The global migration experience demonstrates that migration to a great extent is determined by the entry policies of receiving countries. Administrative barriers essentially deter migration of unskilled or lowly skilled migrants whereas incentives are provided to encourage skilled migration. Therefore, in order to benefit from migration appropriate skills are to be imparted through investment in human resources. Such investment in human resource will likely to create opportunities for employment both within the country as well as overseas. A major hindrance in this regard is poor budgetary allocation in human resource development. An effective policy advocacy needs to be launched by the civil society organisations to demand increased allocation. Such campaign should articulate integrating migration in the long term development plans such as PRSPs and Five Year Development Plans and increased allocation in annual budget.

Promoting good governance in migration: Migration is an extremely complex process. The Human Development Report identified high cost, lack of information to potential migrants, administrative barriers and lower rights of workers as hindrances in the process of achieving greater human development gains. It is obvious that many of the issues have to be dealt bilaterally and multilaterally. However, a number of problems may be addressed through establishing effective governance of migration. Countries that have gained more from migration and have been relatively successful in ensuring decent work conditions are those who had made investment in migration governance. These countries have overseas migration policy and action plans to implement such policies. Decentralisation and digitalisation of registration and clearance processes of overseas employment, streamlining the functions of the private recruiters, market diversification and imparting vocational training as per market projection of labour demand, protection of rights at destination, reintegration of returnee migrants and remittance management - all these are specialised functions. Specialised structures are to be in place to perform these functions. This requires greater resource allocation in migration governance, appropriately trained personnel and greater inter-ministerial and inter-agency coordination. In some countries civil society organisations have demanded budgetary allocation equivalent of 5 percent of remittances received. With a few exceptions labour sending countries have so far failed to make significant resource allocation in this area. When national development policies are framed and revised, civil society organisations should mount serious advocacy campaigns for budgetary allocation for effective governance in the migration sector.

Conclusion

The discussion above identifies some of the areas when national government can integrate migration into development strategies. It also continuously reminds that unilateral national planning on migration and development can produce results up to a certain extent. National governments of sending countries will have to build alliances with governments of other sending countries and agree upon some common minimum goals and pursue them in collaboration with regional and international partners.

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