

## LABOUR MIGRATION: PERSPECTIVES FROM ORIGIN OF LABOUR MIGRANTS

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### *Abstract*

*This paper attempts to describe the labour migration perspectives from the origin of labour migrants. Labour migration is an important historical global phenomenon to full the demand and supply of cheap labour and now it is in increasing trends. It is also a debatable issue among the policy makers especially from the perspectives of origin countries of labour migrants. The causes and impacts of labour migration at origin of labour migrants are discussed from micro to macro levels. Globalization process has further contributed to increase the volume of labour migrants. Labour migration and use of remittances varies from one country to another mainly due to migration and economic policies adopted by governments. Secondary sources of data and information are used in this paper. The causes and impacts of labour migration as well as the role of Diasporas and their investment in their home country are discussed. The increasing volume of labour migrants and remittances has been contributed to reduce poverty level of migrants' households but at the same time the income gap between migrants and non-migrant's households has increased. The role of UN organizations to describe levels and trends of labour migration as well as to protect labour migrants their rights are described.*

**Keywords:** Labour Migrants, Remittances, poverty, Globalization, Wage differentials

### INTRODUCTION

The migrant labour system was an historical system used to reconcile the conflicting need for cheap labour in the mines and cities, with the apartheid ideology that workers should not reside there on a permanent basis. There is no internationally accepted statistical definition of labour migration. However, the main actors in labour migration are **migrant workers**, which the International Labour Organization (ILO) defines as: "all international migrants who are currently employed or unemployed and seeking employment in their present country of residence" (ILO, 2015). Similarly, the United Nations Statistic Division (UN SD) defines foreign migrants' workers as "foreigners admitted by the receiving State for the specific purpose of exercising an economic activity remunerated from within the receiving country". The length of stay is usually restricted as the type of employment they can hold. Their dependents, if admitted, are also included in this category" (UN SD, 2017). The International Labour Organization (ILO) describes a migrant worker as 'a person who migrates from one country to another with a view to being employed otherwise than on his own account and includes any person regularly admitted as a migrant for employment (ILO, 1949).

The United Nations General Assembly in resolution of December 1990 describes a migrant worker as 'a person who is to be engaged or has been engaged in a remunerated activity in a state of which he or she is not a national' (UN 1990). Generally, labour migration is defined as the movement of

persons from one state to another, or within their own country of residence, for the purpose of employment.

In 2019, there were 169 million international migrant workers in the world and they constituted 4.9 per cent of the global labour force in the destination countries (ILO, 2021). These international migrant workers made up approximately 69 per cent of the world's international migrant population of working age (aged 15 and over) in 2019 (ILO, 2021). Crossing national borders to work is one of the key motivations behind international migration, whether driven by economic inequalities, seeking employment, or both. The additional impact of economic, political and environmental crises and shifting demographics, with ageing populations in some parts of the world and a “youth bulge” in others, contribute to rising labour migration (Ozel et al., 2017).

Migrant workers contribute to growth and development in their countries of destination, while countries of origin greatly benefit from their remittances and the skills acquired during their migration experience. Yet, the migration process implies complex challenges in terms of governance, migrant workers' protection, migration and development linkages, and international cooperation (ILO, 2021). In addition, Labor migration is conventionally viewed as economically benefiting the family left behind. Remittance transfers can ease budget constraints and thereby increase spending on health care and education, improving households' long-term welfare in the source country. International mobility has become a defining characteristics of our times.

In an era of global labor markets, the demand for foreign workers as an input of production in labor-importing countries is the major driver of international labor migration. It can be noticed that, in the tradition of the labor movement, the migration flow was overwhelmingly from less developed to more developed countries and has geographically occurred from the Global South to the Global North region. However, recent trends have shown a rapid increase in the flow of migrants from less-developed economies to newly emerging countries in the developing world, known as “South–South” migration (Hujo and Piper, 2010). The growing presence of migrant workers in the South has continuously sparked heated debate in migrant-receiving countries over both economic and social impacts of migrant intakes as well as the policy implications for dealing with any difficulties regarding migrant workers (Bryant and Rukumnuaykit, 2013). Labour migration has remained a salient aspect of Nepal's socio-economic landscape. The social and financial remittances and exposure gained aboard have contributed positively to the Nepalese economy (MOLESS, 2020). The size and fluctuation in labour migration outflows are a result of a combination of economic and non-economic factors (IOM, 2019). The volume of remittances in Nepal significantly increased in recent past, from 2.54 billion USD in 2010/11 to 8.79 billion USD in 2018/19 (NRB, 2019).

## OBJECTIVES

Migration processes shape the opportunities, attitudes, and behaviour of individuals and families. The objectives of this article is to introduce the labour migration as well as to analyze labour migration from the perspectives of origin of labour migrants.

## DATA and METHODS

This article is based on secondary sources of information. The main sources are obtained from ILO, UNDESA, UN SD, IOM, MOLE/DOFE, Nepal Rastra Bank and other relevant national and

international data sources to accomplish this paper.

## FINDING and DISCUSSIONS

### CAUSES OF LABOUR MIGRATION

Over 272 million individuals around 3.5 *per cent* of the global population are estimated to be living outside their countries of birth (UN DESA, 2019). It is estimated that 63.5 *per cent* of this population move for employment opportunities (ILO, 2018). Labour migration is mostly influenced by social structures and pattern of development. Uneven development is the main reason of migration along with factors like poverty, landholding system, and fragmentations of land, lack of employment opportunities, large family-size and natural calamities. The high land- man ratio, caste system, lawlessness and exploitation at native place, speed up the breakdown of traditional socio-economic relations in the rural areas and people decide to migrate to relatively prosperous areas in search of better employment and income. Diversification of economy and increased land productivity in certain areas, rapid improvement in transport and communication means, improvement in education, increase in population pressure and zeal for improving living added momentum to the mobility of population (Roy, 2011). Those who migrate to new areas experience certain socio-psychological problems of adjustments with the residents of place of migration.

The increased mobility across borders is one dimension of globalization and has been facilitated by improved transportation and communication as well as resulting from global economic and social disparities and inter-country networks based on family, culture and history. Recent globalization trends have been characterized by the greater integration of global markets for goods, services and capital across borders while their impact on the cross-border movement of people and labor remains much more restricted, regulated by immigration laws and policies that uphold the principle of state sovereignty. Yet globalization has had important implications for international labor migration, acting as a 'push' and 'pull' factor. It has facilitated linkages of international labor markets through vast improvements in information and communications technology.

At the same time, globalization has led to widening disparities of employment opportunities, income and living standards, and human security across the globe. The failure of globalization to create new jobs where people live is a prime factor in increasing migration pressures. When people cannot find work at home in their communities and societies they look elsewhere (OECD, 2015).

"Throughout human history, migration has been a courageous expression of the individual's will to overcome adversity and to live a better life" (UN, 2020). Most labour migrants are motivated by the quest for higher wages and better opportunities, but some are forced to do so because of famine, natural disasters, violent conflict or persecution. Labour migration has increasingly become a livelihood strategy for women and men because of the lack of opportunities for full employment and decent work in many developing countries. A priority concern for all labour-sending governments is to ensure the well-being of migrant workers and to secure the payment of decent wages and basic provisions. Given that, due to structural reasons (including poverty, unemployment and large wage differentials between countries of origin and destination), the supply of workers in lower skill sectors far outstrips the demand and that there are far more workers wishing to work abroad (to earn a livelihood and pursue a perceived better life) than there are jobs.

In addition, different economic, social and psychological factors which lead to migration have been depicted. People migrate in order to attain a better economic status in life. Low wages at the native place has contributed to the further migration. Low wages accompanied by poverty can consider other reasons of migration. Social factors are more pronounced than economic and thereby induce migration tendency among people. Poverty and less civic amenities can be considered as the major social reasons behind migration. Unpleasant social relations and political intimidation can be considered as the major social factors leading to long-term migration. Similarly, the psychological factors inducing migration also can be considered as the leading a poor life, high aspirations and demonstration effect can work as catalyst of further migration for both long-term and short-term migrations.

A reason that is obvious is that labour migration can be stopped in entirety even when there is development. 'Development does not reduce the impetus for migration it increases it' (Massey 1988). So long as opportunity does exist, migrants will be attracted to such opportunities in order to enhance their living condition, avoid poverty as well as insecurity.

The reasons for labour migration could be summarized as follows: Growing urbanization & linkages through globalization, economic vulnerability of developing countries, policies, and migrants' quest for enhanced personal economies of scale, poverty, political conflicts, famine, relative cheap transportation, population pressure, and strong ties to former colonial masters, fallout of wrong economic or political decisions by former colonial masters leading to war. More specifically, this article focuses on some economic and non-economic reasons of labour migration.

#### ***WAGE DIFFERENTIALS***

In most developing countries, there exists a high significant wage differential arising from growing urbanization thereby giving rise to 'economic inequalities'. An intended migrant worker will obviously juxtapose the expected earnings abroad vis-à-vis the associated relocation cost. Where the former is higher, the rationale to relocate becomes highly justified.

#### ***UNEMPLOYMENT***

Unemployment and displacement arising from a wrongly timed industrial revolutionary transformation scheme through embracing trade liberalization could cause rise to a massive concentration of displaced workers who in turn search for better opportunities elsewhere especially abroad where the system is more dynamic.

#### ***PURCHASING POWER PARITY***

A stimulated analysis in the workings with particular reference to the 'purchasing power parity' and the associated income differentials, makes relocation becomes apparent and the motives highly visible for workers in the developing countries.

#### ***WELFARE PACKAGES***

Welfare packages which are linked to the direct relationship between income and post-tax adjustment system have been motivating factor behind a massive pull in into the developing countries. In the developed countries, a worker is entitled to basic mortgage facility aside from

other ancillary benefits derivable from basic employment where such structure fail to exist in developing countries.

### ***LACK OF SOCIAL AMENITIES & INFRASTRUCTURES***

The non-availability of basic social amenities as well as infrastructures in the developing countries has been a high reason for labour force migration. The developing countries leaders' non attention to these provisions as a priority makes it rather disheartening. Whilst the cost of migration at times may create a challenge for the migrant in terms of migrant expenses, culturally realignment, learning a new language and adjusting to a new weather condition, the incentives derivable from expectations from an improved life condition, such as acquisition of better skills through education, exposure, training as well as better living standard may become dominating in the decision making.

### ***POOR PLANNING POLICIES & COLONIAL TIES***

The developing countries poor demographic policies and non-compliance with policy issue on planning, as well as often leads to exert pressure on the available scarce resources and thus causes great distortion in the efficient allocation of such resources. This pressure may often have been caused as fallout of wrong economic or political decision taken by former colonial masters of these developing countries. Mostly at times, the resultant effects leads to political conflicts, war and eventually poverty which forces both the skilled and unskilled labour force out of such countries in search of a place of rest.

### ***PROXIMITY & CHEAP TRANSPORTATION***

Cheap transportation and proximity in terms of geographic distance between countries often play a great factor in labour migration especially where the developed countries shares a border line with the developing countries.

### ***NATURAL DISASTER***

Natural disaster such as drought and famine could be recognized as another factor responsible for labour migration between developing countries and the developed countries. Poor scientific research depth makes it difficult for developing countries to make adequate preparation in terms of preventing or limiting the effects of future natural disasters and the aftermath effects which leaves the country with food shortages and majority of the population impoverished thereby 'pushing out' its citizenry for quest of survival.

### ***IMPACTS AT PLACE OF ORIGIN***

Foreign Employment brings economic benefits to families and the country, but it also causes certain social strains. The strain of labour migration has come with a significant cost affecting the women returnee migrants and women left behind. The separation of family members, estrangement in husband-wife relationships, disputes between family members for control over resources, tainting the image of the wife left behind, wrongfully accusing women returnee migrants of being involved in sex work, are some of the challenges families have to deal with. Women undergo the hardship of being apart without the assurance of being able to improve the quality of their life. In the absence of the men, wives take on additional responsibilities such as labour work, farming jobs otherwise performed by men, and selling products in the market. Women also have to carry the sole responsibility for children and the elderly. In the developing regions where they come from,

positive contributions of migration are reflected in remittance flows, transfer of investments, technology and critical skills through return migration and transnational communities (Diasporas). The information obtained from emigrants, indicate that push factors are quite responsible for emigration. Push factors exert pressure on them to leave the place of origin in search of opportunities. The Push factors lack of employment opportunities, they were virtually forced to move out of their village to find a job for various expenditures like daily goods, education, health etc. Increasing population also has exerted pressure on the limited resources and compels to look for other alternative income source. The pull factors that attract the emigrants are also responsible for emigration of people. This lack of economically active population restricts the progress of development and other works. Agricultural productivity has decreased in the village because of reduced quantity of manure. It indicates that increase in foreign employment helps improve the position of remittance.

### ***FOREIGN EMPLOYMENT FOR SOCIO-ECONOMIC DEVELOPMENT***

There is significant contribution of foreign employment on social changes. Foreign employment is not only the sources of remittance but also the transformation of skill and knowledge. Foreign employment can considerably change household's income and living standard of the people. Remittances make crucial contributions to national financial stability and also to household finances where more households receive remittance income. There has been significant contribution of remittances in the reduction of poverty and boosting economic development.

The increase in remittance results availability in foreign currency in the domestic market and raises national savings. The remittances play in attaining macro-economic stability in the country. Foreign employment and remittance are highly associated. Return migration presents another contribution of the migration process to development. Return migrants bring back financial and social capital, skills and know how. One important source of concern is the growing emigration of skilled persons from developing nations - the brain drain - which can have direct consequences for sustainable development in developing countries, especially the LDCs. At the same time there are many barriers to movement of low and semi-skilled persons, in which developing countries have a surplus, despite observed labour market demand for such workers in many receiving countries.

The migration of a family member brings additional income through remittances, which can support household consumption and investment. This income effect can reduce the need for child labor and increase children's schooling, notably for girls in developing countries. Remittances can improve families' sanitation, health care, and nutrition and fill in for missing formal health insurance in the short term. Remittances can enable remaining family members to engage in higher-risk, higher-return productive activities. Where most migrants are men, the bargaining power of women who stay behind may be strengthened.

The migration of an economically active family member places a heavier burden on those who stay behind, who must make up for the lost employment and spend more time on household chores. Disrupted family life can lead to poor diets and increased psychological problems. Migration may reduce incentives for education when perceived future returns to education are low because of expectations of migration. Migration can reduce labor force participation for family members left behind, especially for women

The proponents against labour migration has consistently argued that its negative contribution to a sending country far outstrip all perceived or anticipated benefits. A strong support of this

argument is that, labour migration constitutes a brain drain problem and loss of investment arising from funds invested in public infrastructures to give this apparent labour migrant basic education, income inequality, high unemployment for receiving countries labour and perceived slavery for migrants in receiving countries.

## CONCLUSIONS

Globally, foreigner labour migration is in increasing trends. There are various positive experiences of many migrant workers but a significant number face undue hardships and abuse in the form of low wages, poor working conditions, virtual absence of social protection, denial of freedom of association and workers' rights, discrimination and xenophobia, as well as social exclusion at working place or destination.

To understand the connection between labour migration and economic development it is necessary to look at the impact of labour migration on various aspects of economic development in different countries. Most of the works on economic development agree on the notion that the high level of human capital (and education) is one of the determinants of economic development. Usually, labour migration has a positive impact on human capital, because money remittances from labour migrants are spent on education of their household members, which raises the overall level of education in a country. A number of empirical studies show that money remittances have positive impact on education in migrant household as opposed to household without migrants (Hanson and Woodruff, 2003). Additional income from remittances can cover expenses on private education and help keep children from entering labour market early (Thieme, 2009).

Any labour migrants acquire higher skills that improve their productivity and human capital while working abroad. Returnees play an important role in the modernization of some enterprises, introducing new technologies and adopting new tools and skills. Finally to the developing countries, labour migration should be viewed more as a transformation process and must be understood as an opportunity than a challenge.

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