Differential Impact of Migration on Poverty and Wellbeing: Evidence based on Bangladesh data*

Raisul A. Mahmood City University, New York

Tasneem Siddiqui RMMRU, University of Dhaka

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Introduction

Despite its historic role as an escape route to poverty, hunger and starvation for millions of people moving across countries, regions and continents, until recently, there has been 'considerable ambivalence toward migration' viewed more as a menace to the destination areas "contributing to population growth, urban squalor, the breakdown of traditional family structures, crimes, diseases such as HIV/AIDS, land degradation and/rural poverty" (Black (2004). However, with migration now moving to the centre stage of development discussions and becoming an "integral part of the current global economy" and a "new development mantras" (Kapur, 2004), a positive link between migration and poverty alleviation is increasingly being recognized and "practical ways of integrating migrants into development process" is explored at policy circles.

A positive link between migration and poverty is triggered through the inflow and use of remittances received by the respective households. Estimates suggest that "a 10 per cent increase in the share of remittances in a country's GDP lead to a reduction of 1.6 per cent of people living in poverty" (Adams and Page, 2005). Similarly "poverty headcount and poverty gap indices would decline by 0.77 and 0.53 respectively with 10 per cent increase in international remittances" (Taylor et al., 2005). In Salvador, for instance, inflow of remittances has been found to "reduce the national poverty rate by 4.2 per cent ... reduced the Gini coefficient from 0.55 to 0.53 (Campos and Palomo, 2002). With the inclusion of international remittances in household income "squared poverty gap measure declined by 19.8 per cent" (Adams, 2004).

Central to an elevated thinking on migration and poverty is the role of migration in generating resources in the form of remittances. Remittance has been found to have a positive relationship with economic growth (Faini 2002, 2003), and "every dollar Mexican migrants send back home or bring back with them increases Mexico's GNP from anywhere between \$2.69 and \$3.17, depending on which household income group received the remittances" (Adelman and Taylor ,1990). Moreover, "for every \$2 billion in remittances that entered Mexico, production in the economy increased by over a \$6.5 billion" (Durand *et al.*1996). The more inflow of remittances the healthier is the recipient country. Furthermore, at times of economic distress, remittance is countercyclical to the extent that migrants are motivated by altruism and send money home. The stability of these resource inflows also opens up opportunities for developing countries to borrow at lower costs in international capital markets by securitizing future remittance flows (IMF, 2007).

In the Bangladesh context, studies have highlighted contributions of labour migration on reducing poverty and enhancing development at national level (Mahmood, 1995; Afsar, 2003; Siddiqui, 2003, 2012). Most recently, World Bank (2012) has conclusively drawn robust evidence that migration plays an important role in reducing poverty in Bangladesh. And migration and remittances have been found to be one of the three most important contributors to the miraculous growth rate experienced by Bangladesh during past decades – averaging more than 6% per annum. The other two sectors being ready-made garment and services sectors.

Three things are critical while tracing the impact on poverty of different types of migration: income earned at place of destination, tenure of migration, and use pattern of remittances. Income differential between before and after migration, besides justifying the motive behind migration, underlines the capacity to accumulate surplus to be remitted back home. Tenure of migration underlines the overall level of surplus that can be generated over the duration of migration. Because the higher income at destination – compared to previously, the greater the prospect of generating a surplus, and the longer the tenure of migration – other things given, the higher will be the overall level of remittances sent home. Finally, use pattern of remittances underscores nature of benefits derived out of remittances having bearing on household poverty and wellbeing – accumulation of assets, improving housing and living conditions, education and healthcare, etc. Each of these different types of use of remittances has varying implications for poverty alleviation – current or future. Impact of migration on poverty, therefore, can be direct and immediate, and indirect and multiplier effects of use of remittances.

What is missing from the existing literature, especially in the context of Bangladesh, however, is the differential role of different types of migration in alleviating poverty. What relative roles do different types of migration – internal, international and regional, play in reducing poverty? Is there any difference in the nature of impact that different types of migration have on the level and nature of poverty at the household level? Do different types of migration have varying implications for short-, medium- or long-term impact on poverty? The purpose of the current exercise is to find answers to some of these questions based on Bangladesh data, and highlight the respective implications for future policy planning.

The paper has been organized as follows. Section 2 highlights conceptual issues, data sources, and methodologies. Section 3 provides an overview of the socio-demographic characteristics of sample households. Sections 4 through 8 discuss impact of migration on major facets of poverty with different types of migration in view. The final section draws major conclusions of the exercise.

1. Concepts, data and methodology

Migration and type

From an individual household's perspective a migrant is "one who used to live in the household and left to go away from the village/town/city in the past 10 years, and with duration of absence, or intended absence, of at least 3 months" (Bilsborrow, 1984). The motives behind migration can be both economic – in search of a job, or a better job and non-economic – to attend school, marriage, joining family, etc. The focus of the present exercise is on three broad types of migration, internal, international and regional.

<u>Internal migrant</u>: Anyone who used to live in the household and left to go away in the past 10 years to another location within the country, and with a duration of absence, or intended absence, of at least 3 months (Bilsborrow, 1984).

<u>International migrant</u>: Anyone who used to live in the household and left to go away in the past 10 years, to another country and with a duration of absence, or intended absence, of at least 3 months.

<u>Regional migrant</u>: Anyone who used to live in the household and left to go away in the past 10 years to another country within the region and with a duration of absence or intended absence of at least 3 months.

Moreover, a migrant can be seen either as current or returned. While <u>current migrants</u> include all the above, a <u>return migrant</u> is an individual who has been away for at least 3 months over the past 10 years, and who has lived in his/her native place for the last 12 consecutive months. The use of 12 months would automatically exclude from the definition all seasonal migrants who tend to migrate every year for a limited number of months (Carletto and de Brauw, 2008).

Measures of poverty

The current study looks into poverty – as in relation to migration, from a multidimensional point of view rather than single dimensional. Four major poverty indicators used here include:

Income or head-count method

The most commonly used measure of poverty is that of income - percentage of households having a per capita monthly/annual income below the "poverty line". This is based on calorie and protein requirements of an individual said to vary between 1800 and 2200 calories. To this is added an additional 30% expenditure for various non-food items. Such an income underscores a normative requirement for food, clothing and other essential items valued at current prices. Poverty level income in the context of Bangladesh used in this report is US\$ 1.25 (Taka 100) per capita per month household income.

Living standard indicators of poverty

Given various limitations of income measures and to "understand and identify priority areas for remedial action", living standard indicators of poverty has been used. These include, in particular:

Water supply and sanitation: Access to safe water for alternative purposes; and access to sanitary toilets.

Housing: Type of house owned by a household distinguished by their nature, construction of material used, and number.

Access to prestige items: Ownership of a household of items which reflect its living standard, social standing, as also enable access to liquid asset at times of crisis.

Crisis, insecurity and coping capacity: Level and nature of vulnerability of a household and its members in terms of personal security, security of property and assets, ability to sustain current welfare level, and capacity to cope with such problems.

Human resource development

Human development has two major dimensions: <u>formation</u> of human capabilities – education, skills and training, health, and <u>utilization</u> of acquired capabilities for productive and gainful purposes. Its ultimate goal is to enlarge human choices – not just focusing on income; and human wellbeing is the purpose of development. Human development, moreover, underscores basic human rights - "promoting the freedom, well-being and dignity in all societies" (Human Development Report, different issues).

Gender relationship

Broadly, it is "a process of developing negotiating skills from the bottom up ... to redress unequal power relations and produce new development paradigms" (Mayoux , 2000). In the context of migration, however, gender relations relates to changing status of a woman within the family due to absence of spouse or husband. Migration can both empower - and disempower - women left behind; which are multidimensional as also interlinked.

Coping with vulnerability

Migration and remittances are associated with household consumption smoothing and reduction in vulnerability against unforeseen circumstances (Mosse *et al.* 2002). Remittances enable income stability insuring against such incidences as seasonality of income earning, income losses due to draught, flood or death of family livestock.

Two things are particularly critical here. First, migration enables a diversification of a household's portfolio – alternative sources of income; "migration is seen as a form of income and asset diversification by families, with families investing in migrants in families, and both expecting returns from that." (Stark,1991). It is the calculated risk that a family takes in order maximise income while at the same time insuring against any unforeseen circumstances.

Frequency of sending remittances play an important role in greater predictability of income and consumption smoothening. A flexible flow of remittances - both in terms of frequency as also volume, underlines its predictability. At times of family emergencies – natural calamities, migrants tend to send home more money to cope with immediate needs. Similarly, savings and assets accumulated out of remittances could also serve as a safety net for the family at time of any sudden short fall in income flows or an increase in household expenditures. When such an emergency arises, based on accumulated savings, households can overcome such a situation without "having to resort to selling livestock or other assets at times of drought" (Mohapatra *et al.* 2009).

Data Source and Methodology

Data Source

The empirical base of the study comes from a detailed household survey carried out in six administrative districts of Bangladesh conducted during the months August to October 2013. The sample districts include Barisal, Chapai Nawabgonj, Chittangong, Gaibandha, Satkhira and Tangail, These districts represent country's six administrative divisions — Chittagong, Rajshahi, Khulna, Dhaka, Barisal and Rangpur — covering all four corners of the country. The survey covered both migrant and non-migrant households. The latter group serves as the controlled group; enabling comparison of experience of migrant households vis-a-vis that of non-migrant households.

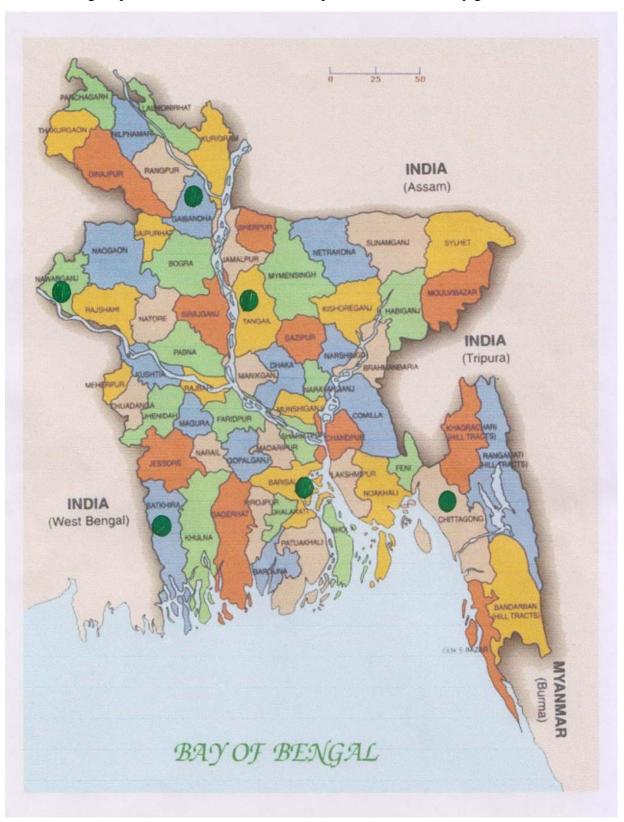
The survey interviewed a total of 1205 households, of which 905 were migrant households and 300 non-migrants. Each district contained on average 200 sample households – 150 migrants and 50 non-migrants.

Toward identification and final selection of sample households – both migrant and non-migrant – the study conducted a rapid screening survey (RSS) of households in each of the selected districts, therefore, Upazilla, Union and villages. The goal of RSS was to enlist a required type of households wherefrom to identify a select number of households for detailed interviewing. This was done separately for migrant and non-migrant households. RSS enlisted in total 3035 households in all 6 districts – of which 2132 were migrant families, and 903 non-migrants. The goal was to cover at least 300 migrant and 150 non-migrants households from each of the selected districts. Field level experiences account for any variations in actual number of households covered by RSS¹. The actual selection of the required number of samples was based on stratified random sampling techniques.

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¹ Field level experience – absence/present of select category of households, underline the varying number of samples for different category of migrants. This is particularly important with respect to inclusion of women migrants in the sample. In certain locations the presence of female migrants was very limited – for instance, in Tangail. Similar was the case with respect to regional migrant particularly female. Moreover, there were problems with willingness of available migrants to give interviews apprehensive of being identified one way or another.

The following map shows the location of the sample districts denoted by green circles.



Analytical framework linking migration with poverty

Three critical issues underline linkages between migration and poverty. These include (a) different types of migration, (b) impact of migration on the respective individuals, families, communities, and overall economy, and (c) different indicators of poverty. These different issues have varying implications for empirical verification of linkages between migration and poverty. The following schematic diagram highlights major issues linking migration with poverty.

Figure - 2.1 Schematic Diagram Showing Linkages between Migration and Poverty

Migration Types	Impact of Migration		Indicators of Poverty
Internal migration Regional migration Contract international migration	 Inflow of remittances Use of remittances Income, expenditure and savings Employment opportunity Education and training Health and hygiene Asset accumulation Housing and sanitation Debt repayment and savings Diversified of income sources Income smoothening Attitude and expectations Relationship among gender 	$\qquad \qquad $	 Absolute poverty – head-count Human development Women empowerment Coping with vulnerability

2. Socio-demographic characteristics of households

Three things are particularly in focus here: household socio-demographics, experience with migration, and economic background of households prior to migration.

Household socio-demographics

Table 3.1 lists basic socio-demographic characteristics of migrant households classified under its three different types – internal, international and regional. At the aggregate level migrant households represent poor level of education, smaller family size, and families comprising both nuclear joint families.

Table 3.1						
Household Socio-Demographics Characteristics and Migration Type						
Candan of harrachald hand		Type of migration		Total		
Gender of household head	Internal	International	Regional	Total		
	Gender of	household head		•		
Male	82%	78%	67%	80%		
Female	18%	22%	33%	20%		
	Age of	family head				
<=25	6%	5%	0%	5%		
26 - 45	41%	45%	28%	42%		
46 +	53%	50%	72%	53%		
	Type	of family				
Nuclear	42%	43%	31%	42%		
Joint	42%	37%	54%	40%		
Extended	14%	18%	20%	18%		
	Far	nily size				
<=5	64%	61%	83%	64%		
6 & above	33%	38%	21%	36%		
Highest education level in family						
5th level or less	49%	41%	70%	46%		
6th to 10th level	38%	48%	28%	43%		
Above S.S.C	13%	10%	4%	12%		
Number of households	448	421	36	905		

Looking across different types of migrant households, however, there is very little compatibility across different types of migrant households on almost all the issues identified. Two extreme situations are due to socio-demographic characteristics of regional and international migrant households. While international migrant households represent relatively higher level of education within the family the

opposite is true for the regional migrants. Family size is relative smaller for regional migrants which is much higher for international migrants. Similarly, regional migrant households represent more of joint family system as opposed to that for international migrant households. Not least, average age of family heads of regional migrant households is much higher than their counterparts in international migrant households.

Experience with migration

Migration experiences of different types of migrant households are quite varied across different characteristics. Alike socio-demographic characteristics, household migration experiences demonstrate diverse patterns across migration types. Female migrants are more prominent among regional migrants than in others. Age of migrants is relative younger for internal and regional migrants than in international. Regional migrants have the lowest education level -68% with 5^{th} or lower level of education, where as internal migrants have the highest education levels -25% of them have above S.S.C level education. The corresponding figure for regional migrants is hardly 2%.

Three things are, however, common across different types of migrants. Motives behind migration are quite similar across all three migration types. Quest for work or better work is the main motive for migration and its relative importance range between 97% for international migration and 70% for the regional. Education and training is an important factor among internal migrants but not in others. For the majority of migrants there is only one episode of migration. Higher stints of migration - 3 or more times so far, is prevalent more among internal migrants. Importantly, the role played by different societal groups in migration decision making vary across different types of migration. Migrant him/herself is the most important decision maker – their highest percentage figure is due to international migration and the least regional. Spouses played important roles in the decision making with respect to regional migration as compared to other migration types.

Table 3.2 Socio-demographic characteristics of migrants

Missest description		Migration type		T. 4.1
Migrant characteristics	Internal	International	Regional	Total
Gender:	-	1		
Male	78%	96%	56%	84%
Female	22%	4%	44%	16%
Age:				
<=25	52%	28%	47%	42%
26 - 40	39%	55%	43%	46%
40+	9%	17%	11%	12%
Highest level of education:				
5th level or less	28%	18%	68%	26%
6th to S.S.C	48%	68%	30%	65%
Above S.S.C	25%	15%	2%	19%
Duration of migration:				
<=3	58%	46%	66%	54%
4 - 8	24%	39%	24%	30%
8+	18%	15%	10%	16%
Frequency of migration:				
1	44%	59%	64%	51%
2 - 3	24%	33%	17%	27%
3+	33%	8%	21%	21%
Reason for migration:				
Job related/ work/ better work	86%	97%	70%	90%
Study/training	8%	1%	0%	5%
Others	6%	0%	31%	5%
Decision maker:				
Migrant self	90%	97%	59%	91%
Father	64%	60%	41%	61%
Mother	56%	51%	18%	52%
Spouse/Partner	12%	16%	29%	14%
Others	19%	30%	12%	24%
Total	616	500	66	1182

Economic condition prior to migration²

Most of the migrant households covered in the study – all its different types taken together, were experiencing chronic or occasional deficit at the time first member migrated from the household. This would include 73% of all migrant households. Added to this would be another 24% who would be living at the breakeven level – simply meeting their ends. Combined together, therefore, about 95% of the sample households were living at or near the poverty level prior to first household member moving away from the family (Table 3.3).

Economic situation of the non-migrant households – identified as the controlled group, was almost similar as their migrant counterparts at the same time when the migration process began from the households in the same neighborhood. Almost of 80% of them were in deficit - chronic or occasional. Only 2% of them identified themselves as was having a surplus. One fifth of them were at the breakeven level compared to about one fourth of migrants.

Table 3.3 Household economic condition prior to migration of migrant and non-migrant

Economic condition of household prior to migration	Migrant households	Non-migrant household
Chronic deficit	38%	44%
Occasional deficit	35%	34%
Breakeven	24%	20%
Surplus	4%	2%
Total	905	300

households to appraise their economic situation based on this method rather going through other alternatives.

²Toward appraising economic situation of the respective households at the time first household member migrated – rather than using measures such as income, ownership of assets or household living conditions - four different economic situations were identified as being reflective of households' economic situation. These include chronic deficit – falling short of meeting current needs on a perpetual basis, occasional deficit – experiencing periods of shortfalls in resource flows compared to household needs, breakeven – meeting current needs just, and surplus – meeting current household needs plus having some surpluses. It was deemed convenient on the part of sample

4. Income poverty

Based on poverty level income of US\$1.25 per capita per day – equivalent to Taka 100 per capita per day, and compared to household per capita income – aggregating over income from all various sources including remittances of members away from the household, poverty rate is defined as percentage of households having per capita household income below the poverty level income. On a monthly basis, the poverty level per capita household income comes to Taka 3,000 (US\$30 @ of Taka 80 per US\$). Moreover, depth of poverty is defined as percentage of households having per capita income below certain percentage points below the poverty level income –say, 25% or 50% below the poverty level income. Conversely, better economic situation is defined as percentage deviation of household per capita income above the poverty level – say, 25% or 50% above the poverty level income. Table 4.1 distributes migrant households according to their per capita monthly household income. Distinctions are made between the three different migrant types as also between migrant and non migrant households.

At the aggregate level – all different types of migrants taken together, poverty rate is significantly lower among migrant households as compared to the non-migrants. Poverty rate among migrant households has been estimated at 39% as compared to 68% for non-migrants. Across types of migration types, poverty rate varies significantly. Lowest poverty rate is due to international migrant households estimated at 20%; for internal migrants it is 53%. However, the poverty rate among regional migrant households is quite high even compared to the non-migrant households. Their respective poverty rates are 72% and 68%. On the whole, migration has positive impact on declining poverty rate, though such experiences are quite varied across different types of migration and not true for regional migrants.

Looking into the depth of poverty – severity of poverty, the experiences of migrant and non-migrants are different, as also across different migration types. Migration redeems the severity of poverty if not eliminating it completely. For instance, 43% of the non-migrant households have per capita household income 50% below the poverty level – less than or equal to Taka 1,500 per capita per month. The same figure for migrant households is 19%. Similarly, the proportion migrant households having per capita monthly income between 50% and 75% of poverty level income (Taka 1,501 to Taka 2,250) is 11% as compared to 17% for non-migrants. The depth of poverty is much lower among international migrants as compared to other types of migrants. However, it is relatively higher among internal migrants as compared to regional migrants except for those below 50% of poverty level.

Table 4.1							
Poverty incidence among migrant and non-migrants							
Dom comits household monthly		Migration type		Migrant	Non micront		
Per capita household monthly income group (in taka)	Internal Migrant	International Migrant	Regional Migrant	Migrant households	Non- migrant households		
<= 1500	25%	9%	50%	19%	43%		
1501 - 2250	15%	6%	11%	11%	17%		
2251 - 2999	13%	5%	11%	9%	8%		
(< 3,000)	(53%)	(20%)	(72%)	(39%)	(68%)		
3000 - 3600	9%	5%	0%	7%	7%		
3601 - 4200	7%	5%	6%	6%	5%		
4201 - 4500	3%	4%	0%	3%	1%		
4501 +	28%	67%	22%	46%	18%		
Number of households	448	421	36	905	300		

The positive impact of migration on poverty is quite noticeable when it comes to elevating household per capita income above the poverty level. Notably, 46% of migrant households have income 50% above the poverty income. The same figure for non-migrants is 18%. The observation is particularly important for international migrant households where 67% of the households have per capita family income above the poverty level. Interestingly, the situation of regional migrants in this respect is much more significant compared to internal migrants – 46% as compared to 28% for internal migrants. Implication of this is migration not only improves the poverty situation of the respective households it takes their household income to much higher level. Migration elevates poverty situation of the respective households, more so it increases their income level to much higher level, possibly, improving prospects of generating a surplus to cushion against any unforeseen circumstances moving forward.

The observed positive impact of migration on poverty is underlined by various factors some of which stifle it while others strengthen it further. These include, in particular, (a) duration of migration, (b) number of migrants in the household, (c) family size, (d) education of family head, and (e) decision making within the family.

An inverse relationship exists between the length of migration and incidence of poverty within the respective household. At the aggregate level, the proportion of households at or below the poverty level

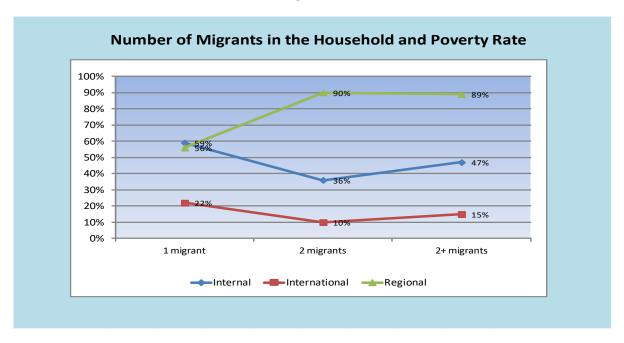
per capita income is 37% for those with 5 or less years of experience with migration. The respective figure for those with 10 and more years of migration is 33%. The relationship is more evident looking across different types of migration not unidirection though. For instance, for regional migrant households on one extreme, incidence of poverty increases with a greater duration of migration. For both internal and international migrant households, on the other hand, the poverty rate decreases with a greater duration of migration more so when the duration is much longer. In the case of international migrant households, for instance, poverty rate is 32% for those with less than 10 years of migration as compared to 15% for 10+ years of migration. The respective figures for internal migration are 52% and 45%.

Duration of migration, Household Poverty and Type of Migration 120% 100% 100% 80% 77% 60% 45% 40% 20% 16% 15% 0% 0 - 5 Years 6-9 Years 10+ Years International Regional

Figure 4.1

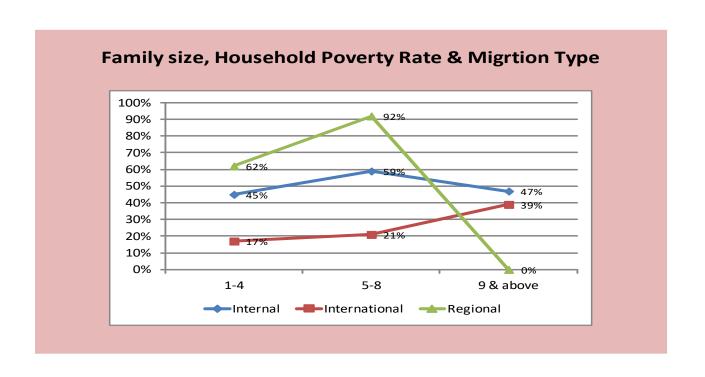
The relationship between household level of poverty and the number of migrants in the family is not monotonic. It is positive up to a certain number of migrants and becomes negative beyond that level. For all migrants taken together, poverty rate for households with only one migrant is 40%. It goes down to 31% with an addition in the number of migrants. But as the number goes up further the poverty rate goes up to 45% rather than declining. The observed relationship would seem to be true across both internal and international migration. In both cases poverty rate declines with an addition to the family size beginning at one, but beyond family size of two the relationship reverses. Regional migrants demonstrate no such relationship whatsoever (Figure 4.2).

Figure 4.2

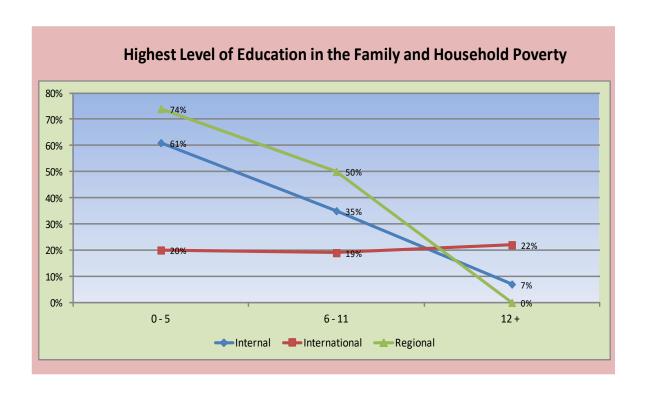


The incidence of household poverty tends to be negatively related with family size irrespective of the type of migration. At the aggregate level, for instance, poverty increases from 34% - for a family size of 4 or less, to 41 – family size of 5 to 8, going up further to 49% with a family size of 9+. Across different types of migration, however, there are variations in relations between poverty rate and family. It is positive with respect to international migration. For both internal and regional migration it first increases than tapers off. This is particularly important with respect to regional migrants (Figure 4.3).

Figure 4.3

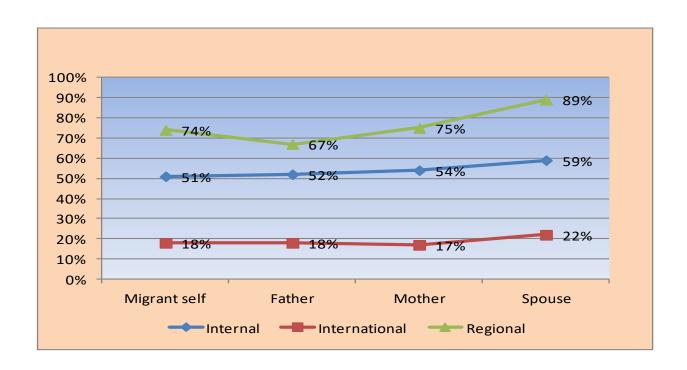


Education of family head has a positive bearing on the incidence of poverty within the respective family; higher the level of education the lower is household poverty rate. For instance, the poverty rate is 44% for households where family heads have 5 or less years of education. The rate goes down to 27% with education of household head going up to 6-12 years of schooling. Across different types of migration, however, international migration demonstrates little relationship between incidence of poverty and education of family head. The poverty rate remains almost stable across different education level of respective family heads (Figure 4.4).



Finally, some relationship would seem to exist between decision making within the family and incidence of poverty. Poverty rate seems to be lowest among households where the migrant him/herself play a major role in family decision making. Most similar is also the case where migrants' father play important decision making role. This is particularly important with respect to international migrant households. With respect to other migration types, however, select decision makers demonstrate some relationship between rate of poverty and decision making within the family (Figure 4.5).

Figure 4.5
Household Decision Maker, Incidence of Poverty and Migration Type



5. Household wellbeing

Besides improvement in household income flows – uplifting it toward and beyond poverty level income, as discussed in the previous section, further contributions of migration and remittances toward poverty is through acquisition of assets such as land, accumulation of savings, insurance against loss of life and property, and redeeming of family debts. Improvement in the situation of a household in these regards not only adds to family resources in one way another, no less important, also serves as safety nets at times of household economic downturn. Should there be a need the household can liquidate some its assets and bridge over any shortfalls income flows. This section looks into the experiences of sample migrant households in terms of their resource acquisitions following migration. Major focus here is on relative experiences of different types of migrant households in acquisitions which may be accounted by migration. Discussed here are savings, household debts, and insurance.

Household savings and debt

Households' savings capacity is positively affected by migration and it gets stronger over time. There are, however, variations in such capacities across different types of migration. Average savings of international migrant households are significantly higher than other type of migrant households. Their average current savings is Taka 56,000 as compared to Taka 9,000 for internal migrants and Taka 3,000 for regional migrants.

Average household savings of migrant households, moreover, has been increasing over time. Once again highest absolute change is due to international migrant households – from Taka 19,000 five years back going up to Taka 56,000 currently. Internal migrant households, however, have the highest relative change over the last five years (Table 5.1).

Table 5.1
Average savings of migrant and non-migrant households – current and past (in Taka)

Household savings and debt	Internal	International	Regional
Savings:			
Current saving	8,556	55,880	3,077
5 years back	1,498	18,896	-
10 years back	133	3,651	-
Debts:			
Current debt	29,666	99,325	17,200
5 years back	16,263	52,231	1,538
10 years back	5,242	7,048	
Number of households	615	499	66

Note: The average is based on total number of sample households less few extreme cases.

Whilst household savings improved over time, the debt situation of the respective households' deteriorated. The situation is particularly severe for international migrant households. Their average outstanding debt is Taka 99,000, double that of non-migrants. Regional migrant households have the lowest average current debt estimated at Taka 17,000. Debt situation of migrant households deteriorated over time. Compared to 5 years back, migrant households' average debt increased from Taka 31,000 to Taka 63,000. The worst situation, in relative terms, is due to regional migrants whose average debt increased by about 8 times as compared to less than double for the other two migrant categories. In absolute terms, though, the highest increase has been due to international migrant households.

Ownership of physical assets

Migration enabled acquisition by the respective families of different types of physical assets. Relative successes in this respect vary across different types of migrant households. Major areas of differences are acquisition of agricultural land, ownership of homestead land in village and in urban areas. International migrant household experienced positive changes most. With respect to agricultural land, for instance, 58% of the international migrant households acquired some land. The corresponding figure for internal migrant households is 48%; regional migrants experienced the least – 14%. Similarly, 100% international migrant households owned homestead land as opposed to 93% for internal migrants and 94% for the regional. Internal migrant households on the other hand demonstrate slightly better performance in acquisition of homestead land in urban areas - 4%, as opposed to 2% for international households. Regarding ownership of commercial land relative successes of both internal and international migrant households are the same – 5%. Success of the regional migrants in these respects is nil (Table 5.2).

Table 5.2
Ownership of Physical Assets by migration type (in % terms)

Ownership physical assets				
	Internal	International	Regional	Non-migrant
Home	92%	96%	92%	94%
Homestead land	93%	100%	94%	95%
Agricultural land	48%	58%	14%	51%
Homestead land in urban areas	4%	2%	0%	2%
Commercial land	5%	5%	0%	5%
Number of cases	448	421	36	300

Quality of housing

Successes of migrant households with regard to quality of housing vary across different types of migrant households. Once again, international migrant households experienced the most. A higher percentage of them have bigger houses; numbers of rooms in their houses are higher, and houses are well built as based on materials used for construction of roof, floor, and wall. They are followed by internal migrants. In certain respects, however, experience of the regional migrants is better than internal migrants. For instance, about one third of regional migrants have walls of their houses made of brick or concrete as compared to only one fifth for internal migrant households. Their success is relatively higher than that of international migrants with regard to roof made of concrete cement – 22% as opposed to 15% for international migrants (Table 5.3).

Table 5.3
Quality of Housing by Migration Type

	Migration type			Non-
Elements of housing quality	Internal	International	Regional	migrants
Size of House (in square feet):				
751 - 1000	4%	7%	6%	5%
1001 +	2%	3%	0%	3%
Number of rooms in the house:				
4 +	20%	23%	8%	14%
Wall material:				
Brick/concrete	21%	41%	31%	24%
Roof Material:				
Galvanized iron/corrugated tin	87%	70%	14%	80%
Concrete cement	6%	15%	22%	4%
Floor material:				
Cement layout and earth surface	4%	10%	6%	3%
Cemented	17%	30%	14%	16%
Total	448	421	36	300

Availability of household amenities

Availability of different types of household amenities varies across different types of migrant households. Alike others, in this respect also international migrant households have the greatest success. In all different areas their success is among the highest particularly with respect to availability in the house of electricity and flush toilet. Internal migrants follow international migrants. However, in some respects, such as flush toilet, regional migrant lead internal migrants preceded by international migrant household though (Table 5.4).

Table 5.4
Availability of Household Amenities by Migration Type

Household amenities		Migration type			
Trousenoid unionities	Internal	International	Regional	- migrant	
Source of drinking water:					
Piped into dwelling	0%	1%	0%	1%	
Tube well in dwelling	98%	99%	100%	99%	
Availability of Electricity:	67%	82%	19%	62%	
Fuel used for cooking:					
Gas	1%	2%	0%	0%	
Firewood	89%	91%	89%	88%	
Type of toilet facility:					
Flush toilet/septic tank	9%	21%	11%	11%	
Total	448	421	36	300	

6. Household perception

Numerical evidence of positive changes experienced by migrant households such as income, accumulation of assets, housing and living conditions, do not always provide an exhaustive account of all positive changes. Because not all household changes are always susceptible to empirical verifications. These include, for instance, individual feelings, sentiments, empowerment, safety, security, freedom, confidence, enfranchisement, etc. Not being tenable to numerical measures, however, does not in any way demean their importance in underscoring positive changes experienced by individual households. They rather emerge at times as more important than elements susceptible to empirical verifications. What are

the perception of individual households about various changes experienced as associated with migration and having implications for poverty and wellbeing? And how such perceptions vary across different types of migrant households? Table 6.1 lists household perceptions about some of the issues not susceptible to empirical validation. These include overall quality of life currently experienced by the household, living conditions, financial situation, greater access to land, and improvement in quality of life of women in the household.

Asked to appraise the respective households' current situation on a number of issues – having bearing on poverty and wellbeing – vis-à-vis such situations prevailing, say, five years back, their answers are summarized in Table 6.1. Five different options given to a household include much easier, easier, neither easier nor harder, harder, and much harder. Issues covered are listed in the table which includes both migrant and non-migrant households. On the issues listed in the table, a high percentage of migrant households perceived their current situation better or much better, and the difference between migrant and non-migrant households are positively significant. For instance, 43% of migrant households perceived their current financial situation adequate or more as compared to 30% among non-migrants.

Table 6.1 Household perception about changes experienced due to migration

		Migration type			
Issues having bearing on poverty and wellbeing	Internal	International	Regional	All migrants	Non migrant households
Quality of life:					
Much easier or easier	62%	71%	48%	66%	51%
Household living conditions:					
Better or much better	44%	64%	31%	52%	39%
Financial situation:					
Adequate or more	38%	50%	34%	43%	30%
Access to more land:					
Yes	14%	33%	17%	23%	14.7
Household daily life					
Easier or much easier	55%	63%	22%	57%	
Overall daily life:					
Easier or much easier	45%	48%	14%	46%	
Total	448	421	36	905	300

Significant variations, however, exist across different types of migrant households with regard perceived current situation compared with previously. With regard to the overall quality of life, for instance, 71% of the international migrant households perceived their life as being much easier or easier. The respective

figures for internal migrant households is 62%, and for regional migrants 48%. In most of the issues identified in the table the perceived current situation of international migrant households is better compared to internal migrants, which is better than regional migrants. Access to more land is the only exception where the perceived current situation of regional migrant household is better than internal migrants. The observation is quite consistent with much of the earlier observations.

7. Human development

Education and training

Noted earlier, one of the major reasons behind migration is pursuing education and training; people move from rural areas to the areas to attend schools and colleges, as also moving from one city to another. International migration also includes those going abroad for education and training. Based on table 7.1, the highest proportion of migrants receiving education and training during the process of migration is due to internal migration which comes to about 30%. This is followed by regional migrants – 25%. This is based on the experiences of returned migrants. In terms of the highest level of education and training received some 29% of the internal migrants received some kind of training certificates. The corresponding number for international migrants is 9%. International migrant, in contrast, received diploma during their stay abroad.³

Table 7.1 Highest level of qualification received during migration by migration type

Education on qualification received		Migration type			
Education or qualification received	Internal	International	Regional	Total	
Received education and training	29%	16%	25%	20%	
Highest level of education received:					
Primary	0%	1%	0%	1%	
Diploma	0%	1%	0%	1%	
Training certificate	29%	9%	0%	14%	
Other	0%	5%	25%	5%	
Total	35	82	8	125	

Changes in Gender Relationship

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³ Notably, many of the current internal migrants pursue education and training in urban areas but not included in these figures. This would otherwise have increased the role of migration – especially internal migration, in advancing human resource development of the respective households which is not so important for the other types of migration.

At the aggregate level, women play important decision making roles in the household. They include, in particular, spouse of the migrant, migrants mother, and mother-in-law. Their highest relative role is played by spouse – in 16% of the households, followed by mother – in 10% households. Looking across different types of migrant households, however, their relative role varies significantly. The relative role of the spouse is the highest in the case international migrant households – in 18% cases they are the main decision maker, followed by internal migrant households -14%. On the other hand, mothers play important decision making role in regional migrant households not so in other types of migration. Not so significant but notable, mother-in-laws is a major decision maker in regional migrant households (Table 7.2).

Table 7.2

Main decision maker for use of household income by migration type

Main decision maker		Total		
Wall decision maker	Internal	International	Regional	Total
Migrant Self	21%	29%	14%	24%
Spouse	14%	18%	8%	16%
Son	0%	1%	0%	0%
Father	53%	40%	36%	47%
Mother	9%	8%	39%	10%
Brother	3%	4%	0%	3%
Father-in-Law	0%	1%	0%	0%
Mother-in-law	1%	0%	3%	0%
Total	448	421	36	905

Coping with vulnerability

Household income diversification underscores respective coping capacity. The nature of such income diversification, however, varies across different types of migrant households. Relative dependence on different income sources differ significantly across migrant households. For instance, international migrant household depend relatively less on wage and salary – received by 16% of households, as compared to internal migrants – 25%, or regional migrants – 20%. Similarly, regional migrant households depend least on agricultural income – only 9% receive such an income, as also their dependence of remittances. In contrast, international migrant households depend most on migrant remittances – 69%, as also is the case with internal migrant households – 63% (Table 7.3).

Table 7.3
Household Income Sources by Migration Type

Income source	Migration type				Non-
	Internal	International	Regional	All migrants	migrants
Wage and salary	25%	16%	20%	22%	52%
Self employment	4%	6%	3%	5%	11%
Agriculture	32%	41%	9%	36%	51%
Trade & business	8%	11%	3%	9%	22%
Rent	0%	2%	0%	1%	1%
Government benefits	6%	3%	3%	4%	5%
Payments/benefits from religious/charity/NGO	0%	0%	0%	0%	0%
Money received as remittances	63%	69%	32%	64%	N/A
Fisheries	2%	3%	2%	2%	6%
Livestock/Poultry	9%	19%	6%	14%	26%
Other	1%	1%	0%	1%	2%
Total	616	500	66	1182	300

Note: Since based on multiple choices the sum of percentage figures should not add up to 100.

Household coping is further underlined by accumulated savings of migrant households; the higher the level of savings the better is the prospects of cushioning any unforeseen circumstances. However, accumulated savings of migrants vary significantly across different types of migration. International migrant households have highest average current level of savings – Taka 56,000, and the least is due to regional migrants. This would underline the capacity of a household to face any unforeseen circumstances (Table 7.4).

Table 7.4
Average savings of migrant households – current and past

	Т	Type of migration	A 11	Non-	
Time periods	Internal	International	Regional	All migrants	migrant
	internar internationar		Regional		households
Current saving	28,022	55,768	3,030	38,364	14,619
Savings 5 years back	2,316	18,858	-	9,184	1,864
Savings 10 years back	539	3,644	-	1,822	100
Number of households	616	500	300	1182	300

With respect to frequency of receiving income – which underscore the coping capacity of a household, highest percentage of internal migrant households receive their family income on a monthly basis. The

same figure for regional migrant households is 24%. They receive their income every couple of months or once every six month. International migrant households – besides receiving income on a monthly basis or every couple of months – have the extra advantage of calling upon migrants abroad should there be an emergency or need for extra money. For other types of migrants, such special provision hardly exist (Table 7.5).

Table 7.5 Frequency of receiving of income of migrant and non-migrant households

Frequency of receiving income	Migration type			Total	Non
	Internal	International	Regional	Total	migrant
Weekly	7%	10%	8%	6%	14%
Fortnightly	2%	2%	0%	0%	3%
Monthly	86%	77%	24%	18%	78%
Every couple of months	16%	42%	33%	26%	19%
Every three months	3%	8%	2%	2%	5%
Every six months	9%	16%	18%	14%	18%
Every year	22%	24%	0%	0%	30%
Only on special occasions or emergencies	3%	1%	0%	0%	-
Only if household requests money	0%	1%	0%	0%	3%
Other	1%	0%	16%	12%	6%
Total	616	500	51	66	300

Summary of major findings

Based on the experience of 905 migrant and 300 non-migrant households, migration has been found to have a positive impact on the rate and level of poverty. Poverty rate among migrant households has been estimated at 39% as compared to 68% for non-migrants. Compared to their economic situation prior to migration – where more than 70% of the households lived on the margin, their current situation improved significantly. There are, however, differences across different types of migration in affecting poverty. Among international migrant households poverty rate is estimated at 20%; for internal migrants it 53%. For regional migrant households poverty rate changed very little via-a-vis non-migrant households. When unable to alleviate it fully, migration is associated with a declining depth of poverty among migrant households. Because the proportion of households at different depth of poverty – percentage deviation below the poverty line, is lower among migrant households as compared to their non-migrant counterparts.

Different types of migrant households experienced positive changes in terms of ownership of physical assets. Variations across different types of migrant households, however, are low. Performance of international households is better than internal or regional migrants - particularly with respect to acquisition of agricultural land. Internal migrant households have demonstrated a better success rate in terms of purchase of homestead land in urban areas.

While migration contributes to better housing, variations exist across different types of households in terms of the quality of the houses they owned. Once again, international migrant households experienced the most. A higher percentage of them have bigger houses; numbers of rooms in their houses are higher, and houses are well built as based on materials used for construction of roof, floor, and wall. Similarly, household amenities are also better among international migrant households. One particular area of their success is having electricity in the house not so common among other types of households.

Household perception with regard to their current social and economic life compared to prior to migration has been found to be positive as also compared to non-migrant households. Such perceptions vary across different types of migrants. A large majority of international migrant households -73%, perceived their overall quality of life better than previously, the respective figure for internal and regional migrants are 62% and 48% respectively. Their perception is better in all major issues as compared to internal or regional migrants.

Migration is related to greater decision making role for women in the respective households which vary across different types of migrant households. The highest relative role is played by the spouse – in 16% of the households, followed by mother – in 10% households. The role of spouse is the highest in case of international migrant households, followed by internal migrant. Mothers, on the other hand, play important role in regional migrant households. In these households, moreover, mother-in-law play important role in decision making not so common among other types of migrant households.

A positive relationship between migration and household coping capacity is underlined by diversification of income sources, accumulation of savings and frequency of receiving remittances. Varying experiences of different types of migrant households underscores relative successes in this regard. Given reliance on remittances and regularity of its flows, including capacity to accumulate savings, household coping capacity would be better for international migrants than other types of migrants. Regularity of remittances of internal migrants – received every month, also contribute to coping capacity of internal migrants.

Conclusions:

Migration positively affects household poverty and wellbeing

Based on the experiences of 905 migrant households located across Bangladesh, and compared to similar experiences of 300 non-migrant households serving as controlled groups, migrant households have been found to have lower rate poverty. Whether measured in terms of income, housing and living conditions, coping with vulnerabilities, or individual perception, the findings of the study point to an inverse relationship between migration and declining rate of poverty amongst the respective households. And in cases where migration could not alleviate poverty fully, it, however, redeemed the depth of poverty of the respective households. Rather than alleviating poverty completely it demeaned the depth of poverty of the respective households.

Differential impact on poverty of alternate type of migration

While certain aspects are common across different types of migration – job opportunities, income sources and remittances, use of remittances, change in attitude and expectations, however, given their level and relative importance across different types of migration, migration shall have varying impact on poverty and well-being of the respective households.

Two important elements here are level of income and remittances, and tenure of migration. Given that the link between migration and poverty is direct and immediate, the higher the level of income at destination place, therefore, remittances associated with migration the greater shall be the impact on poverty. On this count, international migration may have much higher contributions to poverty reductions as compared to either internal or cross-border migration. Such contributions transpires further into indirect and trickle down effects on poverty.

Secondly, tenure of migration is an important aspect of poverty reduction as associated with it. Contract migration for certain period of time – say, 3 to 5 years, ensures income and remittances for the said periods, therefore, positive impact on poverty. Once the contract has been completed, and the migrants return home, the link between migration and poverty will no longer be there – especially the direct and immediate ones. In this respect, continuous internal migration may bring more stability in poverty reduction as compared to short-term contract migration.

Certain intervening factors may either strengthen the link between migration and poverty – higher level of education in the family, smaller family size, others can stifle it further – large family size, low level of education, etc. Location of the respective households in terms of availability of basic social infrastructures could also strengthen the link between migration and poverty as also proper decision making in the family.

<u>Comprehensive definition of poverty will significantly underscore level and depth of poverty associated with migration</u>

Income measures of poverty - percentage of households below a certain level of income — headcount method, underestimate the contributions of migration on poverty. Besides problems deciding the threshold level poverty income — differently mentioned as US\$ 1 or 1.25 per capita per day, it fails to take into account various aspects of households' socio-economic well-being. To duly appreciate the fuller implications of migration on poverty it is important to take a comprehensive view of households' income and well-being, both current and future.

Such a view of poverty shall take into account monetary and non-monetary aspects of a household – income level, human development, living conditions, acquisition of assets, and, no less important, also take into account individual and household perception about the changes experienced as associated with migration.

<u>Proper management of migration flows would underline realizing various latent opportunities toward</u> poverty reduction

Given its different types – internal, international and cross-border, and relative contributions toward poverty reduction – direct and immediate and indirect and trickle down, and geographic origin of migrants – concentration of migrants in different parts of the country, and varying contributions toward poverty reduction, proper management of migration flows could help realize its various latent opportunities for poverty reductions. For instance, selectivity of migrants – whether internal or international, from poverty prone geographic areas could contribute positively toward poverty reduction in the respective source areas.

Similarly, greater mobility of internal migrants towards alternate growth centers across the country could ease the migration process while reducing the cost of migration and increasing the level. Besides understanding various of dimensions of migration – source, level, composition, motives, impact, proper management of migration flows will require, distribution of growth centers across major poverty ridden geographic areas, better dissemination of information of labour market developments, and development of social infrastructures in terms of housing and transportation in the respective growth centers.

With regard to managing international migration with a focus on poverty reduction would require enabling a greater participation in migration process of people from poverty prone geographical areas either based on some kind special provisions for such areas in migration selection process or providing supporting services for such people. This could be realized by way of reducing the cost of migration through institutional loan facilities, and strengthening of social-network systems.

No less important would be facilitating development of various social-infrastructures in areas of concentration of international migrants – development of road communication, availability of electricity, presence of financial institutions and development of market places. The underlying goal would be to encourage migrant households to invest in trade and business in close proximity of houses, development of small and cottage industries befitting migrants' skill and occupational background so that employment opportunities are generated for non-migrant households as well as returned migrants. If realized it would greatly enhance income opportunities in the locality, thus demeaning existing poverty situation further.

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