

CHAPTER V

**INTERNATIONAL MIGRATION AND DEVELOPMENT:
OPPORTUNITIES AND CHALLENGES FOR
POVERTY REDUCTION**

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**RECENT TRENDS
IN INTERNATIONAL LABOUR MIGRATION**

International labour migration from and within the ESCAP region has expanded rapidly during the past two or three decades, propelled by (a) widening disparities in the level of economic development between countries of origin and countries of destination, (b) demographic changes leading to low rates of growth of the working age population in countries of destination but high rates in countries of origin, and (c) the emergence of governmental and private agencies dedicated to the international deployment of migrant workers.

International labour migration has become a significant element in economic growth in both origin and destination economies in the region. In some occupations, a regional labour market is evolving. Social issues are emerging because of the millions of international migrants working outside their home countries. The scope of international labour migration requires more thorough planning at the national level and among countries at the regional and subregional level.

Deployment of international migrant workers increased markedly during the 1990s. Official deployments from the major countries of origin equalled 1 million

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workers in 1990, 1.8 million in 1994 and about 2.4 million by the end of the decade (see table V.1). The actual number of migrant workers going abroad is greater than these numbers suggest because many migrate from other countries in the region and because an unknown number of persons migrate for work without registering with their national authorities. These data also do not incorporate the significant, but largely unrecorded, population movements across land borders, such as between India and Nepal, from Bangladesh to Assam in India, or between China and the Russian Federation.

Skeldon (2001) estimates that international migration from China equals 300,000 to 400,000 persons per year, including contract workers, emigrant settlers, students and unauthorized workers. About 100,000 of those legally migrate each year to Australia, Canada and the United States of America.

Bangladesh, Pakistan, Sri Lanka and Thailand routinely deploy 100,000 to 200,000 migrant workers per year. Annual deployments from India and Indonesia are approximately 400,000 and those from the Philippines have surpassed 800,000 (see table V.1). While deployments from South Asia go mostly to the Middle East, those from South-East Asia go increasingly to East Asia and to other countries within South-East Asia. The most recent data indicate that about 75 per cent of the workers from Bangladesh migrated to the Middle East, while over 90 per cent of those from India, over 95 per cent of those from Pakistan and about 85 per cent of those from Sri Lanka did so (Asis, 2002, p. 7).

Refugees constitute a significant share of international population movements within South Asia. At the end of 1999, there were 1.3 million persons from Afghanistan in the Islamic Republic of Iran and 1.2 million in Pakistan (Asis, 2002, p. 7).

During the five-year period from 1994 to 1998, Indonesia deployed 1.46 million workers and the proportion of those deployed within South-East Asia equalled 38 per cent (Firdausy, 2001, pp. 218-219). This percentage understates the share of Indonesians migrating within South-East Asia because it reflects only official deployments. One half to two thirds of the 450,000 migrants in an irregular status in Peninsular Malaysia (see table V.2) are Indonesians.

In 1990 when 335,000 land-based workers were deployed from the Philippines, 65 per cent of them went to the Middle East and 27 per cent went to Asia (including South-East Asia). (For the purposes of this paper, the Middle East is treated as distinct from the rest of Asia.) By 1998 when 486,000 land-based

Table V.1. Number of migrant workers deployed from selected Asian countries in 1990, 1994 and 2000

Country	1990	1994	2000
Bangladesh	103 814	186 903	230 765 ^a
India	141 816	425 385	416 424 ^a
Indonesia	86 264	141 287	376 000
Pakistan	113 781	114 019	153 929 ^a
Philippines:			
Land-based	334 883	517 662	643 300
Seafarers	111 212	154 376	198 300
Sri Lanka	42 624	130 027	149 843 ^a
Thailand	63 024	169 764	210 000
Viet Nam	..	..	31 400 ^b
Total	997 418	1 839 423	2 409 961

Sources: Maruja M. B. Asis, *International Migration: An Emerging Opportunity for Socio-economic Development of the ESCAP Region*, Social Policy Paper No. 6, (United Nations publication, Sales No.E.02.II.F.40), table V.3.

Graziano Battistella, "Migration 2000 in Asia: A year in review", *Asian Migrant*, vol. 14, No. 1 (January-March 2001), pp. 5-20.

Jerrold W. Hugué, "Data on international migration in Asia: 1990-1994", *Asian and Pacific Migration Journal*, vol. 4, No. 4 (1995), pp. 519-529.

Migration News, vol. 8, No. 2 (February 2001).

^a 1997.

^b 1999.

Note: Two dots (..) indicate that data are not available or are not separately reported.

workers were deployed, 47 per cent went to the Middle East and 46 per cent went to Asia (Tan, 2001, p. 84).

In 1999 Thailand deployed 202,416 workers to other countries. Of those, 9 per cent went to the Middle East; 25 per cent went to Brunei Darussalam, Malaysia and Singapore; and 64 per cent went to other economies in Asia. In fact, 57 per cent went to the single destination of Taiwan Province of China (Soonthorndhada, 2001, p. 102).

The importance of international labour migration for countries in the region is apparent from table V.2. In the year 2000, some 5.5 million foreigners were living in the main areas of destination in East and South-East Asia. A high percentage of these were working in the host country. About 3.5 million (over 60 per cent) of the foreigners were registered with authorities in the country of destination. Close to another 2 million international labour migrants were in an irregular status, i.e.,

Table V.2. Number of foreign workers in selected countries and areas, by status, 2000

Country or area	Total	Regular status	Irregular status	Foreigners as percentage of total population	Foreign workers as percentage of labour force
Brunei Darussalam	50 000	50 000	..	15.0	36.0
Hong Kong, China	280 000	280 000	..	4.0	7.0
Japan ^a	670 000	418 000	252 000	0.5	1.0
Malaysia: ^b					
Peninsular	1 150 000	700 000	450 000	6.0	15.0
Sabah	650 000	500 000	150 000	25.0	62.0
Sarawak	55 000	55 000	..	3.0	6.0
Republic of Korea	267 600	95 100	172 500	0.7	1.5
Singapore	530 000	530 000	..	13.0	24.0
Taiwan Province of China	329 000	309 000	20 000	1.5	3.3
Thailand	1 000 000	110 000	890 000	1.6	3.0

Sources: **Brunei Darussalam and Japan:** *Migration News*, vol. 8, No. 2 (February 2001).
Hong Kong, China; Republic of Korea and Taiwan Province of China: *Migration News*, vol. 8 (March and July 2001).

Malaysia and Singapore: Graziano Battistella, "Migration 2000 in Asia: A year in review", *Asian Migrant*, vol. 14, No. 1 (January-March 2001), pp. 5-20.

Thailand: Battistella (above) and Poona Antaseeda, "Working the wetback shift", *Bangkok Post*, 3 June 2001.

^a Excludes 645,000 resident Koreans.

^b The numbers for Peninsular Malaysia and Sabah refer to all migrants, the great majority of whom are workers. The figures for the percentage of foreign workers in the labour force in Malaysia are biased upward because the definition of labour force in that country covers only persons aged 15-64, thus excluding all older workers from the denominator.

Note: Two dots (..) indicate that data are not available or are not separately reported.

they were not registered with local authorities or their stay and work contravened laws of the host country or area. The estimates of the number of such workers are very uncertain because of their irregular status. The figures in table V.2 imply that nearly 40 per cent of foreign workers in Peninsular Malaysia and 90 per cent of those in Thailand are in an irregular status. The table shows that foreign workers constitute varying but significant proportions of the total population and the labour force in many countries of destination.

International migration plays a significant role in the population dynamics of the Russian Federation. Between 1992 and 2000, when the population of the country declined by 3.4 million people, it experienced a net gain of 3,354,000 migrants, or an annual average of 373,000. The gain was accounted for by migration from the Commonwealth of Independent States and the Baltic countries. Iontsev and Ivakhniouk (2001) point out that such migration is not primarily ethnic Russians returning from those countries but largely consists of nationals of those countries moving to the Russian Federation for economic reasons.

The Pacific subregion has migration systems largely distinct from those in Asia, although increasing numbers of Asians are settling in Australia and New Zealand. Those two countries are traditional immigration countries, while other Pacific island States are typically areas of emigration. In the Melanesian countries, internal migration is more significant than international migration.

During the 1990s, the immigration programme of Australia received between 55,000 and 81,000 migrants per year. Nearly one third of the recent settlers were from Asia. In addition, non-programme migrants, mostly from New Zealand, equalled between 75,000 and 100,000 per year. Australia also receives large numbers of temporary residents. In the 1998-1999 reporting year, for example, 93,000 temporary residents and 67,000 students first entered Australia. Twenty-four per cent of the temporary residents and 73 per cent of the students were from Asia (Battistella, 2001b). The number of people approved for residence in New Zealand during the 1990s equalled between 25,000 and 56,000 per year. In 1998, nearly 40 per cent of those were from Asia and 15 per cent were from Pacific island States.

Pacific islanders, particularly Polynesians, have long migrated between areas in the Pacific and to Pacific Rim countries. In the mid-1990s, it was estimated that about 400,000 people of Pacific island ethnicity were living abroad, mostly in New Zealand (170,000), the United States (145,000), Australia (84,000) and Canada (16,700). Perhaps 30 to 40 per cent of Tongans and Samoans live abroad (Battistella, 2001b). Remittances from citizens living abroad are crucial for the sustainability of many island economies.

Both in Asia and in the Pacific, remittance of earnings is not only beneficial for migrants and their families but also for the national economy. Worldwide, remittances now equal more than \$70 billion per year, according to the International Monetary Fund. That amount exceeds total government aid to developing countries and was greater than the total foreign direct investment by United States companies in emerging markets in 2000 (Frank, 2001).

Many studies have found that most families do not use remittances for productive investment, but more for consumption. Families often build new houses, however, which has important multiplier effects in the local economy, and spending on children's education could be considered an important family investment. A small proportion of migrants use their savings to start small-scale businesses.

Table V.3 indicates that the level of recorded remittances to eight main labour-sending countries exceeded \$20 billion in 1997, 1998 and 1999. The actual amount of remittances is probably considerably higher than that recorded by the banking system because migrants also carry back savings at the end of their assignment, send remittances personally with returning friends or send them through illegal channels. Even the recorded level indicates that labour is a major export for each of the eight countries.

Table V.3. Recorded remittances from migrant workers, by country, 1997-2000 (millions of US dollars)

Country	1997	1998	1999	2000
Bangladesh	1 527	1 606	1 807	..
India	10 331	9 480	11 124	..
Indonesia	723	1 298	700	990
Pakistan	1 707	..	..	..
Philippines	6 799	4 925	6 800	5 900
Sri Lanka	934	1 011	1 068	1 562
Thailand	1 600	1 500	1 600	..
Viet Nam	..	..	..	700

Sources: **Bangladesh, India and Pakistan:** Maruja M.B. Asis, *International Migration: An Emerging Opportunity for Socio-economic Development of the ESCAP Region*, Social Policy Paper No. 6, (United Nations publication, Sales No. E.02.IIF.40), 2002, p. 31.

Indonesia: C.M. Firdausy, "International labour migration policy and development strategy in Indonesia", in, Y. Hayase and C. Tsay, *Proceedings of the International Workshop on International Migration and Structural Change in the APEC Member Economies*, (Chiba, Japan, Institute of Developing Economies, Japan External Trade Organization), p. 222.

Philippines: Asis (2002, p. 31); E. A. Tan "Labour market adjustments to large scale emigration: The Philippine case", in, Hayase and Tsay (2001), p. 88; G. Battistella, "Migration 2000 in Asia: A year in review", *Asian Migrant*, vol. 14, No. 1 (January-March), p.15.

Sri Lanka: Asis (2002, p. 31) and *Asian Migrant*, vol. 13, No. 4 (October-December 2000), p. 99.

Thailand: Kusol Soonthornhdhada, "Changes in the labour market and international migration since the economic crisis in Thailand," in, Hayase and Tsay (2001), p. 104.

Viet Nam: *Migration News*, vol.8, No.2 (February 2001).

Note: Two dots (..) indicate that data are not available or are not separately reported.

EMERGING LABOUR MARKET

Labour market dynamics

An international labour market encompassing South-East Asia and with links to some economies in East Asia and South Asia is emerging and has gained momentum since 1990. Partly as a result of closer economic cooperation, the economies of East and South-East Asia have expanded rapidly, even taking into account the economic and financial crisis that began in 1997. There are at least 3 million nationals of countries in South-East Asia who are temporarily residing (and most working) in other countries in the subregion. An equal number of workers from South-East Asia are temporarily employed in other regions of the world, including East Asia and the Middle East, but not taking into account those who are residents of countries in North America.

Does the large number of international migrants from countries of the subregion working elsewhere in the region indicate that a regional labour market exists? The answer rests to some extent on the definition of a labour market. Four criteria, each more stringent than the previous ones, can be applied to determine if a labour market exists. (1) A true regional labour market would imply that labour demand and supply cross national boundaries to other countries. (2) For this to occur, workers must have information about jobs in other countries and be able to choose among them. (3) A fully functioning labour market would lead to some convergence in wage levels between countries of origin and of destination, at least in the sectors with sizeable numbers of migrants. (4) A truly integrated labour market would be one in which laws, regulations and labour-related institutions were unified.

The emerging labour market in South-East Asia does not meet the third and fourth criteria except, perhaps, in a few highly-specialized occupations, such as in information technology or manufacturing. The large number of foreign workers in the subregion indicates, however, that a significant amount of demand for labour is being met by workers from other countries. A Thai construction worker may have at least partial information about work opportunities and wages in Bangkok, Brunei Darussalam, Malaysia and Singapore within the subregion and Taiwan Province of China or the Middle East outside the subregion. Many white collar workers, such as engineers, accountants, managers and computer specialists, would have better access to reliable information about work opportunities in other countries in the ESCAP region.

It should be noted that even national labour markets might not be fully functional on each of the four criteria above because of barriers to the flow of information, labour market segmentation, barriers to entry and spatial dimensions. Thus, a regional labour market may be similar to national labour markets, but with higher barriers and greater segmentation.

Indonesia and the Philippines are the main countries of origin for international labour migration in the emerging subregional labour market, as is apparent from table V.1. Historical, cultural and economic forces have created a highly mobile population in the Philippines. Numbers and rates of international migration from the Philippines are much greater than for any other country in East or South-East Asia.

Malaysia has made the transition from being primarily a country of origin of international labour migration to being largely a country of destination, as indicated by table V.2. Thailand is both a major sending country and destination country for labour migration in South-East Asia. Thailand is apparently a net gainer of unauthorized labour migrants, but deploys more authorized migrants than it receives.

Brunei Darussalam; Hong Kong, China; Japan; the Republic of Korea; Singapore; and Taiwan Province of China are major areas of destination for labour migrants from South-East Asia, as may be noted from table V.2. Brunei Darussalam is a petroleum-exporting country that relies on foreign workers for a significant share of its labour force (see table V.2). At the end of 2000, non-Chinese residents in Hong Kong, China constituted 4.1 per cent of the total population of 6.8 million, or close to 280,000 persons. About 223,000 of these were employed as domestic workers (*Migration News*, March and July 2001).

Foreign workers constitute about 1 per cent of the labour force in Japan (see table V.2). Because of Japanese investment and other involvement in foreign countries, large numbers of Japanese reside abroad, including in South-East Asia. While about 1 million foreigners who are not permanent residents were staying in Japan in 1999, roughly 800,000 Japanese were living in other countries (Hayase and others, 2001).

Among the 267,600 foreign workers in the Republic of Korea in 2000, 16,100 (6 per cent) were legally employed, 79,100 (30 per cent) were industrial trainees and 172,500 (64 per cent) were considered to be illegally employed (Choi, 2001).

With a small population but a dynamic economy, Singapore has increasingly

relied on foreign workers at all skill levels to sustain its economic output (see table V.2). The number of foreign workers in Taiwan Province of China has continued to increase and reached a record 329,000 in April 2001. Among these were 181,000 manufacturing workers, 101,000 domestic workers and 36,000 construction workers. Most of the domestic workers are from the Indonesia, Philippines, Thailand and Viet Nam.

It may be concluded that employment in areas of East Asia provides a realistic option to migrant workers from South-East Asia. Thus, there is a significant connection between the East Asian and South-East Asian labour markets. Numerically, the flow of workers from South-East Asia to East Asia is much greater than the reverse flow, but large numbers of professional, technical and managerial workers from East Asia work in South-East Asia, often in connection with foreign direct investment in countries in that region.

Replacement migration

If the very low fertility levels now prevalent in several East Asian societies and in Singapore persist in the future, their populations will eventually begin to decline. The United Nations (2001a) projects that the population of Japan will begin to decline soon after 2005, while that of the Republic of Korea would begin to decline after 2035 in the absence of international migration. Huguet (2002) has shown that in the absence of migration the population of China would begin to decline in 2040, that of Singapore in 2025 and that of Taiwan Province of China in 2035. The population of Japan in the main working ages of 15-64 years is already declining and the United Nations (2001b) projects that the working age population of Singapore will begin to decline after 2015, that of the Republic of Korea after 2020, and those of China, Sri Lanka and Thailand after 2025. The ratio of the population aged 15-64 years to that aged 65 years and over (potential support ratio) is declining rapidly in each of the low-fertility societies mentioned above.

The United Nations (2001a) has prepared hypothetical population projections in order to estimate the number of international migrants that would be necessary to prevent the potential support ratio, the size of the population aged 15-64 years and the total population, from declining in low-fertility countries. The results were surprising for the volume of migration required in those scenarios. The United Nations report concluded that it would not be feasible to stabilize potential support ratios through international migration. The study found that Japan would need 33.5 million migrants between 1995 and 2050, or an annual average of 609,000

migrants, to maintain the 1995 size of the working-age population. In order to prevent the population from declining, Japan would require 17 million migrants between 2005 and 2050, or 381,000 per year. The Republic of Korea would require an annual average of 213,000 net immigrants between 2020 and 2050 to prevent the working-age population from declining and an average of 100,000 per year between 2035 and 2050 to keep the total population from declining.

The United Nations report concluded that these levels of migration are much higher than are likely to be accepted by those countries. It noted that the potential support ratios could be maintained approximately at current levels by increasing the upper limit of the working-age population to about 75 years of age, which would also entail a difficult political choice. Both countries, as well as Singapore, Taiwan Province of China and Thailand, are more likely to attempt to meet labour shortages through the use of temporary labour migration.

EMERGING SOCIAL ISSUES

Poverty

International migration does not generally have a direct impact on poverty because those families and individuals living in poverty cannot afford the costs of the migration, which include fees for recruitment, skills certification, passport, visa and travel (Asis, 2002, p. 21 and Sobieszczyk, 2000, p. 414). Successful migration can, however, provide adequate resources to prevent the migrant's family from falling into poverty.

Remittances and savings from international labour migration help not only the families of migrants but also others in the community because of spending on housing, labour, goods and services. From the volume of remittances reported in table V.3, it is clear that they make a significant impact on the economic well-being of the migrants' home countries. International migration also benefits the economic development of the host country by allowing the economy to expand rather than be constrained by labour shortages in such key industries as agriculture, construction and manufacturing. Domestic workers also benefit the host economy by allowing household members to engage in more productive employment.

A direct link between migration and poverty may be established when a potential migrant is defrauded of savings and collateral to pay for overseas employment that is not subsequently provided.

Female migration

Women constitute large majorities of international labour migrants from Indonesia, the Philippines and Sri Lanka, and an increasing share of migrants from Thailand. In recent years, a total of more than 600,000 women from those four countries have been processed for overseas employment.

One million Indonesian women migrated overseas for employment during the period 1994-1998, constituting 70 per cent of the total of 1.46 million migrants officially deployed. A high proportion of Indonesian female labour migrants work as domestic helpers. In 1999, the country deployed 185,000 persons, including some males, in domestic services occupations (Firdausy, 2001, pp. 219-220).

The proportion of women among new hires processed for overseas employment by the Philippines increased from 50 per cent in 1992 to 61 per cent in 1998 (Tan, 2001, p. 85). While the proportion of women among Thai workers processed for overseas employment is much smaller, it has increased from 14.5 per cent in 1997 to 18.2 per cent in 1999. In 1999 women constituted 80 per cent of the Thai workers deployed to Hong Kong, China, 46 per cent of those going to Japan and 47 per cent of those going to Malaysia (Soonthorndhada, 2001, p. 103).

Female migrants from the Philippines engage in a wider range of occupations than those from Indonesia. Of the 296,000 Filipino women migrating for employment in 1998, 55 per cent were employed in service work, including as domestic helpers, 31 per cent were employed as professional, technical and managerial workers, and 12 per cent were employed as production workers (Tan, 2001, p. 85). Many of the female migrants from the Philippines classified as professional, technical and managerial workers are employed as nurses, teachers and information technology workers. The World Health Organization notes that the Philippines is the largest exporter of registered nurses and that about 250,000 of them are working in countries around the world (*Asian Migration News*, 1-15 March 2001).

A significant proportion of the foreign workers in Singapore are domestic workers, mostly from Indonesia, the Philippines and Sri Lanka. Wong (1996, p. 128) estimated that in 1995 there were approximately 96,000 foreign domestic workers in Singapore and that about one in eight households in the country had a live-in foreign domestic worker. Because domestic workers are employed and live in the household, trust between the employer and the worker is important to both parties. For this reason, much employment of domestic workers is through the

informal channels of contacts between friends and relatives, which makes recording or monitoring it difficult (Hugo, 1995).

Lim and Oishi (1996) have noted that female migrants, especially domestic workers and entertainers, are particularly vulnerable to exploitation because of the nature of their work. Female migrants often work in individualized situations, unlike male workers who are more likely to work in groups in factories, construction sites or plantations. Thus it is more difficult for female migrants to establish networks of information and social support. Contracts for domestic workers are often weighted heavily in the employer's favour and there exists little monitoring of working conditions. Domestic workers, both national and international, are rarely covered by pension provisions. Many domestic workers go through a process of deskilling when they accept work below their level of training or education because they can earn more for that work overseas than they can at their skill level at home.

The family

The large scale of migration flows involving countries in the region has implications for the family, especially when women are the migrants. Because nearly all of the migration flows within the region are meant to be for temporary employment, they entail a separation of the migrant from his or her family. Particularly for married migrants, this has a major impact on the functioning of the family.

In spite of the separation involved, migration can make a positive contribution to the welfare of the family. The decision for a person to migrate for employment is usually taken by the family for the purpose of increasing its income and often for the particular purpose of obtaining funds for the education of the children (Hugo, 1995).

Migration has the potential to improve the status and autonomy of women, whether they or other family members are migrants. When they migrate, they often become the major income earner for the family and gain the confidence that comes with travelling and working in another country. When other members of the family migrate, the responsibilities and the decision-making authority of the women left behind increase.

Migration places considerable stress on a family, however. When a married woman migrates, she may be leaving behind children, so other arrangements for

their care must be made. Her position in the family is changed. Zlotnik (1995) has noted a link between migration and marital dissolution for female migrants but not for male migrants. She also cites a study in which 89 per cent of a group of teachers in Colombo, Sri Lanka reported that they believed that migration of women had negative effects on the performance of their children.

When husbands migrate, their wives are often left in charge of the family and children. Many of them must also work at least until remittances are received and debts incurred in the process of migration are paid off. In the absence of her husband, a woman may also find it more difficult to discipline her children and ensure their successful performance at school.

Remittances, savings and pensions

As mentioned above, poverty is generally not a stimulus for international migration because the poor cannot afford the cost, except for the small percentage of migrants who accept debt bondage for the opportunity to move and work. In some cases, migrating or attempting to migrate can lead to impoverishment if the person is defrauded or becomes ill. Government actions to prevent fraud and to ensure an adequate level of social protection to workers can help to prevent these negative results.

The volume of reported remittances to developing countries from their workers abroad, shown in table V.3, indicates that international migration can make a significant contribution to poverty reduction at the macro level. Despite the obvious importance of remittances, there is limited information about the financial activities of migrants while abroad and about the mechanisms of remittances. Do migrants remit monthly or less frequently? Do they open bank accounts in the place of destination? What percentage of their remittances is sent by bank or non-bank transfers, through other commercial or informal channels, or brought back at the time of return? Given the number of possible means of sending money home to their families, the levels of reported remittances may be only a fraction of the total. Further research on the patterns of savings among migrants and the channels of remittances would be useful for the formulation of policies to assist migrants and their families to obtain maximum benefit from working abroad.

International migrants, except some working at the skilled or executive level for multinational firms, are generally not contributing to a pension system either in the place of origin or of destination. Ideally, the host country would incorporate migrant workers into the national pension system, with payments by both

employer and worker, but allow international migrants to withdraw their benefits in a lump sum when leaving the country. Migrants could also be given the option of retaining their pension accounts in the place of destination, if they work there for several years over different periods, or if they believe that system to be more stable than in their own country.

Countries of origin could also create attractive pension or provident fund systems targeting migrant workers. Perhaps the systems could be based on a number of foreign currencies and accept payments as a percentage of remittances, while allowing additional cash contributions. Given the number of international migrant workers from South-East Asia in other economies in the subregion, there may be scope for a regional pension system for such workers. They could maintain a portable pension plan to which they would contribute no matter where they were working.

Trafficking in humans

While international migration for employment has the potential to bring economic benefit to the migrants and countries of both origin and destination, it sometimes takes place in the context of pernicious practices. Trafficking occurs in the context of illegal and undocumented migration, but involves an additional element of deception, coercion or violence. Wijers and Lin (1997), as cited by Sobieszczyk (2000), define trafficking as “all acts involved in the recruitment and/or transportation of a woman within and across national borders for work or service by means of violence or threat of violence, abuse of authority or dominant position, debt bondage, deception, or other forms of coercion”. Of course, children and men are also trafficked in large numbers. The concept of trafficking is made more complex because some migrants allow themselves to be trafficked, either because they are not fully aware of the risks or because they deem the risks to be acceptable for the potential benefit. Much of the concern over trafficking in humans is because a significant proportion of trafficked women and children are believed to become sex workers, although trafficking may take place for many occupations and even for marriage.

Estimates of the annual number of trafficked women and children range from 700,000 to 2 million globally (Martin, 2000), with 200,000 to 225,000 of those being trafficked in South-East Asia (International Organization for Migration, 2000). These numbers are difficult to estimate because of the clandestine nature of the activity. Trafficking is believed to be on the rise, not least because of the involvement of organized crime in the activity.

Because of the coercion and violence involved and because many trafficked women and girls become sex workers, Governments have adopted a number of agreements to combat trafficking. The seven members of the South Asian Association for Regional Cooperation (SAARC) signed the Convention on Preventing and Combating Trafficking in Women and Children for Prostitution at Kathmandu in January 2002. Canada, the Russian Federation, the United States and several Governments in East Asia, South-East Asia and the Pacific forming the Asian Regional Initiative Against Trafficking in Women and Children (ARIAT) adopted the ARIAT Regional Action Plan Against Trafficking in Persons, Especially Women and Children at Manila in March 2000 (see *Asian Migrant*, vol. 13, No. 1, January-March 2000). United Nations conventions on the rights of women, children and migrants also prohibit trafficking.

Combating trafficking will require international cooperation and concerted police action. Fighting against trafficking is difficult because of the involvement of organized crime but also because many of the victims are driven to desperate measures by their living conditions at home. Thus, trafficking is one area in which the reduction of poverty could lead to a reduction in international migration.

POLICY RECOMMENDATIONS

Because of the large volume of labour migration and the establishment of government and private-sector agencies devoted to promoting such migration, an international labour market is evolving for certain occupations in East and South-East Asia. International migration can assist the countries of origin in their efforts to reduce poverty, however, because it should reduce unemployment levels and because of the significant gains in foreign exchange that can be achieved. Remittances from overseas workers can be important to national accounts and, more important, for the families and communities receiving them.

The policy recommendations below derive from an acknowledgement that international migration for employment is a well-established phenomenon that generally benefits countries of origin, countries of destination and the migrants themselves. Labour migration has expanded rapidly over the past three decades and it is reasonable to assume that the numbers involved will continue to increase. In that context, Governments should aim at influencing and directing such migration for the benefit of national development goals and of the workers involved.

Regularize the desired migration

Much irregular migration has become routine and is tacitly accepted by the country of destination because of the demand for the labour and services it provides. Such migration, however, necessarily requires violation of laws and regulations by the employment agents and leaves the workers vulnerable to national authorities and to the demands of their employers. Most countries in the region have taken steps to regularize previously unlawful labour migration. These steps include granting work permits to a specific number of migrants in particular occupations, issuing regulations concerning their employment, collecting fees from the employers and providing some degree of worker protection. Often moves to regularize specific types of labour migration are accompanied by an effort to control more strictly other types of migration. These actions to determine the desired level and type of migration and to provide for legal channels for it benefit all the parties concerned and should be expanded.

Improve migrant workers' benefits and rights

Partially because much labour migration within the region has been clandestine or irregular, the rights and benefits of migrant workers are often weak or not explicit. Actions to regularize labour migration should also detail the labour standards and benefits applicable to these workers. Granting rights and benefits to migrant workers helps to improve the labour standards of domestic workers because it makes it less feasible for employers to rely on foreign labour in order to circumvent national labour requirements (Huang, 2000). As much employment in the region is now international, certain basic rights, benefits and standards should apply across the economies in the region.

Plan for the international context

Economic and social planning should incorporate various aspects of international migration. If large numbers of persons migrate for employment, their education and training should equip them for jobs with higher remuneration. Training for skilled occupations must be greater than the national demand alone if many of those trained will work outside of the country. Skills certification should meet regional and international standards. From the perspective of countries of destination, future labour shortages should be anticipated and adequate plans, including the use of foreign workers, developed to deal with them.

Maximize remittances and their impact

Remittances have become a significant part of the national economy in several countries. As remittances from overseas workers now equal several hundred million dollars or more in many countries in the region, they often amount to more than international grants and loans. Those countries should ensure that their financial institutions encourage the maximum flows of remittances. Workers are likely to remit greater amounts if they can maintain foreign currency accounts. Banks should establish branches overseas or cooperate with foreign banks to permit migrant workers to maintain accounts while overseas and to remit their savings conveniently.

While the total amount of remittances sent to a country may be large, the amounts per worker are usually small, consisting of only a few thousand dollars. The individual amounts are not likely to be invested very productively. Thus, Governments and the private sector should encourage or establish investment opportunities targeting remittances from overseas workers, perhaps offering higher dividends for investments in foreign currency.

While overseas, migrant workers usually are not participating in a pension scheme and only small fractions of remittances are used for long-term savings. The earnings of labour migrants would benefit them and their national economies more if the workers were contributing to a pension or provident fund while working overseas. Portable pension systems should be established by agreements between countries of origin and of destination, and by the private sector.

Strengthen regional cooperation in labour migration

Because international labour migration has often been perceived to be a temporary measure, or to be illegal or clandestine, Governments have been slow to recognize its importance in bilateral and international relations. A result has been a number of disagreements with neighbours concerning migration issues, and a context in which the migrants themselves have limited rights and benefits. Many of the controversies could be avoided through treating such migration as an international action and preparing for it through bilateral discussions and planning. As many of the issues are common among several countries, greater subregional and regional dialogue is necessary. Greater international cooperation is also necessary to deal with such exploitative practices as trafficking in humans. An example of such cooperation is the SAARC Convention on Preventing and Combating Trafficking in Women and Children for Prostitution.

All parties, but especially the migrants themselves, would benefit if more international migration occurred within a subregional framework that specified minimum procedures, labour standards and benefits.

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