

INWARD REMITTANCES AND INTERNATIONAL OUT-MIGRATION: EVIDENCES FROM PUNJAB

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Abstract : *Emigration flows are growing in volumes, as many young Indians from all strata of the society are migrating to other countries making the composition of emigrants' heterogeneous and complex. According to NSS 64th round, there were 4.44 million emigrants from India in 2007-08 out of which 1.5 million belonged to Kerala followed by 0.49 million in Tamil Nadu, 0.43 million in Andhra Pradesh and 0.38 million in Punjab. In International out-migration, Punjab from north is also in the forefront like Kerala in the south (NSS, 2008). It is estimated that 368 thousand Punjabi were living outside India during 2007-2008. Based on National Sample Survey (NSSO) 64th round, the paper intends to analyse the wide disparity of emigration rate across the districts of Punjab. The paper will examine the characteristics of emigrants, reasons of emigration and region-wise receipts of remittances. Furthermore, remittances will be gender segregated. The paper shall add to the understanding of dynamics of remittances which are considered to play an important role in economic development of the state.*

Keywords – Emigrants, Remittances, NSSO, Punjab

I. INTRODUCTION

The global economic integration of national economies into one global economy has not only promoted “free migration” of goods and capital but also of people, in form of international migration. International migration is a universal phenomenon that touches on economic, social and security aspects affecting daily lives in an increasingly interconnected world. In the recent World Happiness Report 2018, one of the parameter of ranking 117 countries is of happiness of the immigrants of that country, which reflects whether migrants are living a happier life or not, in which Finland secured the top position. The inclusion of this parameter showcases the importance of migration and status of migrants in the global world. United Nations defines international migration as “movement of persons who leave their country of origin, or the country of habitual residence, to establish themselves either permanently or temporarily in another country where as an international migrant is a person who is living in a country other than his or her country of birth”(UN, 2017). International migration has acquired a sense of urgency in India in recent years. India has been among the world's top origin countries of migrants since the United Nations (UN) started tracking migrants' origins in 1990. Emigration flows are growing in volumes, as many young Indians from all strata of the society are migrating to other countries making the composition of emigrants' heterogeneous and complex. International mobility has always been considered to be a mean to secure a better life not only for the migrants but for their families as well. Recent data shows that number of international migrants reached 272 million in 2019 increasing from 153 million in 1990 (UN, 2017).

The remittances, skill and knowledge transfers, investments and international business activity that migration generate, contribute significantly to economic, political and social advances in countries both of origin and destination (ILO, 2010). However, in the recent years this rapid flow of migrants has led to various concerns regarding the impact of immigrants and the subsequent social and economic shock for both home and host countries.

II. INDIAN SCENARIO

Indian economy has been a vibrant participant in the history of flow of migration. International out-migration got boosted during British colonial era when indentured labour was sent from India to various parts of the world to run the mines of European entrepreneurs. Post-independent flow of emigrants from India can be divided in two phases. In first phase, nineteenth century witnessed the flow of emigration as a result of the liberalisation of immigration policy of US and other western countries. Emigration from India to west mainly UK and US accelerated between 1950s and 1970s. This stream of migration was permanent in nature whereas second phase of migration to middle east started in 1970s due to oil boom and was temporary in nature. Globalisation, in late twentieth century, has further brought a change in the trends and nature of international out- migration. “The movement of the people across national boundaries, which began a long time ago, is a matter of interest and an issue of concern at the beginning of 21st century” (Nayyar, 2002). International migration is now recognised as an important mechanism of globalisation. In India states like Kerala, Punjab, and Gujarat have a long history of emigration. (Bhagat, Keshari & Ali, 2013). Tumbe (2012) observed high persistence of migration across the 20th century in India using the 64th round of NSS on migration 2007-08. He emphasised on the role of networks and deep-rooted migration culture responsible for the persistence of migration and found the magnitude of emigrants increased in Kerala, Punjab etc. and declined in Bihar, east coast. Similarly, Bhagat et al. (2013) analysed the wide disparity in emigration from India and socioeconomic characteristics of migrants. They found 4.4 million of migrants from India were residing outside the country and Kerala contributed highest with one-third of total emigrants. Hence the current flow of international out-migration from India is unprecedented. According to NSS 64th round, there were 4.44 million emigrants from India in 2007-08 out of which 1.5 million belonged to Kerala followed by 0.49 million in Tamil Nadu, 0.43 million in Andhra Pradesh and 0.38 million in Punjab. In International out-migration, Punjab from north is also in the forefront like Kerala in the south (table 1).

Table 1. Estimated number of emigrants, emigration rate and remittance per out-migrant, 2007-08.

States	Estimated emigrants	Emigration rate (in thousands)	Remittance per out-migrant (Rs. 00)
Kerala	15,83,197	49.72	576
Punjab	3,86,396	15.86	992
Goa	17,597	13.05	1774
Tamil Nadu	4,98,317	8.02	487
Andhra Pradesh	4,37,387	5.73	544
India	44,42,245	4.27	571

Source: Unit level data of 64th Round (July 2007-June 2008), National Sample Survey and NSS report "Migration in India: 2007-2008".

Note: 1. Emigration rate is the ratio of total international out-migrants to the total population of concerned state during the reference period, 2007-08 and only states where the proportion for persons is either equal to 3 or higher is selected.
2. The amount of remittance (Rs.00) sent by out-migrants are during the last 365 days preceding the date of survey for each State.

Hence, the above table indicates that majorly five states namely Kerala, Punjab, Goa, Tamil Nadu and Andhra Pradesh constitute two-third of total emigrants in India. Also, the diverse pattern of emigration rate among various states indicates emigration is influenced by several factors such as economic development, history of emigration, demographic transition, cultural factors, political factors etc.

III. PUNJAB MIGRATION

T Punjab is one among few Indian states that have been continuously contributing their might to the migration saga of the country. Punjabis got inducted into the Indian army after British annexation of Punjab in 1849. The British Indian army recruited Punjabi soldiers to guard their empire. The vision of foreign lands shared by the returned soldiers acted as a catalyst to generate migration among the youth of Punjab to British colonies to seek better fortunes. Gillion (1956) noted that wave of Punjabi emigration began in the end of 19th century that occurred from a few districts around Jalandhar area. He concluded "Of the Indians who went to Fiji outside the indenture system, the largest group was from the Punjab and most were Jat Sikhs from the adjacent districts of Jullundur, Ludhiana and Hoshiarpur. The Nawashahar tehsil of Jullundur District supplied many emigrants to Fiji. They were almost entirely young male cultivators or herdsmen and many were younger sons."

Later there was unprecedented population transfer during the partition of Punjab in 1947, followed by the movement of skilled, semi-skilled labour, artisans during 1950s and 1960s to meet the needs of reconstruction in British economy. Oil boom in the 70s and economic liberalisation and innovation of 90s played an important role in transnationalism from Punjab. (Nanda and Veron, 2011). There is a long, continuing and deeply embedded cultural tradition of international out-migration from Punjab. According to NSSO 64th round, rate of out-migrants from Punjab was 16 per thousand in 2007-08 and according to PIMS survey emigration rate was 29 per thousand in 2011-12. This evidence shows a substantial rise in emigrants from Punjab. Region- wise emigration from Punjab is shown as follow in Table 2.

Table 2: Estimated number of emigrants and emigration rate in Punjab (Region wise), 2007-08.

Region	Emigration rate (per thousand)
DOABA	50.2
MALWA	6.9
MAJHA	8.9
Punjab	15.8

Source: Unit level data of 64th Round (July 2007-June 2008), National Sample Survey.

Table 2. estimates the international out-migrants from the state of Punjab and classifies the emigration rate of each district of Punjab. The emigration rate is defined as the number of emigrants from an area or origin per 1000 population in that area at a given period of time. For the state as a whole, the emigration rate is around 16 per thousand and varies extensively across various regions and districts. Households in *Doaba* region (50 per thousand) are much more likely to have higher emigration rate than the households in *Majha* (8 per thousand) and *Malwa* (6 per thousand). Figure 1 indicates the emigration rate of all the districts in Punjab.

Profile of international out-migrants in terms of economic, social and demographic characteristics are presented in Table 3. Among all the international out-migrants from Punjab, 81 percent origin from rural areas whereas 75 percent belong to the Sikh community. About one-fifth of the emigrants are females which shows that migration from Punjab was male selective process in 2007-2008 (Table 3).

Migration is highly age-selective with young adults being inclined to migrate. Data points towards more youthful emigration from the state of Punjab as majority of emigrants 65.6 percent from Punjab belonged to the age-group 20-39 and 27.1 percent belonged to age group of 40-59. Age profile of these emigrants indicate that they belong to prime working ages. Hence, dominance of youth in the process of migration is related to various transitions of life such as obtaining higher education, better employment opportunities, marriages etc. (UNESCO, 2014).

Table 3: Background characteristics of emigrants in Punjab, 2007-2008

Background characteristics	Percent (%)
Gender	
Male	77.3
Female	22.7
Sector	
Rural	81.2
Urban	18.8
Religion	
Hindu	22.82
Sikh	75.13
Others	2.06
Caste	
SC	23.49
OBC	13.79
Others	62.71
Current Age (in years)	
0-19	3.2
20-39	65.6
40-59	27.1
60+	3.1
Region	
Doaba	62.2
Malwa	25.7
Majha	12.1

Source: National Sample Survey and NSS report "Migration in India: 2007-2008".

Almost 70 percent of emigrants had migrated due to employment purpose, followed by marriage (10 percent) and studies (4 percent). Out of which majority of males migrated (88 percent) for employment purpose whereas females migrated (40 percent) due to marriages. It is observed that "Employment" is the foremost reason of migration among rural (72 percent) and urban migrant households (60 percent). Also, 11 percent of rural migrant households reported "Marriage" as a reason of migration whereas 21 percent and 7 percent of urban migrant households reported "Migration of parent/family member" and "Studies" as the reasons of migration respectively.

IV. REMITTANCES

Remittances are not only one of the major motivations for cross-border mobility but also plays an important role in improving the livelihoods of millions of people and leads to the development on multiple fronts. In 2017, India received \$69 billion as remittances surpassing other remittance receiving countries in the world (World Bank, 2017). Remittances have also helped to reduce the India's dependence on external aid and positively contributed in to household welfare and development. According to the RBI report, "82 per cent of the total remittances received by India originated from seven countries, viz., the United Arab Emirates (UAE), the United States (US), Saudi Arabia, Qatar, Kuwait, the United Kingdom (UK) and Oman. With over 90 per cent of overseas Indians working in the Gulf region and South East Asia – mostly semi-skilled and unskilled workers – the Gulf Cooperation Council (GCC) countries accounted for more than 50 per cent of total remittances received in 2016-17. The Indian diaspora in the US, characterised by high skills and high earnings, is the second largest contributor".

There are several empirical studies that have confirmed the positive contribution of International remittances to welfare, food, nutrition, schooling and living conditions of the home country (Yang, 2009). Studying an empirical data of 1000 households in rural Egypt, Empirical study 10,000 households conducted in Gujarat by Bhagat et al. (2013), recorded that 64 percent of migrant households reported remittances in 2012. Out of which majority were used for household consumption (88.8percent followed by payment of utility bills (77.2percent), health and medical expenses (60.2percent) and education (48.8percent). Guha (2013) evaluated aspects of monetary transfers made by the migrants in the UK to their households in Gujarat and concluded that 30 percent of migrants sent remittances back home out of which 10 percent was used for philanthropic donations to Gujarat in 2012.

Data indicate that Punjab received around 1.7 percent of total inward remittances coming to the country in 2017 which amounts to 1.173 billion US\$ (RBI,2018). Despite of the high emigration, Punjab ranks 10th much behind Kerala (19 percent), Maharashtra (16.7 percent), Karnataka (15 percent), Tamil Nadu (8.0 percent), Delhi (5.9 percent), Andhra Pradesh (4.0 percent), Uttar Pradesh (3.1 percent),

West Bengal (2.7 percent) and Gujarat (2.1 percent). The NSSO estimated per capita remittances as Rs. 99,200/- during 2007-2008 in Punjab.

Table 5: Percentage of emigrants sending remittances and amount of remittance, 2007-2008.

Region	Emigration rate (per thousand)	percent of remitters	Remittances per out-migrant (Rs. 00)
DOABA	50.22	59.04	821
MALWA	6.93	45.58	809
MAJHA	8.91	56.25	743
Punjab	15.86	55.23	992

Source: National Sample Survey and NSS report "Migration in India: 2007-2008".

Amount of remittances received by the migrant households, form an important aspect for analysis in any study on remittances. Table 5 shows the percentage distribution remitter in various regions of Punjab and amount of remittances received by the migrant households. Data indicate that around 55 percent of the emigrants sent remittances in Punjab during 2007-2008. Among all the three regions, *Doaba* reports higher incidence of remittance receipts (59 percent), followed by *Majha* (56 percent) and *Malwa* (45 percent).

V. CONCLUSION

The literature on international out migration has burgeoned, but there is lack of reliable and comparable data on several aspects of migrants abroad. This paper is an effort to broaden our understanding of drivers of migration from rural and urban Punjab and their dividends in form of remittances. Punjab has a long tradition of emigration reporting around 16.2 percent of out-migrants in 2008 according to NSS 64th round whereas according to Punjab International Migration Survey (PIMS) 2011, 11 percent of the households reported at least one current international out-migrant in Punjab. This shows the consistent increase in the Punjabi migrants abroad. One of the few sources of providing information of 'out-migration' at all India level is 64th Round of National Sample Survey (NSS) on migration, 2007-2008 that mapped out the migration and remittance receiving intensities at state level (Tumbe, 2012). Less availability of out-migration data timely creates an urgency to study the issues related to out-migration from the state. Unfortunately, despite long history of cross border mobility in Punjab, there are very less statistics available to record the mobility and dynamics of migration in Punjab. Hence in order to study the various facets of tout-migration in Punjab, it is important to map out the theoretical and empirical resources required for comprehensive and nuanced study of international out-migration from the state. And it is also important to prioritise the critical issues related to it.

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