

# A Study on Living Standards of Migrant Households: Pre-Migration and Post-Migration

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**Abstract:** This paper examines the impact of the Gulf remittances on migrants' households. For examining this impact, the study had to rely on the respondents' perceptions and memories about their life and economic conditions prevailing at that time. Moreover, to provide a better picture of the impact of the Gulf migration on workers and their households, the present study was supplemented by interviews with key informants in the study area and the researcher's own observations. Thus, the present study focuses on incomes and expenditures of the family and its impact on living standards of migrant households.

**Keywords:** Migrant remittances, Migrant Households,

## 1. Introduction

Human migration is one of the most important aspects of social sciences. Throughout human history, people have migrated to escape poverty and persecution and to improve their life chances and living standards. "Migration, or more exactly mobility, of some form is a universal experience and it is rare for anyone to spend his or her entire life within the boundaries of a single village or city ward and, when this does occur, it is more likely to be due to some physical or mental handicap than to choice"(Ronald, 1997). On the whole, different parts of the world have experienced different types of mobility caused by various socio-economic conditions. Since "a better life and livelihood are at the root of the decision to migrate" (WHO, 2006). As per World Bank statistics, around 3.4 per cent of the world populations are living out of their countries of birth, constituting more than 247 million migrant population (World Bank, 2016).

In recent years, a significant increase in the growth of international migration and remittance flows and awareness of their development impact has led to a resurgence of interest by academics, policymakers, and analysts in what has been referred to as the third leg of

globalization and the other two being international trade and international capital flows .At present, most countries of the world are affected by international labour mobility, as either receiving, sending or transit countries. India is also one of the major contributors of emigrant population as a country of origin, transit and destination in international migration (Gurucharan, 2013). India has the largest Diaspora population in the world, with 16 million Indians living outside the country they were born in (UNDSEA, 2015). One of the largest migrant corridors in the world can be found in the six Gulf States - Kuwait, Saudi Arabia, Qatar, Bahrain, Oman and the United Arab Emirates. Of the 12 million Indian migrants worldwide in 2011, the Gulf region represents 6 million or 50 per cent of non-resident Indian immigrants (Dider Singh and Rajan, 2016). It is an important source of remittances to India. According to World Bank (2016) statistics, India ranks first (\$ 72.2 billions) among remittance receiving countries in the world. Remittances greatly contribute in reduction of poverty and increasing household income (Ratha, 2013). Major share of remittances comes from high migrating states –Kerala, Tamil Nadu, Andhra Pradesh, Karnataka, Punjab, Gujarat, Maharashtra and Goa. Of late, trend of migration from the new states, like Bihar, Uttar Pradesh, West Bengal and Rajasthan has been emerging (Pachouri & Aggarwal,2015;MOIA, 2015). However, limited research exist on migration and development on Indian states with exception to Kerala (Rajan, 2014). Given existing research gaps in the literature on Gulf migration in the Indian context, this doctoral study was an attempt to understand the impact of migration and remittances at household level in currently the highest receiving country in the world i.e. India.

## **2.Research Methodology**

Both primary and secondary sources of data were used for analysis in the study. secondary data sources such as the Annual Reports of the Ministry of Foreign Affairs of India, the Ministry of External Affairs, NSSO, ILO, Reserve Bank of India, World Bank and the United Nations Population Division data was used and analyzed. Primary data collected through field survey to study the socio-economic profile of migrant families. At the outset we made it clear that the analysis is primarily based on the 200 migrant households sample survey conducted in two selected villages of erstwhile Nizamabad district of Telangana state, with the help of structured interview schedule, detailed information was collected from all the households for two different

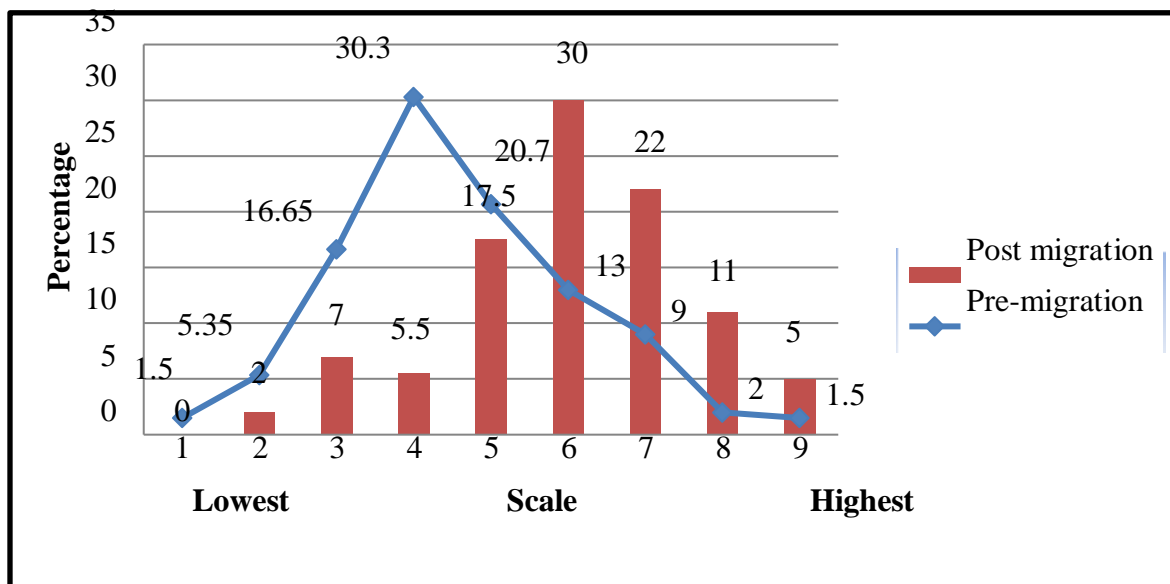
points of time, i.e. before migration and after migration. The analysis is mainly in the nature of comparisons of the relative positions of the different households at the two points of time.

### 3. Reflection of Perceived Standard of Living Status of Households Pre-Migration and Post-Migration

In the study, families were asked to scale their general standard of living before emigration and the current state of living after the migration of family members. The estimate used a scale from 1 to 10, where the lowest living condition was indicated by 1 and the highest case was indicated as 10. The results of this arrangement show a significant discrepancy between the overall living standards of pre-migration and post-migration migration. Most respondents were placed between 2 and 5 when they were asked to rank their overall status before migration, which was relatively low. On the other hand, maximum number of households chose between 6 and 9 as their general status after migration, indicating their status improved. The migration of family members has changed the living standards of the majority of households. Families whose migrations status did not change their situation, mostly due to less flows of remittances and existence of high debt payments on account of high migration cost.

Figure 1: Overall Perceived Standard of Living Status of Households

Pre-migration and Post- migration (in Percentage)



**Source:** Field Survey

To verify the hypothesis that migration has improved the standard of living of migrant households in light of the statistical evidence, paired t- test was used based on the average monthly income level of migrant families before and after migration. Similarly, the average monthly expenditure before and after the migration of family members were compared to test the hypothesis.

Paired Samples Test								
	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Dev	Std. Err Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
<b>*MI</b>	-9888.3	4334.1	250.24	-10380.8	-9395.9	-39.6	299	.000
<b>**ME</b>	-2913.3	1550.2	89.5	-3089.5	-2737.2	-32.6	299	.000

\*MI=Monthly Income of migrant households before and after migration

\*\*ME= Monthly Expenses of migrant households before and after migration

\*\*\*Significant at 0.05 level

From the table, it is evident that the calculated t value before and after the migration is -39.6, which is more than the table value (for V = 299,  $t_{0.05} = 1.96$ ). Likewise calculated t value for family expenses before and after migration is -32.6 which is higher than table value. Thus study concludes that migration has improved the standard of living of migrant families.

#### 4. Findings of the study

Thus, on the basis of the above discussion, we may conclude that utilization pattern of remittance has considerable impact on the migrant household development. For the poor migrant households, remittances have become a safety net and substantially depend upon remittances for source of household income. That is, due to the lower employment opportunities and poor endowment of income generating assets at home, migration and remittances have offered a lifeline out of poverty for temporary work permit migrant households and for some other migrant households, because most of these households were bordering the poverty line. The quite large share of remittances in the total income of the migrant households reflects that migration has become an integral part of the rural household economy. Thus, a relatively a higher proportion of remittances are used for, repayment of loans, consumption and other necessities of life than investment and other luxury consumption. It may be added here that when a household has lower income levels before migration, it just meets its basic necessities, but after the rise in income levels of a household, it expands its consumption boundaries and shifts first to more of comforts and then luxuries and less of necessities. It implies that there are two main uses of remittances for this group of households. First, 'demonstration effect', modernization, and information exposure has excited these households to shift from necessities to luxuries. Second, the high inflow of remittances to these households has encouraged a strong tendency to build assets base for their own future security and for prosperity. Thus, these households devoted a higher proportion of remittances to accumulate assets in the forms of land, housing, human capital or financial assets. Thus, these develops a culture of migration and ultimately cumulative causation of migration. It may be further accentuated by the 'demonstration effect' prevailing in the area.

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