Migration as a Coping Strategy

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Economic Shocks

Shocks v/s State of Nature

• Substantial Deviation from usual state, including adverse states
• Positive or Negative effect on income stream, livelihoods and/or capital accumulation (including human capital)
• Unpredictable – associated risk
• Individual or Common
• Limited control?

Examples: earthquake, floods, epidemics, loss of employment, illness of earning member, crop loss
Marthunis, 17 (now 21?), from Alue Naga village, Banda Aceh
Marthunis’s story

That morning I was playing soccer with my friends.

...
Marthunis’s story

That morning I was playing soccer with my friends. We ran home after the strong earthquake and after that I heard a really loud noise, like an aeroplane. My family rushed into our minivan but the road was full with everyone trying to escape. The black wave hit our minivan, turning us over several times before I blacked out. When I regained consciousness I was in the water. Holding on to a school chair, I floated until I landed on a beach… Under a mangrove tree I saw a mattress had washed up and I started searching for packets of noodles and bottles of water, collecting them around my mattress. After five days I didn’t have any water or food left. I survived there by myself until day 20. That’s when I saw people coming to collect the bodies. They rescued me and took me to Fakinah hospital where I found my father. He told me my mother and sister had died in the tsunami.

Types of Shocks

Specificity to Household/ Individual

• Common – common to all/multiple households in a community/area
• Individual – only affects specific households/individuals

• Individual factors increase susceptibility to common shocks?
• Common factors affect individual susceptibility to idiosyncratic shocks?
Classifying Shocks as Individual / Common

Forest fire
Job loss
Price rise
Family member suddenly hospitalized
Earthquake
Pension payments suddenly stop
Locust attack on standing crop
Decline in remittances because of change in remitter’s circumstances
Rebel army steals livestock
Flooding
House burns down – electric fire
Indiscriminate attacks against ethnic group
Classifying Shocks

Covariate Shocks
- Forest fire
- Price rise
- Earthquake
- Locust attack on standing crop
- Flooding
- Indiscriminate attacks against ethnic group

Idiosyncratic shocks
- Pension payments suddenly stop
- Rebel army steals livestock (?)
- House burns down – electric fire
- Family member suddenly hospitalized
- Decline in remittances because of change in remitter’s circumstances
Incomes are often Volatile, affected by Shocks
Consumption if determined fully by income may also be volatile, threaten survival.
Shock/ Risk Management Seeks to Smooth Consumption
Household Responses to Risk of Shocks

Ex-ante Strategies (Risk Reduction)

• Some Anticipation of Unknown Shocks
• Reduce exposure to shocks
  • Diversification: Farm and Off-farm labor
  • Diversification: Seasonal migration to work in mines/plantations
  • Relocation: Moving to safer areas (IDPs/refugees)
  • Reducing conspicuousness: Sale of visible assets
  • Specialization: Focus on less risky crops: Pearl millet cultivation in West Africa (Fafchamps, 2003)
  • Self-sufficiency: Volatility in fodder prices and fodder cultivation in Pakistan
Ex-Post Strategies (Risk Coping)

Respond to shock after it has been realized
Limit losses to Household, smooth consumption

- **Asset Accumulation and Sales**
- **Reduce consumption**: including possibly food, education, health
- **Borrowing**
- **Increase HH labor supply** – including through migration, and children’s work
Consumption Smoothing
Harmful coping strategies

• Harm households’ long term wellbeing
• Harm capital (including human capital – health and education)
• Increase susceptibility to future shocks
• Vary across settings
Are these Coping Strategies Harmful?

- Withdrawing children from school
- Borrowing from Informal Money lender
- Asking Sister in the city for Help
- Selling Livestock
- Selling Family Jewelry
- Asking Old members of the Household to Start working again
- Substituting Food with cheaper varieties
- Asking some family members to skip a meal
- Tapping into Bank savings
- Cutting down consumption of meat, oil, fruits, vegetables
- Some members migrate to city
- Entire HH migrates to city

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Migration as a Coping Strategy

Different from forced displacement, or purely economic migration

• Compelling circumstances – so some element of force
• Some element of choice, to protect wellbeing, smooth consumption

As we have seen, migration as a coping strategy could be:

• Ex-ante or ex-post (reduce direct exposure to shock, or as a means of supplementing income to smooth consumption)
• One-off or recurring/ seasonal
Migration as a Risk-Reduction Strategy/ Deployed in advance

- Migration as a Household/ Collective, not Individual decision
- Diversifying Household Income: Households send member(s) away, rely on remittances in the future when faced with shocks
- Risk reduction also in response to avoiding recurrent and slow onset shocks – e.g. climate change responses
Migration as a Risk Coping Strategy / After shock occurrence

- Global evidence shows natural disasters increase both short-term and long term migration (Belasen and Polachek, 2013; Drabo & Mbaye, 2011)
- More severe shocks/ natural disasters lead to higher migration
  - Migration from Guatemala, Honduras to the US, after hurricanes (Kugler and Yuksel, 2008; Halliday, 2006)
  - Drought in Ethiopia (Gray and Muller, 2012; Meze-Hausken, 2006)
  - Migration from Louisiana (US) to neighboring states (Clayton and Spletzer, 2006)
- More recurrent shocks may lead to higher migration: people develop migration knowledge, patterns (Ghorpade, 2016)
  - Some exceptions: Migration from Mali following successive droughts low; people lacked resources (Findler 1994)
- Large refugee movements in response to conflict events
Where are the Syrian refugees?

The majority of Syrians are internally displaced in their home country.

- Europe
- Turkey, Jordan, Lebanon, Iraq and Northern Africa
- IDPs inside Syria

Source: UNHCR, PEW Research Center, EuroStat
Short-term migration following the 2010 floods in Pakistan
HH Migration Patterns after 2010 floods in Pakistan

- 42.04% No one migrated
- 7.79% Some but not all members migrated
- 50.17% All members migrated
Returning within 1 year: All Individuals who migrated

- Returned to origin Village within a year
- Did not return
### The costs and benefits of mobility/ immobility in response to shocks

<table>
<thead>
<tr>
<th></th>
<th>Benefits</th>
<th>Costs/ Requisites</th>
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</thead>
<tbody>
<tr>
<td><strong>Migrating</strong></td>
<td>- Diversifying HH income</td>
<td>- Physical cost of movement</td>
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<tr>
<td></td>
<td>- Access to remittances for those left behind</td>
<td>- Access to credit, social networks, knowledge</td>
</tr>
<tr>
<td></td>
<td>- Escaping/ reducing direct exposure to shock</td>
<td>- Assets in origin area lost</td>
</tr>
<tr>
<td></td>
<td>- Opportunities to acquire skills, raise aspirations</td>
<td>- Foregone entitlements tied to location</td>
</tr>
<tr>
<td></td>
<td>- ???</td>
<td>- Skills acquired may be tied to jobs at location</td>
</tr>
<tr>
<td><strong>Not Migrating</strong></td>
<td>- Access to local entitlements, assets, jobs</td>
<td>- Full exposure to effects of shock</td>
</tr>
<tr>
<td></td>
<td>- Local community networks offer support</td>
<td>- Inability to adapt in-situ poses greater risks</td>
</tr>
<tr>
<td></td>
<td>- ???</td>
<td>(apple growers in HP, India)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Isolation, if most other community members move out</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ???</td>
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Open Questions

Blurred Lines between forced migration, migration as coping, and economic migration

Is migration available to everyone as a coping strategy? Social networks, resources, knowledge plays a role.

How easy is it to distinguish voluntary from involuntary migration in the context of shocks?

Is migration an optimal coping strategy? Are people who migrate to cope better/worse off?
“No one leaves home unless home is the mouth of a shark”
- British-Somali poet Warsan Shire
Emigration *increases* with economic development until countries reach middle-income status. Sub-Saharan Africa is just getting started.

- Multiple studies confirm an inverted U-shaped relationship between economic development and emigration (Zelinksy, 1971; Martin and Taylor, 1996; de Haas, 2010; Clemens, 2014)

- Most sub-Saharan African countries (red) lie on the left of the “mobility transition” curve, which means more migration from the region is imminent
Demography and Aspirations are already putting significant upward pressure on migration of sub-Saharan African youth

Although migration, in general, is rising in absolute numbers, international migrants represent only 2.9% of the rising sub-Saharan African population (compared to 3.3% globally).
Gap Between Population Growth and Jobs Growth in Developing Countries

<table>
<thead>
<tr>
<th>Region</th>
<th>Change in working age population, 2015-2050 (million)</th>
<th>Change in employment 2015-2050, needed to keep employment rates at 2015 level (million)</th>
<th>&quot;Migration pressure&quot; created by the unemployed (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All developing countries</td>
<td>2,119</td>
<td>1,243</td>
<td>875</td>
</tr>
<tr>
<td>East Asia &amp; Pacific</td>
<td>200</td>
<td>135</td>
<td>65</td>
</tr>
<tr>
<td>Europe &amp; Central Asia</td>
<td>8</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean</td>
<td>179</td>
<td>109</td>
<td>70</td>
</tr>
<tr>
<td>Middle East &amp; North Africa</td>
<td>204</td>
<td>84</td>
<td>120</td>
</tr>
<tr>
<td>South Asia</td>
<td>600</td>
<td>317</td>
<td>283</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>928</td>
<td>595</td>
<td>333</td>
</tr>
<tr>
<td>High income: OECD</td>
<td>78</td>
<td>44</td>
<td>35</td>
</tr>
</tbody>
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One Manifestation

Libya as a Gateway
Migrants from Africa and the Middle East surge through Libya, which serves as a portal to the Mediterranean and safe haven in Europe.
Contrary to popular narrative, not all migrants in Libya are Europe bound.

Source: Author’s calculation using IOM Data of 4,251 randomly sampled migrants

And majority do not consider return an option despite facing tough conditions in Libya
Are they escaping shocks?

*Figure 12: Reasons for leaving countries of origin*

- Economic: 91%
- War/Conflicts/Political reason: 5%
- Limited access to basic services: 2%
- Natural disaster: 1%
- Limited access to humanitarian services: 1%

Source: IOM, DTM Round 12
They sure pay a lot of money to get into Libya

Amount paid to smugglers, by planned destination

Amount paid to smugglers, by migrants’ willingness to return

Source: IOM DTM, Round 12, Profile of 4251 migrants in Libya
And often end up in very difficult scenario!

Source: Africa Online
So, is migration an optimal coping strategy in this case?

- Important to understand different forms of migration as a transnational phenomenon and work with source countries (to understand migration drivers and migrant expectations (eg, McKenzie (2016); Shrestha (2017)), transit countries (to protect vulnerable migrants), and host countries (to help with better integration outcomes).

- No alternate to investing in building an effective migration management system, in both sending and receiving countries, no matter what the purpose of migration is.

- From donor's perspective, including migrant service delivery provision in regular projects that cater to both host communities and migrants maximizes chances for social cohesion.

- Pouring aid in origin countries with the sole purpose of curbing emigration will do nothing of the sort.

- Collaboration between national governments, multilateral organizations, and local NGOs in everything ranging from data and systems building to service provision is key.
US-Mexico example shows one way to experiment
Policy Priorities for addressing Migration as a Coping Strategy

Focus should not be on whether or not people should migrate

… But on helping households face shocks, smooth consumption, protect human capital
Policy Options to Support Risk Coping

Among Migrants

• Portability of Safety Nets benefits
• Access to credit
• Reducing Documentation, ID hurdles
• Information
• Skills training and certification

Among non-Migrants

• Continuity of Benefits/entitlements
• Maximizing access to remittances, lower remittance costs and better financial inclusion
• Last-mile delivery and outreach among those isolated