

SUPPORT FOR LIVES ON THE MOVE

Relevant for: Indian Society | Topic: Urbanization, their problems and their remedies incl. Migration & Smart Cities

Though migration is expected to enhance consumption and lift families out of absolute poverty at the origin, it is not free from distress — distress due to unemployment or underemployment in agriculture, natural calamities, and input/output market imperfections. Internal migration can be driven by push and/or pull factors. In India, over the recent decades, agrarian distress (a push factor) and an increase in better-paying jobs in urban areas (a pull factor) have been drivers of internal migration. Data show that employment-seeking is the principal reason for migration in regions without conflict.

However, at the destination, a migrant's lack of skills presents a major hindrance in entering the labour market. Further, the modern formal urban sector has often not been able to absorb the large number of rural workers entering the urban labour market. This has led to the growth of the 'urban informal' economy, which is marked by high poverty and vulnerabilities. The 'urban informal' economy is wrongly understood in countries such as India as a transient phenomenon. It has, in fact, expanded over the years and accounts for the bulk of urban employment.

India needs smart urbanisation

Most jobs in the urban informal sector pay poorly and involve self-employed workers who turn to petty production because of their inability to find wage labour. Then there are various forms of discrimination which do not allow migrants to graduate to better-paying jobs. Migrant workers earn only two-thirds of what is earned by non-migrant workers, according to 2014 data. Further, they have to incur a large cost of migration which includes the 'search cost' and the hazard of being cheated. Often these costs escalate as they are outside the state-provided health care and education system; this forces them to borrow from employers in order to meet these expenses. And frequent borrowing forces them to sell assets towards repayment of their loans. Employment opportunities, the levels of income earned, and the working conditions in destination areas are determined by the migrant's household's social location in his or her village. The division of the labour market by occupation, geography or industry (labour market segmentation), even within the urban informal labour market, confines migrants to the lower end. Often, such segmentation reinforces differences in social identity, and new forms of discrimination emerge in these sites.

Despite these issues, internal migration has resulted in the increased well-being of households, especially for people with higher skills, social connections and assets. Migrants belonging to lower castes and tribes have also brought in enough income to improve the economic condition of their households in rural areas and lift them out of poverty. Data show that a circular migrant's earnings account for a higher proportion of household income among the lower castes and tribes. This has helped to improve the creditworthiness of the family members left behind — they can now obtain loans more easily. Thus, there exists a need to scale-up interventions aimed at enhancing these benefits from circular or temporary migration. Interventions targeting short-term migrants also need to recognise the fact that short-term migration to urban areas and its role in improving rural livelihoods is an ongoing part of a long-term economic strategy of the households. Local interventions by NGOs and private entrepreneurs also need to consider cultural dimensions reinforced by caste hierarchies and social consequences while targeting migrants.

The need for a national policy towards internal migration is underscored by the fact that less

than 20% of urban migrants had prearranged jobs and nearly two-thirds managed to find jobs within a week of their entry into the city, as a study in the early '90s showed and that we verified through field work in Tamil Nadu in 2015. The probability of moving to an urban area with a prearranged job increases with an increase in education levels. Access to information on employment availability before migrating along with social networks tend to reduce the period of unemployment significantly. Social networks in the source region not only provide migrants with information on employment opportunities, but are also critical as social capital in that they provide a degree of trust. While migrants interact with each other based on ethnic ties, such ties dissipate when they interact with urban elites to secure employment.

In India, the bulk of policy interventions, which the migrants could also benefit from, are directed towards enhancing human development; some are aimed at providing financial services. As government interventions are directed towards poverty reduction, there is a dearth of direct interventions targeted and focussed on regions. Policies on this could be twofold. The first kind could aim at reducing distress-induced migration and the second in addressing conditions of work, terms of employment and access to basic necessities.

Narrowly defined migrant-focussed interventions will not enhance the capabilities of migrants that could lead to increased earnings and an eventual exit from poverty. There is also a need to distinguish between policy interventions aimed at 'migrants for survival' and 'migrants for employment'. Continued dynamic interventions over long periods of time would yield better results compared to single-point static interventions, especially in the context of seasonal migrants. Local bodies and NGOs which bring about structural changes in local regions need to be provided more space.

There is a lack of focussed intervention aimed at migrants. Interventions aimed at enhanced skill development would enable easier entry into the labour market. We also need independent interventions aimed specifically at addressing the needs of individual and household migrants because household migration necessitates access to infrastructure such as housing, sanitation and health care more than individual migration does. Various interventions must complement each other. For instance, government interventions related to employment can be supported by market-led interventions such as microfinance initiatives, which help in tackling seasonality of incomes. Policy interventions have to consider the push factors, which vary across regions, and understand the heterogeneity of migrants. As remittances from migrants are increasingly becoming the lifeline of rural households, improved financial infrastructure to enable the smooth flow of remittances and their effective use require more attention from India's growing financial sector.

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