

COVID-19 Crisis Through a Reverse Migration Lens

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The unseen exodus of migrants was one of the major cataclysms that arose during the pandemic. Most of these reverse migrants had been engaged in the informal sector without access to social protection and little money for food or housing. Back in the village, the reverse migrants were back to square one and witnessed a significant decline in income. Majority of them had to resort to dissaving and borrowing, which was mostly taken from informal sources. Agriculture and employment schemes such as MNREGA proved to be a cushion amidst this gloominess. Over a year and a half into the pandemic, aspirations, and hope for better opportunities remain prevalent with the majority (55%) of the reverse migrants surveyed expressed desire to go back, while a significant chunk (20%) were unable to make up their mind. The migrant catastrophe should be a lesson and viewed as an opportunity to rethink the whole aspect of migration.

I. The Covid Crisis

It was recognized early that attack of Covid-19 on India – the second most populated country of the world – may cause mayhem, given the average quality of health infrastructure in the country. Response stemmed from the humanitarian principle that human lives lost once cannot be brought back. With this background, India enforced sixty-eight days of four-phased-lockdown starting from 24th March to 31st May 2020 to deal with COVID-19 pandemic. Forced by the pandemic, the ominous choice between 'life' and 'livelihood' had to be made and many were left with no alternative but to migrate back to their villages which was their most familiar place.

The GDP slipped into a technical recession in the first two quarters of FY2020-21 by contracting 24.4% and 7.4%, respectively. The most severely hit sectors were construction, manufacturing, trade and hotel and other services. The Index of Industrial Production (IIP) also experienced a substantial contraction of 55.5% in the first half of FY 2020-21, reaching its historical low. Remarkably, the agricultural sector was the only sector that recorded a growth rate of 3.4% during the first two quarters of FY 2020-21. The unemployment rate had shot up sharply to 24% in the first wave as soon as the severe lockdown was imposed. As the lockdown eased, the unemployment started climbing down and it eventually came down to its pre-lockdown level (Figure 1). However, Covid-19 has had a worrying lasting impact: smaller worker participation rate in India as depicted by the Labour Participation Rate (LPR) and Employment Rate (ER), which have not recovered to pre-Covid level.

II. Objectives

The mass exodus of migrants is bound to have repercussions on the rural economy, with perceptible changes in the employment structure, wage rate, borrowings, skill set available and the broad culture as a whole.

This paper proposes to study three broad dimensions associated with reverse migration-

- Why- To understand the principal factors behind the movement of reverse migrants and reasons driving their decision regarding future movement.
- How-To understand back in the native place, how did the reverse migrants cope up and how much was the impact on their income and savings.
- What next- To understand factors influencing reverse migrants' future movement.

III. Methodology

The study aimed to understand the nitty-gritties of rural-urban migration in general and the unprecedented mass migration, which took place after imposition of the stringent lockdown to fight the pandemic in particular. For this purpose, both primary and secondary data were used. For attainment of the primary data, a semi-structured questionnaire was designed for getting feedback from reverse migrants through multi stage stratified random sampling design. Data and feedback were received from seven states where the problem of reverse migration was most acute namely, Bihar, Uttar Pradesh, Odisha, Madhya Pradesh, Jharkhand, West Bengal and Rajasthan. Feedback from 397 reverse migrants belonging to 35 districts and was then analyzed using suitable statistical tools to arrive at major findings of the survey. The survey was conducted during 24 May 2021 to 02 June 2021 amidst second wave.

IV. Results

A. Destination

Interstate migration has increased significantly in the past two decades. Internal migrants as a percentage of population increased from 30% in 2001 to 37% (as per Census 2011).

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However, it is still less than in other countries at a similar stage of economic development. A 2016 World Bank study attributed this partly to the migrant unfriendly policies in many states of the country. In our survey, it was found that 87% of the reverse migrants were interstate migrants. Over 50% of them had migrated back from one of the five states/UT- Maharashtra, Delhi, Gujarat, Tamil Nadu, Karnataka.

In our survey, it was found that the primary reasons driving the reverse migration were lack of employment and danger of infection of coronavirus in the destination place. Apart from these, other reasons were shortage of money, peer pressure, desire to be with community in the time of crisis. For 3% of the respondents, motivation of employment guarantee programmes was also a pull factor towards the village.

B. Period

Our survey revealed that most of the reverse migrants (72%) were circular migrants. Circular migration is a move made for a short period with the intention of returning to the place of usual residence. A significant sub-group of temporary migrants consisted of seasonal migrants (26% of the total), who combine activity at several places according to seasonal labour requirements. Seasonal migration forms a majority of rural-urban migration and generally involves independent male members of rural households migrating to urban areas while maintaining close links with their villages and towns of origin. They send remittances home and often spend a few months, especially during the harvest season, at their native places. The economic shock due to the pandemic to the rural economy was magnified because of the loss of remittance which used to be regularly sent by the migrant workers working in cities within the country and even abroad.

C. Impact of Migration and then Reverse Migration

In the past few years leading the crisis, real wage was increasing rapidly in our country. The Global Wage Report 2020–21 by IMF reports that workers in Asia and the Pacific enjoyed the highest real wage growth among all regions over the period 2006–19, with India along with China, Republic of Korea, Thailand and VietNam leading the way.

The relationship between poverty and migration has long been a subject of debate. It is well recognized that poor people migrate for survival within the country and this mobility is generally in the form of short-term migration, even though the capacity to afford migration is low among the poor (Kundu and Sarangi 2007; Skeldon 2002). Our survey revealed that in their native place, prior to migration, around 75% of the respondents had marginal landholdings and/or income less than ₹6000/ month. These households were diversifying through migration in order to supplement rural income.

In general, upward mobility in income was seen across all income classes and almost all migrants saved considerable amount. While over 72% of the migrants were earning less than ₹6000/ month in their place of origin, after migration, only 1.5% of the respondents reported earning under ₹6000/ month.

The Covid crisis has significantly affected the income across countries. Early data from national statistical offices show that around two-thirds of countries for which short-term statistics are available showed decreasing wages or slower average wage growth, while in other countries average wages took a surprising jump in the statistics – mostly reflecting a "composition effect" due to the loss of lower-paying jobs. For India, which is characterized by a large informal sector, evidence suggests that due to the pandemic formal workers' wages have been cut by 3.6%, while informal workers have experienced a much sharper fall in wages of 22.6% (Estupiñan and Sharma 2020). Due to the employment and income losses, the labour share of the GDP fell by 5 percentage points, from 32.5% in the second quarter of 2019-20 to 27% in the second quarter of 2020-21. Of the decline in income, 90% was due to reduction in earnings, while 10% was due to loss of employment.

The migrants were one of the hardest hit groups and significant reduction was witnessed in their income. To put this into context, the survey showed that only 1.5% of the respondents belonged to the monthly income range of under ₹6000 pre-pandemic. However, post reverse migration, over 83% of the respondent were pushed down to this income bracket.

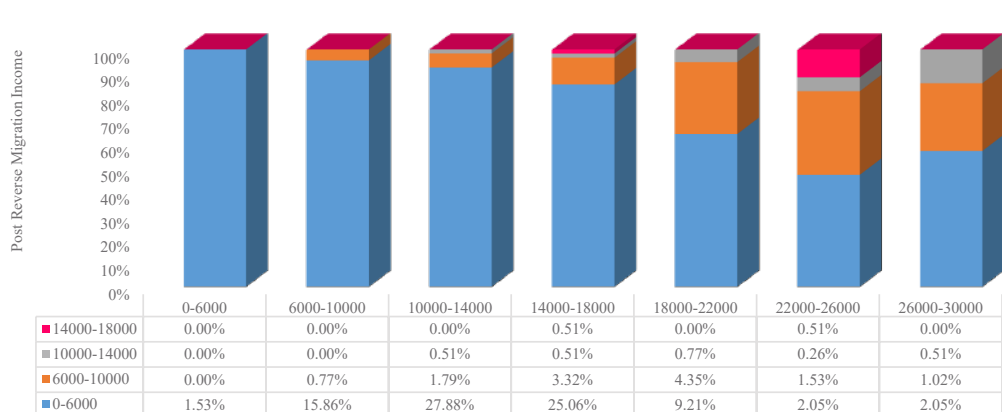


Figure1: Post Migration Income

D. Employment

In line with the literature, our survey revealed that construction sector is a major employer of the migrants. About 47% of the reverse migrants surveyed had been engaged in construction activity in the city. Other popular works taken up were retail trade and street vending, maintenance and repair work and hospitality. Because of their lack of assets, skills and capabilities, the reverse migrants surveyed had primarily been absorbed in the informal sector of the urban economy. Working conditions within such sectors tend to be exploitative and hazardous, with limits on personal freedom, underpayment of wages, long working hours, debt bondage and unhygienic working environments (Deshingkar et al, 2008; Srivastava and Sasikumar, 2003). Despite such degrading conditions, migrants are often willing to engage in such work because the rate of wages is often higher than what they would otherwise earn in the source area (Bird and Deshingkar, 2009). The recently released Periodic Labour Force Survey reveals that for the period July 2019-June 2020, more than two-third of the employees (regular wage/salaried) were without job contracts and more than half of the employees (regular wage/salaried) were not eligible for paid leave or any social security. The pandemic led to widespread distress and affected the migrants severely forcing them to flee back. Without source of livelihood, they could not manage food and rent. Further, for most of them in the absence of collateral, taking loan was not possible. This led to reverse migration at a massive scale.

Post reverse migration, 41% of the respondents relied on farming as a source of livelihood. Data from the Ministry of Agriculture and Farmers Welfare has shown a 21% increase in the sowing of kharif crop across India in 2020, compared to 2019, along with an increase in the acreage of other crops. The increase in sowing hints that more labour for agriculture was available which is thought to be because of the reverse migrants.

E. Coping Mechanisms and Welfare Support

For majority of the reverse migrants, the transition due to the pandemic has meant compromising on their daily consumption needs. Over 70% of the respondents cited that they had to rely on past savings or borrow to survive. Of the people borrowing, only 16% of the respondents accessed credit from formal sources. The most resorted borrowing sources were relatives and moneylenders. Banking institutions and co-operatives provided only 16 per cent of all loans taken. Self-help groups (SHGs) also formed an important source of support.

Back in village, the two major saviours for income generation were agriculture and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). Agriculture provided work in harvesting and post-harvest activities of

the rabi crops during the months of April-May. The overflow of workers in these activities however brought the wages down.

The role of MGNREGA as a lifeline for the working poor in rural India has been proved once again with the experience of the COVID-19 induced nationwide lockdown. It turned out to be the main livelihood source for millions of migrants and other workers in rural India providing much needed daily wages and subsistence. Until the end of July 2020 when the agricultural operations again picked up during the sowing of the rabi crops there was an unprecedented surge in MGNREGA beneficiaries. The spike in the number of beneficiaries in this period was higher than the annual surge recorded in the past many years. Data on the scheme portal show that up to 72% more households demanded work in July 2020 than in 2019 in the same month and up to 66% more households demanded work in August 2020 in comparison to August 2019.

A possible outcome of this could be the drastic decline in the rate of unemployment in the country. In the month of July 2020 national unemployment rate fell to 7.4% from its peak of 23.5% in April 2020. Rural unemployment specifically saw a significant drop to 6.5% from 22.9% during the same period (CMIE 2020). In addition to this, states such as Bihar, Madhya Pradesh, Chhattisgarh, Uttar Pradesh and West Bengal with high number of returnee migrants could bring down the unemployment rates by providing work under MGNREGA. Reports suggest that the scheme not only helped the unskilled workforce but also provided respite to the graduates and professional degree holders who lost their jobs in the cities and returned to villages.

The pandemic related distress had significant impact on the food and nutritional intake of the reverse migrants. A study conducted by the Centre for Equity Studies found in their sample that only 38.9% (547) said that they never went completely out of food during the lockdown. Further, many among those who reported never having gone without food reported that they have diminished their intake and were often having one meal in a day. Given this distress, schemes such as PDS and various food schemes by states proved to be a lifeline for the poor. The NFSA provides 5 kgs of food grains (rice/wheat/millet) per head to 75% of the rural population and 50% of the urban population at subsidised prices as given in the Schedule of the Act (₹3/kg rice, ₹2/kg wheat and ₹1/kg millets), through the PDS. Furthermore, as part of the Pradhan Mantri Garib Kalyan Yojana (PMGKY), the government provided additional 5 kgs of grains (and 1 kg pulses per household) for free to those who have ration cards under the NFSA. In our survey, we found that over 61% of the respondents had been recipient of some government scheme for food.

Lack of access to credit is another constraint faced by returnees, in particular for those interested in self-employment, while lack of access to vocational training or agricultural services and business incubation further affects their capacity to respond to the crisis, create jobs and secure livelihoods (FAO, 2020). Our survey revealed that only 21% of the respondents were aware of any skill development programmes near the village. Furthermore, only 11% had applied for loan under any government scheme for self-employment and a meagre 3% had managed to avail the loan.

F. Factors Influencing Return Migrants' Decisions to Resume Migration

In our survey, it was found that 55% of the respondents wished to migrate back to the city when it was safe to do so, 25% of the respondents had decided to stay back in the village and the remaining 20% were unsure regarding their future course of action. Several factors were identified that influence the decision of return migrants to migrate again or stay in their rural communities. The primary reasons cited for decision to move back to the city were higher income possibility in urban area, availability of secure and attractive job, limited use of acquired skills in rural area and the presence of better infrastructure in urban area. The primary reasons cited for staying back in village were safety concerns in the city due to pandemic, lack of suitable livelihood opportunities in urban India, family reasons such as school going children in village, possession of multiple skills that can be used in village and ownership of landed asset or livestock.

V. Conclusion and Way Forward

As in the words of Albert Einstein, "In the midst of every crisis, lies great opportunity" pandemic definitely offers some positives too. The migrant crisis should be looked upon as an opportunity to rethink the whole aspect of migration and by using the innate or acquired skills of the migrants who have moved back and an attempt should be made to resolve the long pending problems faced by the rural sector. Investing in migrant workers who reflect the demographic profile of young India – world's best, with 65% of population below 35 years of age – is the key. This young

India represents a pool of multi-sectoral, upgradable and valuable skill sets. They are mobile, aspirational, risk-taking and entrepreneurial, most ideal for propelling engines of the great idea of "Atma Nirbhar Bharat".

Furthermore, the pandemic has once again highlighted the importance of rural economy in general and agriculture sector in particular. Agriculture and rural development can make a significant contribution to address the root causes of rural migration by giving poor people alternative and sustainable livelihoods options for moving out of poverty within or near their own communities. Also, the importance for self-reliance for food was once again felt in the midst of supply chain disruptions due to the pandemic. While the importance of agricultural labour market cannot be denied, the future of rural sector crucially depends on the growth of off-farm sector. Rural off-farm employment is considered particularly important to the landless, small, and marginal farmers. One of the lessons the pandemic taught us is that investing in people's institutions in peace times pays dividends during crisis. Grassroots institutions like Self-Help Groups (SHGs), Joint Liability Groups (JLGs), Farmer Producers Organizations (FPOs), Off-Farm Producers Organizations (OFPOs) played their role in fighting the pandemic and helping people.

Rural and Agri Business start-ups have the potential for creating employment opportunities and facilitating for increased rural income levels through technology interventions, productivity enhancement and digitally integrated services. The significance of Business Incubation Centres (ICs) /Incubators in facilitating an ecosystem, conducive for the growth of rural enterprises is recognized worldwide. Besides creating direct employment opportunities, they also help in increasing productivity and entrepreneurship development by supporting rural based start-ups and enterprises, which are attempting to commercialize / upscale innovations. Greater emphasis needs to be given on outcome-based skill intervention by undertaking skill activities in emerging areas and should also include soft skills and digital literacy.

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