Impact of Internal and International Labour Migration: South-East Asia

By

Dr. Lan Anh Hoang
School of Social and Political Sciences
The University of Melbourne

8th February 2011
Introduction
The aim of this paper is to review impacts of internal and international labour migration in three major labour-sending countries in South-East Asia, namely Indonesia, the Philippines and Vietnam. It draws on the existing literature including both qualitative and quantitative studies on regular and irregular migration in the study countries. The review covers four types of movements: internal migration, short term contract international migration, regular and irregular cross border population movements, and diasporas.

Section I: Internal Migration

1.1. Brief overview of migration trends and patterns
A common feature of the three study countries discussed in this paper - Indonesia, the Philippines and Vietnam - is that they all have agricultural economies while agriculture alone has become increasingly unable to sustain rural livelihoods. In Vietnam – a country with the highest population density per hectare of crop land in South-east Asia at 11 persons (cf. UNDP 1995) - for example, 80 percent of the population are dependent on natural resource and agriculture-based occupations while crop land covers only 20 percent of the land area resulting in extremely high underemployment rates in rural areas – averaging at 25 percent in 2005 (Deshingkar 2006: 91; GSO 2006). Coupled with the rapid urbanisation, the widespread under- and un-employment in rural areas of South-east Asia has been attributed to the significance of temporary and circular migration as one of the multiple farm and non-farm income-earning activities rural households pursue in order to sustain their livelihoods (Collier, Santos et al. 1993; GSO 2004). Temporary migrants compared to more permanent migrants are more likely to be older, male, have lower levels of education and married and their main purpose of migration is to earn cash in order to support their rural-based households (Guest 2003: 4). More noteworthy are increases in female migration to urban centres, particularly to the “mega cities” in the region such as Bangkok, Manila, Jakarta and Ho Chi Minh City (Guest 2003). Female migrants are mostly young and unmarried women working in the informal sector in urban areas or factories in industrial zones.

Labour mobility has been a longstanding feature of Indonesia, where rural migrants are mostly drawn to construction sites in both cities and rural areas and small rural industries on a circular and seasonal basis. The country has been experiencing large increases in migration since the 1970s - the proportion of Indonesian males who had ever lived in another province increased from 6.3 to 11.2 percent between 1971 and 1995 and that for females from 5.1 to 10.0 percent (Hugo 2000: 117). The original destinations in the government’s transmigration program including Sumatra and Kalimantan continue to attract spontaneous settler migrants from the over-crowded Java until very recently (Dang 2003: 34). However, despite attempts to redirect population movement to rural areas or provinces with labour shortages and discouragement of rural–urban migration due to concerns about pressure on urban areas, rural-urban movements constitute the most important flow in Indonesia, contributing to high rates of urbanization (about 30-35 percent) in the country (Deshingkar 2006: 90, 94; Amitabh 2009: 19). The 1997-98 economic crisis, nevertheless, contributed to redirecting rural-out migration flows from urban areas in Java to the outer parts of the country where there are high demands for labour for the extraction and processing of natural resources (Deshingkar 2005: 28). Female migrants are well represented in interprovincial movements in the country with women with low levels of...
education concentrating in the informal sector while those with secondary education are more often found in manufacturing industries (ibid: 33).

In a recent study, Hugo (2003: 11) found that circular migration and commutation from rural to urban areas has become the most important flow of internal mobility in Indonesia, accounting for one-fifth of movement and far outweighing permanent relocation from village to the city. This is corroborated by a comprehensive longitudinal study of 37 villages in Java carried out over the period 1967-91 which found that most of the landless rural families in Java have at least one person working outside of the village, and in a factory or service job (Collier, Santoso et al. 1993). Only 20 percent of households now depended on agriculture for their total livelihood. Labour migration, however, is just one of the many temporary livelihood diversification options pursued by rural households rather than a long-term strategy leading to relocation.

The significance of temporary migration to large cities is not unique to Indonesia but a pervasive feature across the South-east Asia including Laos, Cambodia, Thailand and Vietnam. In Thailand, for example, temporary moves account for one-third of all migration (Deshingkar and Grimm 2005: 20). In Vietnam, the 1999 Census reported that migration from rural to urban areas accounted for over 53 percent of the moves1 (GSO and UNDP 2001). Rural-urban migrants are mostly drawn to Hanoi and Ho Chi Minh City and the industrial areas surrounding them. The Red River Delta – the most-densely populated region in the country – and the resource-poor Central Vietnam send out the largest numbers of migrants, many of whom migrate to Hanoi and Ho Chi Minh City on a temporary basis to work as casual labourers while the left-behind family continues to cultivate their land. Rural-rural migration has also been on the rise since the onset of the Doi moi (the socio-economic reforms launched in the late 1980s) (37 percent in 1999), mostly to the Central Highlands and the Southeast where natural conditions are favourable for developing high-value industrial crops such as rubber, coffee, tea and mulberry leaves (Do 1998: 229). The 2004 Vietnam Migration Survey, however, shows that that temporary migration to industrial zones is increasing while migration to the Central Highlands has dropped as the prices of agricultural products have decreased (Deshingkar 2006: 91). Unlike the pre-Doi moi period, internal migration in contemporary Vietnam is broadly of a spontaneous and temporary nature – The Vietnam Household Living Standards Survey from 2004 to 2006 revealed that 11.9 percent of surveyed households included a seasonal migrant (Marx and Fleischer 2010: 25). Personal networks play a crucial role in this new context of migration - rural migrants from the same origin often live in clusters and do the same kind of work at the destination (Resurreccion and Ha 2007; Winkels 2008; Belanger and Pendakis 2009; Luong 2009: 414).

Changes in the patterns and volumes of internal migration in Vietnam have often been attributed to the Doi moi reforms (Guest 1998; Ha and Ha 2001; Dang, Tacoli et al. 2003). Migration in the pre-Doi moi period was largely organized and sponsored by the government2. The development of the private sector, land reforms in the countryside and the relaxation of the household registration system (ho khau) are among the most important factors associated with increased labour migration from rural areas after Doi moi. According to the 2009 census data, between 2004 and 2009 nearly 6.6 million people, or 7.7 percent of the population over five years of age, changed their place of residence - an increase of 2.1 million people since the 1999 census (GSO and UNDP 2001; Marx and Fleischer 2010: 23). However, it is estimated that around 12 to 16 million people are potentially missing from national records since the statistics does not include short-term, seasonal, unregistered movements and movements in the 6 months preceding the census date (Marx and Fleischer 2010: 23). As in most regions of the world,
Vietnamese internal migrants are predominantly young and unmarried adults whose mobility is positively related to education levels (GSO 2004: 2). Generally more women than men migrate (58.7 percent and 41.3 percent respectively) (GSO 2005: 42) which nevertheless does not necessarily reflect the actual gender differences in mobility for work because the statistics includes a high proportion of women migrating between rural areas for marriage. The economic sectors where most migrants to urban areas can be found include construction (male dominated), manufacturing industries (female dominated), service and housework while the vast majority of migrants to rural areas work in agriculture, forestry and fisheries.

The disproportionate attention to international migration in the Philippines has resulted in a dearth of knowledge on more recent patterns and trends of internal migration. Internal migration in the Philippines is a fundamental part of rural livelihood strategies and rural transformation, and not only to escape poor rural areas (Quisumbing and McNiven 2005). Between 1980 and 1990, the number of persons over the age of five years who were not resident in the city or municipality they resided in five years ago increased from 2.85 to 3.24 million (Flieger 1995). Philippine internal migration flows experienced two important changes in terms of gender composition and destination in the last century – the male-dominated, frontier migration in the period up to 1960s has shifted to the female-dominated urbanward migration (Gultiano and Xenos 2004: 8). According to the 2000 Census of Population, 82.2 percent of young urban migrants were female, of which 74.3 percent migrated to the National Capital Region (NCR) (ibid). Quisumbing and McNiven (2005) confirm this by reporting that internal migration tend to be interprovincial, more in the direction of the NCR and the adjacent regions, and is dominated by women.

Similar to Indonesia and Vietnam, rural-urban movements in the Philippines nowadays constitute the most important flow of internal migration with migrants mostly streaming to metropolitan areas. In the 1960s-70s period the country as a whole was urbanizing about twice as quickly as the population was growing (Keely 1973: 178). The most attractive destination is Metropolitan Manila, yet a recent study indicates that internal migrants are starting to favour smaller urban centers as areas of destination which is evidenced by their higher population growth rates than larger cities (Basa, Villamil et al. 2009: 1). However, rural-rural migration remains significant, especially for first-time male migrants. Urban destinations tend to attract young people with better education who migrate to seek better jobs or further education while those heading for rural areas often move in order to take up farming or to get married (Quisumbing and McNiven 2005: iv). A large number of male migrants in urban areas work in low-earning occupations such as manual labor, transportation work or crafts and trades while their female counterparts tend to fare better, working in sales occupations and are more likely than males to hold professional and managerial jobs (ibid).

1.2. Impacts of internal migration on the migrant
Very little research on migration impacts on internal migrants in all three countries was found in our literature search, which is possibly due to the lack of quality data or because most of the relevant literature has been published in local languages, and not English. The general consensus in Asia is that the vast majority of internal migrants benefit economically from their moves, having higher levels of labor force participation than non-migrants and earn much more than they would be able to earn undertaking equivalent work in their origin areas (Guest 2003: 11). However, migrants also generally earn less than non-migrants with equivalent qualifications in their place of destination and make up large segments of the urban poor (ibid).
One of the well-known impacts of migration on the migrant in the study countries is the susceptibility to infectious diseases due to the usually poor-quality and over-crowded living arrangements as well as sexual risk behaviours associated with long-term separation from the family. As noted by Hugo (2003: 24), in moving to ecological contexts different from those at places of origins, migrants may not have antibodies to cope with new localised diseases. Also, migrants tend to segregate in temporary and insecure accommodation that are usually poor in water and sanitation infrastructure, which renders women vulnerable to sexual exploitation and migrant workers in general to infectious diseases such as tuberculosis and HIV/AIDS (Hugo 2003; Marx and Fleischer 2010: 39). Indeed, the 2004 Vietnam Migration survey shows that female temporary migrants were 50 percent more likely to experience sickness than their male counterparts (Marx and Fleischer 2010: 35). The Vietnam National Strategy on HIV/AIDS identifies migrants as a particularly vulnerable group to HIV infection. The spread of HIV/AIDS in Vietnam and Indonesia has also been associated with high levels of population mobility, especially that between rural and urban areas (Elmer 2001: 4; Hugo 2003: 24). Single young migrant men in cities are regarded as one of the most high-risk groups because they tend to recruit sex workers from the streets or brothels who are more likely to be HIV/AIDS positive while having limited access to government HIV prevention efforts, as well as care and treatment services (Elmer 2001; Marx and Fleischer 2010). All these facts contribute to the stigmatisation of migrants as being associated with the so-called “social evils”, thereby leading to further marginalisation and social segregation already created by the formal structures of registration and access to services (Marx and Fleischer 2010: 34).

Because the majority of internal migrants in our study countries migrate on a temporary basis, they often move without acquiring formal permission and hence are regarded as illegal. In doing so they are socially and economically excluded from the wider benefits of development, such as access to health and education, housing, sanitation and freedom from exploitation (ODI 2006). This is especially true in Vietnam where the household registration system (aka the KT system) continues to restrict migrants and their families’ access to basic services at the destination such as water supply, electricity, healthcare, schooling, notary public services, land, house ownership and employment in the public sector (Deshingkar 2005: 34; Hoang 2008). Temporary residents (KT1 and KT2 categories), for example, do not have access to public schools which generally charge much less fees than the private schools where they can enroll in. The same applies to healthcare access. Furthermore, the migrants, many of whom are temporary and seasonal low-skilled workers, are more likely to be self-employed in petty trade and service or hold low-waged jobs in the informal sector, which are beyond the reach of labour protection laws (Abrami and Henaff 2004: 120). They are neither protected by labour unions nor provided with medical or social insurance (Ha and Ha 2001; Marx and Fleischer 2010: 29). These social and structural barriers contribute to further marginalization of migrants, exacerbation of existing inequalities and increases in urban poverty.

Data from the 2004 Vietnam Migration Survey shows that migrants are generally better off in terms of work, income and professional skills in their place of destination compared to their place of origin (GSO 2004: 17; UNFPA 2006: 6). Women are more likely to experience upward social mobility than men. Higher incomes contribute to better nutrition and improved access to quality healthcare as migrants’ self-reported health was generally better than before they migrated (Marx and Fleischer 2010: 34). However, migrants tend to be worse-off than non-migrants at the destination due to the existing labour market segmentation that contributes to wage disparity between migrants and non-migrants, informal and formal migrant workers (ODI
Migrant workers from ethnic minority groups are subject to discrimination in the recruitment process as well as payment (UNFPA 2006). Increasing urban living expenses, not matched with any increases in wages, serve to augment migrants’ difficulties (Marx and Fleisher 2010: 32). Most importantly, the anxiety and loneliness resulting from the separation from the family of many migrant workers, particularly women, who migrate on a long-term basis with families left-behind in source areas, puts considerable strain on family relations and their own psychological health (Ha and Ha 2001; Truong 2009).

Research in Indonesia applauds positive economic impacts of circular and temporary migration as a means for rural households to maximize their family income. By leaving families in the home village, as argued by Hugo (1982: 69), the migrant effectively reduces the costs of subsistence at the destination and maximizes the utility gained from consumption by earning in the city but spending in the village. How this family arrangement and the temporariness of his mobility affects the migrant is, nevertheless, unclear. Jellinek (1978) in her study of petty traders in Jakarta provides us with a glimpse of migrants’ lives by describing the pondok system whereby circular migrants (usually from the same region of origin) cluster together in tiny cramped rooming-houses (pondok) owned by a tauke (boss), who also provides them with the credit and equipment needed to set themselves up as mobile traders.

In the Philippines, Ulack, Costello et al. (1985: 447) in their survey of 2,741 randomly selected households with a member engaged in circular labour migration in Cebu and Cagayan de Oro found that the migrants were satisfied with their city-based employment, at least in comparison with origin-based options and did not want to return to their places of origin to live and work. However, migrants, particularly women, are more likely to be found in low-paying occupations than non-migrants at the destination (Gultiano and Xenos 2004: 15). Rural migrants tended to be employed in the informal sector while circulators from cities were most often employed in the formal sector but in general, both groups were found to be economically better-off at their destinations in comparison with possible earnings at home (Ulack, Costello et al. 1985: 448). Ulack and his colleagues corroborate Hugo’s view in Indonesia that circulation is a risk-minimizing form of mobility which helps the migrant minimize his living expenses by not establishing households at the destination.

1.3. Impact of internal migration on immediate family members

Though remittances from internal migrants can be relatively insignificant in general, particularly in comparison with remittances from overseas migrant workers, they have a wider coverage because more people are involved in internal migration. Because internal migrant families tend to be poorer than international migrant or even non-migrant families (cf. Nguyen 2008: 5; Marx and Fleischer 2010: 41), remittances, though in small quantities, have important impacts on rural livelihoods. In the study countries, even if remittances are not significant enough to be spent on “productive” investment, they help households ameliorate their living standards through improved diet and better access to education and healthcare (Hugo 1982; Zhang, Kelly et al. 2001; Gultiano and Xenos 2004; Quisumbing and McNiven 2005; Nguyen 2008). In that sense internal remittances prevent poor rural households from sliding further into poverty because of dependence on a deteriorating agricultural base (Desingkar 2006: 92).

The 2004 Vietnam Migration Survey (VMS), which covered nearly 5,000 migrant households across 11 cities and provinces, reported that more than half had sent money to their households of origin and over two-thirds had sent over one million dong (US$65) within the year preceding the survey (Desingkar 2006: 92). The most frequently reported uses of remittances
were contribution to daily expenses, repayment of debt, education and health care and housing improvement (GSO and UNDP 2005). Remittances are particularly important for the poor in coastal areas, who depend on fisheries and agriculture with sharp seasonal fluctuations and long slack periods (Luttrell, Hoang et al. 2004). Migrant remittances are particularly important for the education of children left-behind in source areas. The 2004 VMS found that the third-largest use for remittances received by households left behind was for children’s education, with about one-in-five migrants surveyed using remittances for this purpose (Marx and Fleischer 2010: 44). At the same time, negative impacts of migration on children have also been reported in Vietnam. A study in 2009, for example, found that in the absence of one or both parents, children, particularly those under the age of six, are vulnerable to health care risks and that more than half of the families surveyed reported a negative impact on children’s school performance after the migration of the parent(s), which is attributed to a lack of guidance and support, as well as increased time spent on household chores (UNICEF_Vietnam forthcoming).

In Java – the major labour-sending area in Indonesia - less than half of the rural population owns or has direct access to sufficient agricultural land to obtain subsistence and most of the temporary migrant households could not earn sufficient incomes in their places of origin to support themselves and their dependent (Hugo 1982: 69). Circular migration or commuting thus provide an important means for families to improve their incomes. In a study conducted in West Java, Hugo (1978) reported that all temporary movers remitted money to their families and 81 percent brought back goods. Remittances accounted for 60 percent of commuter households’ income and nearly half of circular migrant households’ total income on average.

Remittances from migrants in the Philippines tend to be less significant than in Indonesia and Vietnam – Ulack, Costello et al. (1985: 448) reported that only 38 percent of the working circulators in Cebu remitted funds to their home at some time during their absences and the amount decreased if a circulator became a migrant. Not only insignificant in quantity, remittances have also been found to be unimportant in their impact on migrant families who often use the money on conspicuous consumption rather than investment in land or human capital (Gultiano and Xenos 2004: 16). Quisumbing and McNiven’s (2005) longitudinal study of 448 families in rural Mindanao, nevertheless, reported positive impacts of internal migrant remittances on education.

While certain migration impacts on left-behind families can be easily seen through the volume of remittances, it is more difficult to quantify the impact of migration on migrants’ dependents who accompany them. Given the fact that large numbers of internal migrants in all study countries move on a temporary basis, they and their families often live in insecure, unhygienic and over-crowded places, which are detrimental to the health and well being of children (Hugo 2003; Marx and Fleischer 2010: 39). In Vietnam, the restrictions of migrants’ access to basic services at the destination imposed by the KT system mean their dependents do not have access to public schooling and healthcare and thus have to resort to private services at much higher rates. The undersupply of primary schools in Ho Chi Minh City and Ha Noi for children aged 6 to 10 years seems to be particularly acute in the migrant-rich suburbs and has been identified by various studies as the most pressing factor reducing opportunities for migrant children to attend school (Marx and Fleischer 2010: 33). Neither are they eligible for social services provided under the Hunger Eradication and Poverty Reduction Programme, which includes low-interest loans, free healthcare and exemption from school fees (Deshingkar 2006: 94).
Another concern regarding migration impact on families is the risk of contracting HIV/AIDS or other STDs from the migrants. As discussed in the previous section, migrants are highly susceptible to infectious diseases due to the usually poor-quality and over-crowded living arrangements as well as sexual risk behaviours associated with long-term separation from the family. There is, therefore, a high chance of them infecting family members with these diseases upon returning home. The connection between return migration and the spread of HIV/AIDS in the left-behind population is exemplified by Dang’s (2005) study in Thai Binh province in Vietnam, where many wives and children contracted HIV/AIDS from migrant husbands and fathers who visited sex workers or shared syringes with other drug-users when living away from home.

1.4. Migration impact on extended family members

Despite their immobility, the extended family in source areas has been found to play a significant role in migration. Migrants often move with the funds and support mobilized from family networks (Dang 2003; Winkels 2004; Hoang forthcoming) and are, in turn, expected to fulfill their duties to kin members. In Vietnam, remittances reflect the long-standing tradition of family support and play a significant role in the livelihoods of Vietnamese households (Dang 2003: 12; Pfau and Giang 2009). In general, there is evidence of positive impacts of migrant remittances on local investment and social cohesion, including human and cultural capital development, such as children’s education, and familial commitments like marriages and weddings (Zhang, Kelly et al. 2001: 22). According to the Vietnam Household Living Standards Survey (VHLSS), 88.7 percent of Vietnamese households received some form of remittances in 2004 and remittances are disproportionately directed to households headed by those aged 50 and older, with those 70-years-old and over receiving the most remittances (Marx and Fleischer 2010: 41). In general, elderly women (aged 60 and above) are more likely than elderly men to receive remittances from their children (Barbieri 2006). This source of financial support is critical to the wellbeing of the elderly given the fact that only a small number of them have access to any forms of social welfare. The VHLSS indicates that, on average, social welfare is received by 14 per cent of the elderly in Vietnam, only 18 percent receive a pension and that almost 67 percent of the Vietnamese elderly receive no regular formal transfers (Evans, Gough et al. 2007).

However, increased migration also means many elderly parents are deprived of the care they expect to receive from their migrant children. Research in Vietnam has indicated increasing proportions of the elderly living alone and decreasing proportions of those living with dependents and this trend is more prevalent in the relationship between female migrants and rural elderly (Marx and Fleischer 2010: 33). Worse still, instead of being recipients of care, elderly grandparents have to take care of their grandchildren while their children migrate for work and/or take responsibility for the increased workload on the farm during migrant children’s absence (Pham and Hill 2008: 65).

Several studies in Indonesia report positive links between migration and the health and wellbeing of the elderly. Analyses of the Indonesia Family Life Survey by Everett, Kuhn et al. (forthcoming: 17) indicate broadly positive and significant impact of children’s internal migration on the elderly’s mortality and health. Interestingly, it was found in the same study that, other things being equal, the elderly double their risk of dying if children move abroad rather than to a city in Indonesia. In sum, an additional internal migrant could explain a 27-40 percent reduction in mortality over a three-year period (ibid:19). This concurs another study in Thailand which reports that children’s migration is positively related to parents’ psychological health -
depression is less common among older parents with all children living outside the district, compared with those living either with some or all children in the same district (Abas, Punpuing et al. 2009: 57).

1.5. Impact on community development
No relevant scholarship was identified except a few studies discussing negative social impacts of migration on local communities in Vietnam. As migrants are often associated with the so-called “social evils” such as gambling, crime, drug use and sex work in Vietnamese society, they are often seen as presenting a threat to both sending and receiving communities (IOS forthcoming). This concern has been heightened by incidences of returned migrants spreading HIV/AIDS to their families in labour-sending areas in the North (cf. Dang 2005) as well as the classification of migrants in the National Strategy on HIV/AIDS as a particularly vulnerable group.

1.6. Contribution to local economy
As discussed earlier, the usually insignificant quantities of remittances from internal migrants are used by rural households to pay for daily subsistence. Because a very small proportion of internal remittances is allocated to local investments, one would expect its limited spillover effect in both the local economy and community development as compared with international remittances. This could possibly explain a significant gap of knowledge about economic impacts of internal migration on local communities in all our study countries. In Indonesia, there is some evidence of migration effect on stimulating the demand for locally produced goods - remittances increased individual household incomes and stimulated demand, creating local markets and jobs for non-migrants (Deshingkar 2009: 9). Similarly, Pham and Hill (2008: 70) found that internal remittances in Vietnam had a multiplier effect on the local economy – remittances helped households increase their daily consumption of locally-made products and build new houses, which contributed to the diversification of local livelihoods and created more jobs in construction and transportation businesses.

1.7. Impact of internal migration on national economy
Optimistic views of economic impacts of migration dominate the literature in the region which is partly due to the influence of the developmentalist approach in the field. For example, Chen and Zlotnik (1994) suggest that the level of net rural-urban migration in developing countries has been found to be positively correlated to GNP growth and to indicators of social and health well-being. Dang (2003) sees migration as a driver of growth and an important route out of poverty for rural households in some Asian countries including Bangladesh, China, Viet Nam and the Philippines. Tacoli (2004) argues that rural-urban linkages can create a virtuous circle of local economic development by increasing demand for local agricultural produce, stimulating the non-farm economy and absorbing surplus labour. This is supported by a Participatory Rural Appraisal in the Mekong Delta area which found positive multiplier effects of migration and the important role that it has played in the development of the entire Mekong Delta region (ADB 2003).

According to a study by the International Institute for Environment and Development (IIED 2004), migration reduces both inequality within the sending rural areas and inter-regional inequality. These optimistic views are, however, challenged by other studies in the Philippines (Leones and Feldman 1998; Rodriguez 1998) and Vietnam (Adger 1999) who suggest that remittances increase social inequality. In Vietnam, Winkels (2004) notes that migration from the Red River Delta to the coffee producing highlands has resulted in environmental deterioration,
economic and social exclusion of local inhabitants in the destination areas, unequal access to opportunities for migrants and exacerbated inequality. While temporary migration tends to be positively related with the development of better off regions in the North, it is seen as undermining the ecological system and local livelihoods in the Central Highlands.

An ILO study of internal migration in Indonesia in 2004 associates urbanward migration with macroeconomic growth (ILO 2004). It argues that when remittances increase individual household income, they stimulate demand, thereby creating local markets and jobs for non-migrants. This positive view, however, finds little support in Hugo’s (1982: 75) research which indicates that the bulk of remittances are used to purchase the mundane necessities of life (food, clothing, etc.) and while there is some investment in housing and land, amounts directed toward employment-generating enterprises are relatively small. Yet, however insignificant internal remittances are, many individuals and village communities would suffer dire consequences should their access to income-earning opportunities in cities and other centers of investment be curtailed in any way (ibid). In sum, findings on economic impacts of migration remain contentious which require further investigation at both micro and macro levels.

1.8. Identification of research gaps

Despite being the most important form of internal population mobility in Asia, seasonal and temporary migration is not captured in the official statistics which presents a major hurdle in policy research (Amitabh 2009: 15). In the context of rapid economic growth and urbanization in the region, internal migration will persist and growth, implying a pressing need for amendments in data collection methods to ensure an adequate evidence base for policy making.

In general, the existing scholarship shows mixed outcomes of migration on the migrants themselves which vary depending on their ethnicity, gender and social class. Most of these studies, however, draw on quantitative surveys which are useful in generating an overview of the situation but lack the necessary depth for understanding the situation of specific groups, particularly the most underprivileged and vulnerable ones such as migrant children labourers, domestic workers and migrant sex workers. Equally unclear is how skilled migrants fare in the migration process due to the inordinate attention to temporary low-skilled migrant workers in the scholarship.

Impacts of migration on families are extremely complex yet much of the existing scholarship is concerned with economic impacts through remittances while little research has been done on the social and psychological impacts experienced by families in the absence of a migrating family member. The vacuum left behind by the migrant entails shifts in the household labour division, structure and relations which have yet to be fully examined. Even where remittances concern, the household is often assumed as a single unit acting out of collective interests while we do not know how such factors as gender, class, age and ethnicity mediate the use and distribution of remittances within the household and the differential effects they have on individual well-being.

Very little research has been done on migration impacts on extended family members, which is possibly due to the usual practice of using the nuclear household as the unit of analysis in migration research. The migration scholarship in the Philippines is disproportionately concerned with international migration while no literature on impacts of internal migration on the extended family was found during our search.
Section II: Short Term Contract International Migration

2.1. A brief overview on recent short term contract international migration trends

The history and scale of transnational labour migration from Vietnam, the Philippines and Indonesia differ greatly. Transnational migration is long established in the Philippines and Indonesia while in Vietnam it is a recent (but rapidly growing) phenomenon. Indonesia started labour exports in the 1970s and by mid-2006, there were 2.7 million Indonesians working overseas with official permission, representing 2.8 percent of the total national workforce (Hugo 2007). In the period of 1995-2000 the number of migrants averaged at 400,000-500,000 per year and almost 700,000 Indonesians sought employment overseas in 2007 (Sukamdi 2008: 326). Most of the Indonesian workers migrating through legal channels are semi-skilled and unskilled workers whose jobs differ depending on destination. The majority of workers to Malaysia work in the agricultural sector while the rest are engaged in construction sector, manufacturing and certain service sector (Firdausy 2005: 8). Migrants to Taiwan, Hong Kong and Singapore concentrate in domestic work, construction work and manufacturing industries while the vast majority of migrants to the Middle East work as domestic helpers (ibid).

Middle East and Malaysia are the major destinations for Indonesian migrants although Hong Kong, Singapore and Taiwan are becoming increasingly important. Malaysia accounts for about one-third of all migrants sent abroad through government channels, Saudi Arabia – one-third, and other countries including Singapore, Hong Kong, Taiwan, Kuwait, UAE take up the rest (IOM 2010: 10). The Middle East-bound flow is dominated by female domestic workers migrating on short-term fixed contracts leaving families behind while migration to Malaysia involves large numbers of men (Hugo 1995: 282). In 2004, the proportion of Indonesian female workers in Malaysia was 49 percent while women accounted for 94 percent of registered Indonesian workers in Saudi Arabia. The number of Indonesian female labour migrants started to become larger than male labour migrants in the 1980s. During 2002-2007, more than three-fourths of the migrants were female and the proportion of female workers reached 80 percent in 2008. According to research published in 2005, more than a million Indonesian female migrants were employed as domestic workers in the Middle East and Asia (Hugo 2007).

The Philippines is one of the leading senders of migrant labour into the global economy. As of December 2004, an estimated 8.1 million Filipinos — nearly 10 percent of the country's 85 million people — were working and/or residing in close to 200 countries and territories (Asis 2006). The stock of overseas Filipinos include some 3.2 million permanent settlers (the majority of whom are in the United States), about 3.6 million temporary labor migrants (called OFWs), with Saudi Arabia hosting close to a million, and an estimated 1.3 million migrants in an unauthorized situation (ibid). A total of 1,422,586 contract workers were deployed in 2009 indicating a 15 percent increase since 2008 (POEA 2010). The top destinations in 2009 were Saudi Arabia, UAE, Hong Kong, and Singapore. Migration from the Philippines has become feminized since the 1970s, reached a peak in 2004 when 74 percent of all migrants were women before men started to outnumber women every year since 2007 (Asis 2008). The majority of female migrants are in domestic work and entertainment but they can also be found in factory work and sales. Their top destinations include Hong Kong, Kuwait, Singapore, Italy, United Arab Emirates, Japan, and Taiwan (Asis 2006). Many female migrants from the Philippines also migrate as skilled workers or professionals. The World Health Organization notes that the Philippines is the largest exporter of registered nurses and that about 250,000 of them are working in countries around the world (Huguet 2003). Major destinations of nurses are Saudi
Arabia, US, UK and Ireland. Filipino male migrants concentrate in factory work, service and seafaring. Today, the Philippines dominates the global seafarer labour market: nearly one in three merchant sailors in the world is Filipino and over 373,000 Filipinos, 97 percent of them are men, sail the world’s oceans (McKay 2010).

The volume of Vietnam’s labour exports has been increasing rapidly since the early 1990s when the country entered the global labour market after the collapse of the socialist bloc in Eastern Europe (which was Vietnamese workers’ main destination in the previous two decades). Vietnam had 500,000 overseas workers in 2008 with remittances totalling USD 1.6 billion annually (Dang, Tran et al. 2010: 12). In the past five years, no less than 70,000 Vietnamese workers have left the country for work overseas each year and the Vietnamese government plans to send up to 100,000 workers overseas each year from 2010, given the aim of achieving a total of one million nationals working abroad every year starting 2015 (PANO_Economy 2007; Nguyen 2009: 1). Vietnamese workers are now present in over 40 countries with Malaysia, Taiwan, South Korea and Japan being the main destinations. Unlike Indonesia and the Philippines, contract labour migration from Vietnam is still largely dominated by males despite the steady increase of female migrant workers in the past decade – women accounted for 33.3 percent in 2008 (Dang, Tran et al. 2010: 13). Female workers from Vietnam concentrate in domestic work, care services and factories while most male workers can be found in plantations, manufacturing industries, fisheries and construction (Dang 2007).

2.2. Impact of short term contract international migration - on the migrant him/herself
Much of contract labour migration in Asia is arranged by brokers, legal or illegal, who are known to charge exorbitant fees and thus drive migrant families into debt (ILO 2006; Castles and Miller 2009; Lindquist 2010). Compounding the situation, the decision to migrate is sometimes made with inaccurate information, and as a result migrants run high risks of being cheated, exploited or repatriated prematurely. Various studies suggest that large amounts of debts incurred through migration push migrant workers to go to great lengths to hang on to work in host countries, such as overstaying their visas, running away from legal employers, or resorting to crime (Jones and Findlay 1998; Wickramasekera 2002: 21; Tran 2007). Because of the pervasive problem of discrepancies between promised wages and entitlements on the one hand and actual benefits received on the other, many migrant workers find themselves caught in a vicious debt trap that takes them years to repay. The vast majority of first-time migrant workers incur debt to fund their migration (Pertierra 1992; Jones and Findlay 1998: 95; Gamburd 2000; Afsar 2005; Hugo 2005: 73). Many Filipina domestic workers in Hong Kong and Italy are unable even in the long term to break even because the cycle of debt turns them into regular clients of usurers and pawnbrokers (Valerio 2002: 41). The repayment of debt features prominently in accounts of remittance usage in different contexts (cf Afsar 2005; Lindquist 2010). High financial costs mean migrants have to work abroad for longer periods or are forced to suffer difficult working and living conditions to be able to pay off their debts (Anonuevo 2002: 130; Asis 2005: 35).

The issues of excessive brokerage fees and debts are particularly prominent in the case of Vietnam. The law in Vietnam stipulates that workers pay a maximum of one month basic salary per year in recruitment fee (DOLAB 2006). However, because labour supply always exceeds demand and the information available to workers is not always inaccurate, it is common to find them paying 2 - 5 times more than the legal cap. By turning a blind eye to the proliferation of illegal brokers, the state inadvertently allows them to rip migrants off the money they borrow at
high interest. Since most workers are offered only two- or three- year contracts, the pressure to repay high-interest debts incurred to cover placement fees has been associated with problems of “running away” and overstaying visas in Taiwan, South Korea and Japan (Jones and Findlay 1998; Wickramasekera 2002: 24; Tran 2007; Angsuthanasombat 2008: 4). It is believed that 11,000 out of 71,000 Vietnamese workers in Taiwan in 2006 were illegal migrants and on average the proportion of “running away” and overstaying Vietnamese workers in Japan and South Korea are 27-30% and 20-25% respectively (Tran 2007; Nguyen 2009: 26). Workers are tempted to desert their contracted jobs because in doing so they can escape high recruitment fees deducted from their monthly salaries and at the same time earn more in the “black” labour market.

Aside from the economic stress caused by placement fees and debts, migrants have to cope with multiple difficulties at places of destination. The majority of migrant workers hold 3Ds jobs shunned by local people. In Malaysia, for example, 25 percent of Indonesian migrants work in plantations, 24 percent do domestic work, 18 percent – construction and 16 percent – factories (IOM 2010). Contract substitution, nonpayment or delayed wages, and difficult working and living conditions are common problems encountered by migrant workers (Asis 2006). Research shows the higher vulnerability of migrants to health risks compared to natives working in the same occupation, with a higher incidence of accidents, illness and injuries (ESCAP 2008). In the workplace, migrants are exposed to longer working hours, fewer rest days, inadequate health coverage and safety measures and when separated from their spouse and family, migrant workers are more vulnerable to risk behaviour such as poor dietary habits, smoking, drinking and unhealthy lifestyle (Zosa and Orbeta 2009: 9). Female migrants, especially entertainers and domestic workers, are in particularly vulnerable situations. They often have to work long hours under strict surveillance and control by employers and many are subject to abusive conditions, including violence and sexual harassment (Asis 2006; IOM 2010). As noted by Piper and Yamanaka (2008: 159), migrant women work largely in informal service economies of the countries of destination whose governments are primarily concerned with national survival in global competition. As a result little, if any, attention is paid to international labour standards and human rights.

Among the three study countries, Philippines has developed the most complete and elaborate legal framework and institutional environment to protect migrant workers while the governments of Indonesia and Vietnam still largely pursue a “laissez-faire” approach to managing international migration (Hoang and Yeoh 2010). The Malaysian government – one of the most important destinations of Vietnamese and Indonesian workers have recently shifted the management of guest workers from employers to mediating agencies which has resulted in a growing number of labour disputes (ibid). Major labour-receiving countries in Asia including Malaysia, Taiwan and South Korea were badly hit by the recent economic recession, leading to rising unemployment and income stagnation with immediate impacts on remittances. A large number of Vietnamese workers were repatriated during the economic crisis (HealthBridge_Canada 2008).

On average, migrant workers earn US $300-500 a month in Taiwan, US $150-200 in Malaysia and US $450-1000 in South Korea (Dang 2007: 6; IOM 2010). Except the case of Malaysia, this indicates significant increases in migrants’ incomes - average wages in Vietnam are only about one-twentieth of those in the Republic of Korea or Taiwan (Dang, Tacoli et al. 2003). For Philippine and Indonesian workers, migrants’ earnings are four to five times more than home earnings (Firdausy 2005; Zosa and Orbeta 2009: 11). In Malaysia, after deducting
costs of living and placement fees, incomes of many migrant workers turn out to be lower than what they could earn in Vietnam and this market has, therefore, fallen out of favour with Vietnamese workers in recent years. A similar observation was made in the Philippines that many workers in particular skill groupings migrate abroad for a salary even as low as Philippine minimum wages (McKay 2003: 294; Ball 2006: 127). However, migration is still viewed in a positive light because many migrants, particularly women, were unemployed before moving abroad. In a survey of 1,128 households conducted during 1999-2000 Semoyonov and Gorodzeisky (2005: 52) found that almost three quarters of all women (versus one-third of the men) were not employed prior to migration because unemployment in the Philippines, especially among women, was extremely high, and economic opportunities, especially for women, were quite limited.

Because of the ‘3Ds’ nature of the work most migrant workers engage in at places of destination, chances of them acquiring new skills are limited. Worse still, the phenomenon of Philippine workers, many of whom were classified as professionals and skilled workers before migration, working as domestic workers or care workers at the destination leads to not only a brain drain but also the de-skilling of the Philippines workforce (Tacoli 1999: 667; Ball 2006: 119; Asis 2008). Many doctors even study to become nurses because the latter have better chances of working abroad (Asis 2008: 88). A source estimated that the proportion of Filipino college-educated migrant workers (OFWs) was 64 percent in 2002 but 37 percent of them worked in production and 41 percent held service jobs abroad whereas only 22 percent held professional and technical jobs (Zosa and Orbeta 2009: 2).

2.3. Impact on immediate family members

While there exists a rich body of literature on migration impacts on families of contract workers in Indonesia and the Philippines, very little relevant scholarship could be found on Vietnam due to its recent history of transnational labour migration. The general consensus is that remittances constitute a valuable economic contribution to the family even if most of them are used for “non-productive” purposes while socio-cultural impacts of migration remain contentious. In Indonesia, research shows that remittances are generally used to pay off debt and for daily necessities, housing, farming health care and education (Sukamdi 2004: 158; Raharto 2007: 227). Rahman (2008: 25) found that the top three uses of remittances reported by Indonesian domestic workers he interviewed in Singapore, Malaysia and Hong Kong SAR were house construction (69 percent), basic consumption (63 percent), and savings (42 percent). Research done by Hugo in Indonesia (1995; 1998; 2000; 2004) shows very positive economic impacts of migration on the family—remittances provide a source of income to families and help reduce financial hardship and culture shock. An important finding in remittance studies is that a substantial amount is spent on the education of siblings, children and other family members which clearly represents a significant contribution to development (Hugo 2003: 20). Asis (2000), nevertheless, notes that girls and boys in migrant families in many parts of Southeast Asia may not benefit equally from remittances due to the privileging of sons over daughters.

High rates of male out-migration increase women’s responsibilities and workload but at the same time enhance their autonomy and status in the family (Dwiyanto and Keban 1997; Asis 2003; Hugo 2003: 20). Female migration, on the other hand, has been found to lead to a greater involvement of men in childcare and domestic work but the change is not always sustained after the women’s return (Hugo 2005; Parrenas 2005; Hoang and Yeoh 2010). A recent survey of over 4000 migrant and non-migrant households in Indonesia, the Philippines, Thailand and Vietnam
found that the father was the main carer of left-behind children in 67 percent of mother-away households, which represents a considerable shift in the household division of labour given the fact that only 7.5 percent of fathers took care of children in non-migrant households (Hoang, Lam et al. 2010). Migration and remittances also have important implications for left-behind spouses’ labour participation. In her analyses of the nationally representative Labor Force Survey, the Family Income and Expenditures Survey and the Survey of Overseas Filipinos, Cabegin (2006: 9) notes that, although the differences are quite modest between migrant and non-migrant households, there is some indication that wives of migrant husbands are less likely to work, and when they do work, are more likely to be self-employed than wives in non-migrant households. A similar pattern was found among men. Similary, Ducanes and Abella’s (2007) analyses of several rounds of the Labor Force Survey show that the labor force participation rates of household members with and without OFWs are virtually the same.

Labour migration has been associated with the splitting up of families (Hugo 2002). In his study in East Flores, Indonesia Hugo’s (2002) notes that, though there may already be cracks in a marriage that led to the migration of one party, extended absences of the migrant can exacerbate marital instability and lead ultimately to the break-up of the family unit. There are signs of a higher incidence of divorce among migrant households, resulting in abandoned families being left to fend for themselves. Migrant spouses may take on new partners and have new children when away and/or left-behind spouses engage in extramarital affairs (Hugo 2002; Yea 2008). Left-behind children may in turn experience feelings of jealousy and abandonment while parents who have formed new families may find it difficult to negotiate the conflicting demands presented by having two families (Yea 2008).

The health and wellbeing of children left behind by migrant parents have been attracting considerable attention in recent years. Mixed findings were reported in the Philippines. Parreñas (2005: 67) observes that Filipino left-behind children experience feelings of abandonment in the absence of their mothers and a “gap” or “a sense of social discomfort and emotional distance” with their migrant fathers. The 2003 Children and Families Survey covering 1,443 children in the Philippines found that parental migration had a positive effect on the physical health of left-behind children: migrants’ children tended to be taller and had better general health than non-migrant children; and non-migrant children fell sick more frequently although there was also a slightly higher proportion of mother-away children who were more susceptible to common ailments and loss of appetite (SMC 2004). In addition, more children with mothers away reported themselves as being unhappy, more anxious and lonely, and able to get the least hours of sleep. More left-behind boys, than girls, were also reportedly more vulnerable to being “touched in sensitive areas” (SMC, 2004: 51). While agreeing with the 2003 Survey that children with migrant mothers tended to suffer more, Battistella and Conaco (1998) nevertheless contradict it by showing that children of migrants tended to be lagging behind those of non-migrants in terms of academic performance and social adjustment. They also suggest that left-behind children seem to have a higher vulnerability to the spread of HIV/AIDS, a higher rate of drug use and heroin addiction.

Findings on migration impacts on children’s education are not conclusive. In the Philippines, the 2003 Survey shows that migrants’ children are mainly enrolled in private schools and that they are generally happy at school. At least during the elementary years, children of migrants performed better at school, received higher grades as well as school awards when compared to children of non-migrants (SMC 2004). In contrast, Battistella and Conaco (1998) reported that Filipino children of migrants fared worst academically in relation to non-migrants’
children despite the relatively larger investments the family makes in former’s education thanks to remittances. Remittances, therefore, cannot always compensate for parental absence. In a similar vein, Hugo (2002) shows that the strain of family separation in Indonesia is associated to not only a higher incidence of mental disorders among women and children but also lower levels of school performance and impeded social and psychological development among children.

Girls generally are more disadvantaged when a parent migrates. They tend to leave school earlier and form their own families through early marriages and unplanned pregnancies in order to complete their own lives (Sampang 2005). Eldest daughters in the Philippines have been found to do housework, make decisions and care for the well-being of their family (Parrenas 2002; Parrenas 2005; Asis 2006). They, especially those from poorer families, experience a large decrease in the quality of life after their mothers leave even though in the process, they do benefit by picking up new skills and becoming more independent (Asis 2006). The continued division of labour across generation by gender, Parrenas (2005: 112) argues, will undoubtedly affect the “socialization of children, since the gendered division of task assignments to children usually moulds household work patterns in a later age.”

The elderly is another group affected by migration. Hugo (2002) suggest that ties between the elderly and their adult children in Indonesia, have been weakened by migration. Migration is blamed for the abandonment of the elderly and the lack of the much needed care in their old age. A recent study in Indonesia and Vietnam shows that the majority of surrogate carers for left-behind children are elderly grandparents who need care themselves (Hoang and Yeoh 2010). It also reveals the financial hardship and deteriorating health grandparent carers are subject to when taking over care duties from migrant parents and calls for more research into the interplay of care, migration and class/inequalities in developing countries.

2.4. Impact on extended family members

While a large proportion of remittances is used to sustain basic necessities, the distribution of remittances to other expenses, mitigated by kin obligations, is significant in influencing the long-term economic benefits to the family (Yeoh, Graham et al. 2009). Sofranko and Idris (1999) argue that the extended family helps to utilize migrant remittances for business investment purposes through the provision of information, thereby facilitating wealth creation for left-behind kin. However, no detailed analyses of migration impacts on extended family members have been done in all three study countries, indicating a major gap of knowledge that should be addressed by the consortium.

2.5. Impact on community development

Of the three study countries (and also in Asia), the Philippines has the largest number of labour migrants settling down permanently in their places of destination, mainly in the West, who make important contributions to local development. Significant financial contributions of the Philippine Diasporas to humanitarian and development programs in the country have been noted in the literature (Aldaba and Opiniano 2008; Asis 2008: 98; Baggio 2008: 110). Overseas Filipinos are known to have helped bankroll many local communities' infrastructure projects such as public hospitals, schools, water systems, sanitary facilities and rural health centers (Aldaba and Opiniano 2008; Roma 2008). The Commission on Filipinos Overseas (CFO) under the Office of the President set up “Link to Philippine Development Program” (LINKAPIL) to encourage and facilitate overseas Filipinos to support development projects in the home country. The program has benefited an estimated 12 million beneficiaries in 75 provinces in all regions of
the country (Roma 2008: 165). Through the LINKAPIL, overseas Filipinos have shipped some PHP 29.958 million worth of funds for infrastructure projects (Aldaba and Opiniano 2008: 140). The Classroom Galing sa Mamamayang Pilipino sa Abroad (C-GMA), another government-run migrant philanthropy program, organized the construction of some 283 classrooms which were funded using donations from overseas donors, homeland companies and individuals (ibid). Some overseas Filipinos have used private monies to set up a private hospital, construct a balikbayan building or organize medical missions and other humanitarian projects (Asis 2007; Aldaba and Opiniano 2008). Parishes under the Catholic Church are also lucky to be recipients of funds for church reconstruction and amenities.

No relevant literature on Indonesia and Vietnam could be identified, alerting us to the gap in the scholarship that is worth looking into.

2.6. Contribution to local economy
The scholarship on migration impacts on the local economy is both scanty and patchy and most of the available literature in on the Philippines. Remittances are particularly important for Filipino households - a 1997 survey showed that 8.6 percent of Filipino households derived their main source of income from remittances (Yue 2008: 109). In her study conducted in Ilocos province, Philippines, McKay (2003: 293) found that remittances from domestic workers was used as capital for new commercial agricultural crops, particularly where men farmed without the labor of female partners. In Indonesia, Sukamdi (2004: 156) notes that a bulk of remittances is channeled back to the various individuals who “help” workers migrate (i.e. middle men) which consequently creates a multiplier effect on the local economy. The “migration industry” is particularly lucrative and powerful in major labour-sending areas in the study countries (Sukamdi 2004; Hoang and Yeoh 2010; Lindquist 2010). It is estimated that the value of the labour-sending business in Indonesia stands at about US$193.5 million in 2003 (Ananta and Arifin 2008). Migrants in some parts of Indonesia and the Philippines reportedly borrow money at 100 - 120 percent interest to finance their migration (Dizon-Anonuevo and Anonuevo 2002; Valerio 2002; Lindquist 2010: 128). In areas with high incidence of migration, moneylending has become an extremely profitable business (Pertierra 1992). In Indonesia, the labour-sending business has been suspected to be dealing with illicit activities such as narcotics trade, which ironically fuels local consumption and economic growth. It has also been found to help large numbers of people cope with or even prosper during the crisis that hit Indonesia in 1997 (Sukamdi 2004: 157).

Though international remittances are generally more significant than internal remittances, they are also mostly used for “nonproductive” purposes rather than for investments or businesses. Battistella (2004: 215) notes that although many migrants in the Philippines indicate a desire to establish businesses, few do so due to insufficient finances for self-employment or the lack of managerial expertise. The Overseas Workers Welfare Administration offers loans of $2000-$20,000 to support the business ventures of returning migrants yet its impacts remain limited (ibid). There is a concern that Philippines remittances have insulated a backward agricultural sector and diverted attention away from attracting FDI into manufacturing (Yue 2008: 109). Similarly, research in Indonesia notes important impacts of remittances at the provincial and lower levels, though still ambivalent about its contributions at the macro level of the economy. Because a large proportion of remittances are sent to rural areas, where incomes are generally far below national averages and levels of investment and economic development are the lowest in the entire nation, their contributions to the local economy are significant (Hugo
Positive impacts of migration are most evident in major labour-sending areas such as West Nusa Tenggara, East Nusa Tenggara, and East Java (Sukamdi 2004: 156).

2.7. Impacts on national economy

The two most important contributions of contract labour migration to the national economy are increased foreign exchange earnings and the relief of domestic under- and unemployment. Vietnamese migrant workers remit around USD 1.6 billion annually (Dang, Tran et al. 2010: 12). Remittances from Indonesian migrant workers reached almost US$3.0 billion in 2005, of which 63.3 percent were from countries in the Middle East and Africa (Raharto 2007). In 2006, the IMF balance of payments records US$5.7 billion in remittances to Indonesia – a figure calculated from stock of migrants and survey estimates of contract amounts and percentages of remittances sent home (Hernández-Coss, Brown et al. 2008: xiii). The Indonesian government is confident that this important flow of foreign exchange earnings will help boosting Indonesian economy and reducing unemployment (Ananta and Arifin 2008). International remittances are particularly important for the struggling Philippine economy. Migrants remitted over $17.3 billion - or about 12 percent of the country’s Gross Domestic Product - back to the Philippines in 2009 alone (Ang, Sugiyarto et al. 2009). Apart from the revenues from trade in goods and services, these transfers are increasingly becoming the largest source of foreign exchange in the Philippines, outpacing FDI and ODA (Capistrano and Lourdes 2007: 6). Remittances flowing back to source countries are expected to be much more significant because statistics does not include transfers through informal sources. In Indonesia and the Philippines, migrant workers are hailed as “modern-day heroes” for their significant contributions to the national economy (Parrenas 2001: 1136; Ananta and Arifin 2008: 26).

Apart from direct impacts of migration in the form of remittances, the national economy of source countries also reaps significant indirect benefits from it. Remittances that flow into the consumption of goods and services in several sectors of the Philippine economy fuel their growth (Aldaba and Opiniano 2008). Industries that benefit from migrant worker resources include telecommunications, retail trade, housing and real estate, banking and other financial services. Tailor-made telecommunication packages are created to suit the needs of overseas workers; banks and financial institutions benefit from remittance and investment services used by migrant workers; and the franchising industry expands due to an increasing number of migrant workers and their families venturing into businesses. According to Aldaba and Opiniano (2008: 132), remittances serve as "automatic fiscal stabilizers" in the macro economy as they help smoothen consumption expenditures, thereby avoiding sharp movements in the economy. In Vietnam, international contract migration contributes to reducing the chronic under- and unemployment in rural areas. Yue (2008: 106) suggests that by sending over 400,000 workers abroad, 85 percent of whom are from rural areas, Vietnam has provided one fourth of the 1.6 million new jobs needed each year. Besides, the labour export industry also creates numerous jobs domestically for related services like vocational training and foreign language training (ibid).

The Philippines is a unique case where large volumes of labour export and the relatively long history of transnational labour migration have visible impacts on the national economy. Impacts of remittances on economic growth in other labour-sending countries in the region including Vietnam and Indonesia remain marginal (Jongwanich 2007: 12). Yet, because the majority of migrant workers from Vietnam and Indonesia come from rural areas with high unemployment rates and incomes mostly below national averages, remittances have a significant direct impact on poverty reduction through increasing income, smoothing consumption and
easing capital constraints of the poor (Hugo 2002; Jongwanich 2007). This is supported by Skeldon’s (2002: 75) argument that migration can be a significant factor for the alleviation of poverty because it broadens the resource base of a household, perhaps allowing a more optimal deployment of labour. Even through conspicuous assumption like house building or weddings and ceremonies, households with access to remittances generate demand for the local economy. More importantly, the large proportion of remittances spent on the education of the next generation clearly represents an investment strategy to escape poverty.

There is evidence in the Philippines that contract labour migration helps reducing poverty, albeit not significantly, among both migrant and the non-migrant households. Spillovers are channeled through gift-exchanging as well as the general increase in economic activity arising from remittances (Orbeta 2008: 30). Duncunes and Abella (2007) found in their panel study that families with OFWs, a significant number of whom are poor but have more education, are able to climb up the income ladder quite rapidly - an average of about 6 percentage points in income distribution in a period of one year. In another study analyzing panel data on regions of the Philippines, Pernia (2006) finds that remittances contribute to poverty alleviation which is reflected by the higher family spending of the poorest quintile which is the bottom 20% of the households. Using provincial panel data and cross-sectional household data from 1985 to 2000, Estudillo and Sawada (2006) shows that both non-transfer and transfer income decrease poverty significantly with transfer income exercising a more immense poverty-alleviating impact at the household level of aggregation. Capistrano and Lourdes (2007) suggest that every 1% increase in the share of remittances in regional GDP leads to an approximately 2.55% reduction in the proportion of families living below the poverty line.

However, because most of the overseas workers in the Philippines originate from urban and relatively affluent communities, remittances seem to increase inequality in the Philippines - the bottom five deciles of the households account for a paltry share of remittances (i.e. less than 5 percent) whereas the top 20 percent account for 76.71 percent (Rodriguez 1996). This finding is supported by Capistrano and Lourdes (2007: 9) who add that the effect of remittances on income inequality is greater for rural than urban areas. Nevertheless, as argued by Skeldon (2002: 78), though the per capita amount of remittances to poor households may be much less than to wealthier families, they have a much greater relative impact and help to alleviate poverty. Thus, migration may help to reduce absolute poverty among some while simultaneously acting to increase feelings of relative deprivation among others. In terms of gender, Semoyonov and Gorodzeisky’s (2005: 54) survey of 1,128 migrant households in 1999-2000 found that, on average, earnings of men in overseas markets are 1.5 times higher than the earnings of women which clearly has significant consequences for economic inequality among households in the local economy.

A major concern in the Philippines is to do with the “brain drain” in the country, especially in the health sector. The oversupply of entry-level nurses and seafarers who cannot be absorbed by the local economy for the purpose of labour export is coupled with the “drain” of specialized nurses and officers who are in great demand internationally (Asis 2008: 88). This phenomenon has far-reaching effects on the national economy, being negatively implicated in the productivity, wages and inequality of its unskilled labour as well as declining the home country’s competitive edge in attracting foreign direct investment (FDI) and fostering R&D activities (Zosa and Orbeta 2009: 3).

2.8. Impact on host countries’ economy and society
Research notes important impacts of contract labour migration on the economy of labour-receiving nations. In Malaysia, for example, it is believed that migrants contribute from 5 to 9 percent to the country’s GDP (Yue 2008: 107). The construction sector in Malaysia faced labor scarcity when large-scale infrastructure development programs launched from the late 1980s coincided with the out-migration of skilled workers to Singapore and other East Asian economies such as Japan, Taiwan and Hong Kong that were experiencing similar labor market tightness (Kanapathy 2008: 3). Labour shortages in the domestic construction sector were then met through the intake of foreign labour, mostly from Indonesia. The proportion of foreign labour in the Malaysian construction sector doubled from 7.6 percent in 1985 to about 13.0 percent by 2004 (Kanapathy 2008: 4). Thailand, which experienced remarkable growth rates in the 1980s and 1990s, also faced severe labour shortage in the traditional agriculture and related sectors because a significant part of its workforce had been absorbed by the fast developing manufacturing and service sectors (Chalamwong 2008: 2). The country has since been dependent on flows of cheap labour from neighbouring countries to keep its exporting economy competitive (ibid).

Another “Asian tiger” – Taiwan – experienced massive outflows of manufacturing capital to other countries in Southeast Asia and the PRC in the 1980s-90s due to labor shortages and rising wages. By 1992, approximately 80 percent of Taiwan’s eight hundred shoe manufacturers had established operations in the PRC and there were signs that other manufacturing industries were following suit (Tierney 2007: 215). To create incentives for enterprises to retain their businesses in the home land, the Taiwanese government increased foreign labour intakes and allowed corporations to hire large numbers of foreign labourers on their domestic sites. The Formosa Group - Taiwan’s largest conglomerate – for example, hired eighteen thousand workers, mainly of Filipino and Thai origin in the late 1990s (ibid). In Singapore, where the demand for labour persistently exceeds the domestic supply of labour, foreign labour is used to alleviate the upward pressure on wages which imposes a constraint on economic growth, allowing the country to increase GNP and keep its economy competitive (Chalamwong 2008: 6).

The import of domestic workers has clear impacts on the labour force participation of women in countries of destination. In the newly-industrialising economies of Asia such as Singapore, Malaysia and Thailand, women were increasingly absorbed into the formal economy creating a huge labour market for domestic employment (Kaur 2007: 3). In Saudi Arabia, for example, the inflows of domestic workers facilitate the state policy to encourage women to pursue higher education and participate in the labour force (Silvey 2004: 254). A similar observation was made in Malaysia, where the state encourages more females to enter the labor market by easing the policy on the hiring of foreign domestic workers, raising the retirement age and liberalizing the intake of skilled foreign labor (Kanapathy 2008: 4). On the downside, there is also a concern that foreign labor contributes to the rising level of domestic unemployment in the manufacturing, construction, and social/personal service industries in Taiwan (Tierney 2007: 211).

2.9. Identification of research gaps

Due to its recent history of international contract labour migration, very little scholarship on Vietnam could be found. Research on socio-cultural impacts of international labour migration in Vietnam is almost non-existent why studies on economic impacts are few and far between. In all three countries, the statistics just accounts for remittances sent through officials channels so it is difficult to assess their true value. In addition, methodological difficulties in the process of
collecting data on remittances from individuals and households present a major challenge for research and policy making.

The general perception that most of remittances is spent on consumption requires further research on the impact of migration and remittances on direct household investments that has been rather overlooked. Also, while much research has been done on impacts of remittances on poverty alleviation, little is known about how migration affects poverty at its different levels. In terms of migration impacts on the family, a lot of research has been focusing on children while we know little of how the elderly – the most vulnerable and disadvantaged group of people in source areas – are affected by migration. It is also essential to investigate further the “migration industry” in the study countries in order to understand how it affects the migrant and his/her families.

Section III: Cross border population movements both regular and irregular

3.1. A brief overview of cross border migration trends of the country

Irregular migration for work is the most important form of cross-border movements in the South-east Asian region. Many experts estimate that the number of illegal Indonesian migrant workers is larger than the number of legal ones (Lin 2006). Wickramasekera (2002: 13), for example, suggests that Indonesia could surpass the Philippines to become the largest labour-sending country in Asia if undocumented flows, especially migration to Malaysia, are accounted for in the statistics. Though statistics on irregular migration is not available, the Indonesian Department of Manpower and Transmigration estimates that it stood at about 3.5 million between 1999 and 2001 and the number has been increasing due to increased unemployment in Indonesia since 1999 (Firdausy 2005). The Government of Malaysia’s statistics shows that cumulatively there have been around 2.0 million Indonesian workers in Malaysia, comprising 1.2 million with work permits and 0.8 million without legal documentation (Ananta and Arifin 2008: 24). In 2006, according to Malaysia’s Ministry of Home Affairs, there were approximately 1.3 million documented Indonesians working in Malaysia and an additional 700,000 illegal migrants, 70 percent of whom were Indonesian (Hernández-Coss, Brown et al. 2008; Kanapathy 2008). Malaysia is an attractive destination for Indonesian migrants because of the geographical proximity and cultural familiarity between the two countries (Hernández-Coss, Brown et al. 2008: xiv; IOM 2010). Many irregular Indonesian labour migrants travel to Malaysia from Batam via boat, or from Nunakan using false documents (IOM 2010). Female migrants often work as domestic helpers and entertainers while men are found in construction, transportation, agricultural and estate sectors (Lin 2006; IOM 2010). Tjiptoherijanto (2000) argues that labor mobility from Indonesia to Malaysia constitutes the largest illegal labor migration flow in Asia.

It is estimated that there are approximately 1.5 million undocumented Filipino migrants living primarily in the United States, Malaysia (especially Sabah) and Singapore (Garchitorena 2007). In 2007, East Asia was the top destination, hosting 30 percent of the stock of irregular migrants, which was followed by North America (28 percent) while Europe and West Asia (Middle East) claimed 9 percent and 10 percent respectively (Orbeta and Abrigo 2009). The countries that attract irregular migrants are also the ones where regular migrants go to. Cross-border movements from Mindanao across the Sulu Archipelago into Sabah have been a longtime occurrence with Filipinos gaining entry into and exiting Sabah by a two-day travel by boat (Zosa and Orbeta 2009: 17). Seasonal Filipino labourers cross borders during planting season, and easily return home after the harvest season (ibid).
It is not possible to obtain official data concerning the number of people departing from Vietnam on short-term visas for purposes such as overseas study, family visit or tourism (Dang, Tacoli et al. 2003). It is believed that the largest proportion of undocumented migrants consists of those who have overstayed their residence or work permit in Eastern Europe – the largest destination of Vietnamese contract migrant workers and students in 1960s-90s. The phenomenon of migrant workers “running away” from their contracted jobs in the new destinations in East Asia is also becoming increasingly important (Hoang and Yeoh 2010). It is estimated that 11,000 out of 71,000 Vietnamese workers in Taiwan in 2006 were illegal migrants and on average the proportion of “running away” and overstaying Vietnamese workers in Japan and South Korea are 27-30% and 20-25% respectively (Tran 2007; Nguyen 2009: 26). The number of overseas students was estimated at over 60,000 in 2009, many of whom may become undocumented migrants by overstaying their visa and/or moving from study to work (Dang, Tacoli et al. 2003; Dang, Tran et al. 2010).

Migration across borders for marriage (mostly between women from economically less developed countries and men from wealthier countries) is becoming increasingly important in our study countries in the past decades. Taiwan, South Korea, Japan and Singapore are the major destinations for marriage migrants from Indonesia, the Philippines and Vietnam. By 2002, cross-border marriages account for 27.4 percent of all marriages registered in Taiwan that year and one out of every eight children in Taiwan was born in a cross-border family (Yang and Lu 2010: 15). In 2003, there were 10,426 Indonesian wives in Taiwan (Yang and Wang 2003: 167). Most of Indonesian women married to Taiwanese men are overseas Chinese from rural areas (Wang 2010).

It is estimated that there are around 100,000 Vietnamese brides in Taiwan and 27,000 in Korea – the two most important destinations of marriage migrants from Vietnam (Le, Belanger et al. 2007). During the period of 1995-2003, 72,000 Vietnamese women, the majority of whom (around 63,000) originated from Southern Vietnam, received partner visas to Taiwan (Nguyen and Hugo 2005: 5; Nguyen and Tran 2010: 157). Vietnamese wives account for 72 percent of the total number of Vietnamese residing in South Korea (Seol 2005: 37). Marriages are mostly arranged by extensive networks of commercial matchmaking agencies in both the source and destination countries and Vietnamese brides are mostly never-married women aged under 30 (70 percent were aged less than 22) (Nguyen and Hugo 2005: 12; Seol 2005). The mean age of Southeast Asian brides in Taiwan was 23.6 years as of 2003. However, the number of issued visas for marriages between Vietnamese brides and Taiwanese men has dropped significantly since 2005 due to the fear of potential human trafficking, illegal labour migrations through marriage leading to a high rejection rate of visa application (25 percent in 2005) (Chen 2006).

Philippines is the only country in Asia which has seen significant out-flows of marriage migrants to countries outside the region. International marriage has a history in the Philippines due to the almost century-long U.S. army presence (Enloe 1989). The top two destinations of Filipino marriage migrants are the U.S. and Japan, which are followed by Australia, Europe Taiwan and South Korea. The US was the most important destination for Philippine marriage migrants until 1995 when Japan exceeded the number of Filipino immigrant spouses and other partners of foreign nationals (Ogena, Valencia et al. 2008: 169). In 2000, 7,519 Filipino brides registered in Japan. (Liaw, Ochiai et al. 2010: 61). While the vast majority of marriage migrants from Indonesia and Vietnam are young and never-married rural women with little education, Filipina brides tend to come from more diverse backgrounds. Many Filipinas married to Australian men, for example, were in professional or clerical occupations such as teaching and
nursing before migration (Cooke 1986). They tend to be older than brides from the other two countries and many have been married previously with children (Nguyen and Hugo 2005). Marriages between Filipinas and Western men often happen through pen pal services while personal networks tend to be the major channel in marriages between Filipinas and Taiwanese men (Lan 2003: 201).

Another important form of cross-border migration from Indonesia, the Philippines and Vietnam comprises women migrating for sex work, either voluntarily or through human trafficking. No official statistics or even estimates of this form of movements are available. The two major flows of migration for sex work in Vietnam are: (1) from southern Vietnam to Cambodia, and other countries such as Thailand, Macau, or Australia through Cambodia and; (2) from northern provinces, particularly through Lang Son and Quang Ninh, into southern China for marriage or sexual exploitation (Dang 2003: 64). In the first flow, migration is encouraged by geographical proximity and cultural similarities between the southern provinces of Vietnam, particularly the Mekong Delta area, and Cambodia. Vietnamese sex workers have been particularly popular in Cambodia because of stereotypes that position them as sexually adventurous and uninhibited, as well as less worthy of respect than Khmer women (Busza 2004: 244).

The Riau Islands are considered a key hub of human trafficking activities in not only Indonesia but also Southeast Asia. Women from different parts of Indonesia such as Sumatra, Kalimantan, Sulawesi and especially Java are trafficked to the Riau Islands, from where they will be sent to Singapore, Malaysia and beyond for commercial sex work and domestic work (Ford and Lyons 2007: 3). Indramayu in West Java and Wonogiri in Central Java are the major sources of trafficked sex workers who are tricked into sex work by promises of good jobs in factories or restaurants (Jones, Sulistyaningsih et al. 1998; Agustinanto 2003). In the Philippines, Metro Manila reportedly serves both as a source and a transit area from which women are sent to Japan and Singapore (Williams, Alpert et al. 2010). Women are trafficked to Metro Manila from rural regions including Samar, Cebu, and Mindanao, as well as several areas within Visayas (ibid). The movement of Filipina entertainers, mostly to Japan and other Asian countries, is probably the best known flow. In Japan in 2001, 132,000 (84 percent) of the 157,000 Filipino migrants were women, most of whom were working as entertainers or having overstayed their short-term visas and/or marrying local citizens (Yamanaka and Piper 2005: 10).

3.2. Impact of cross border migration - on the migrant him/herself
Research on Indonesian workers in Malaysia suggests that, due to their irregular status, Indonesian labourers do not have many choices in terms of employment - they are limited to three sectors: plantations, domestic services, and construction (Lin 2006; IOM 2010). Indonesian labourers at plantations face multiple difficulties such as low and unpaid wages, confiscation of passports by employers, heavy workloads, long working hours, insufficient breaks, and confinement/isolation (IOM 2010: 47). Domestic workers are found in even more vulnerable situations with risks of maltreatment by employers, physical and sexual abuse, humiliation and non-payment of wages. They receive limited protection from Malaysian and Indonesian Government policies as domestic work is not covered by Malaysian labour law (ibid). Worse still, Indonesian workers are known to suffer from xenophobia in Malaysian communities (Ananta and Arifin 2008; IOM 2010). The plight of illegal Indonesian workers in Malaysia is aggravated by corruption, bureaucracy and the existence of powerful human trafficking syndicates traceable to the government (Liow 2004: 13). If caught, illegal workers can be fined
up to M$10,000 ($2,631), imprisoned for five years, and to receive six strokes of the cane plus the risks of inhumane incarceration, forced repatriation, and sometimes killing by Malaysian “security” (Liow 2004; Lin 2006).

In terms of health, irregular labour migrants are found in more precarious and vulnerable situations than regular migrants. They often do not have easy access to health services and are subject to multiple health and safety risks when travelling to the receiving countries and in detention centres when detained and repatriated forcibly (Huguet 2008: 24). The incident of 71 detainees dying as a result of malnutrition and infectious disease in the Semenyih detention camp near Kajang, Selangor in 1995 alerted the public to the appalling conditions of Malaysian detention centres holding Indonesians. Many Indonesian illegals have lost their lives even before arriving on Malaysian soil, drowning in the Straits of Malacca in overloaded boats (Liow 2004). In 2002, 85 people, including young children, died in camps in Nunakan, an Indonesian transit town which borders Malaysian’s Sabah state, due to the squalid condition (Lin 2006: 22). Due to their low wages, irregular labour migrants are not guaranteed a healthy diet and can afford to rent only crowded and unsanitary shelters which further increases their health risks (Zosa and Orbeta 2009: 9). Filipino irregular migrants in Sabah, for example, assume responsibility for their health care for fear of being visible to Malaysian authorities. When sick, they rely on private health providers, self-medication, traditional healers and their security blanket of friends, relatives and supervisors (Asis 2005).

A study of 51 Vietnamese wives in Taiwan by Nguyen and Hugo (2005: 20) reports that the women find their life in Taiwan better and are happy with their marriage. However, various negative impacts of marriage migration have been identified in the recent research. Marriage migration has been found to be associated with school dropouts among young girls in Vietnam who end their schooling before or at the age of sixteen due to their aspirations of marrying Taiwanese men (Nguyen and Tran 2010: 171). In Taiwan, many Vietnamese women experience discrimination and social stigma associated with the commodification of their marriage and their relatively poor socio-economic background, which is also likely to affect their children in the future (Nguyen and Hugo 2005: 19; Wang 2010). There is a general perception in Taiwanese society that foreign wives may degrade the quality of the population and drain social resources (Wang 2010: 6). While the mothers are perceived as lacking the ability to nurture children and having low-quality genes, their children (aka the “New Taiwanese Children”) are believed to be developmentally disabled (Wang 2010). Marriage migrants’ ability to integrate is further hindered by low levels of language proficiency. Most brides cannot communicate effectively with their husbands and in-laws in the early stages of their marriage while many husbands are unwilling to pay for their wives’ language classes (Nguyen and Hugo 2005: 18). Similar difficulties are faced by Southeast Asian wives in Japan and South Korea – cultural maladjustment, the husband’s physical and emotional abuse, in-laws’ intervention in the couple’s privacy, and children’s identity crises (Yamanaka and Piper 2005: 20). In Japan, when an international marriage is registered, the foreign spouse is given a temporary spousal visa before a permanent visa is issued which would put the woman in a precarious situation in the event of early divorce (ibid).

Apart from the social problems marriage migrants have to face at their places of destination, many also have to struggle with economic difficulties. Foreign wives in Taiwan often cannot do paid work because they are expected to fulfill care and reproductive duties in the family (Wang 2010: 717). Those who work mostly hold unskilled jobs like what they did before migration, which indicates no change in their social mobility at the destination. Like their fellow
countrymen who migrate overseas for work, Filipina marriage migrants face deskilling at their places of destination due to the incompatibility of Philippine-earned degrees and the foreign labor market requirements as well as the non-recognition of training completed in the Philippines (Ogena, Valencia et al. 2008: 183). Those who are employed mostly work in the service sector or manufacturing industries (Liaw, Ochiai et al. 2010: 66). Since most marriage migrants are married to working class men with low incomes at the destination, they have to cope with considerable economic hardships. Seol (2005: 48) found that more than half the households of female marriage immigrants he surveyed in South Korea had a household income less than the official minimum cost of living. He also reported that 15 percent of the surveyed women had the experience of skipping meals for economical reasons and 24.3 percent were dissatisfied with their housing conditions (ibid). Economic hardships, isolation, loneliness, inferior position in the husband’s family plus long hours of hard work push many women to obtain a divorce (Nguyen and Hugo 2005).

As common to sex workers around the world, many migrant sex workers from our study countries are exposed to aggressive behavior, physical violence, and forced sex as well as risks of contracting HIV/AIDS and other STDs. The Vietnam-Cambodia border zone in the Mekong Delta has higher rates of HIV in sex workers than does most of the rest of the country, as do several Vietnamese islands in the South China Sea where brothel services are provided to fishermen and crews on trading vessels (Chris and Stachowiak 2003: 112). Unwanted pregnancies and subsequent medical complications resulting from forced and often unsafe abortions were described by many Filipina sex workers (Williams, Alpert et al. 2010). Traumatic and post-traumatic stress was frequently cited as mental health problems among girls rescued from trafficking situations. Besides, for many Filipina sex workers who are sole breadwinners, the long-term separation from their children and families in the Philippines places considerable emotional stress on them (Hilsdon 2009). Debt bondage is very common in sex work, subjecting migrant workers to slavery-like situations. In Batam, Indonesia, the typical sex worker is burdened by a debt contract of around three to five million rupiahs (US$625) which has to be paid off over the two or three years of her contract (Darwin, Wattie et al. 2003: 267). These debts tie the women to their pimps. Women who disobey pimps or attempt to escape are reportedly slapped on the face, boxed, beaten, and forced to take alcohol or drugs (ibid). Trafficked sex workers are forced to live in isolation, which has detrimental impacts on them physically and psychologically, and receive no professional medical help when ill. Above all these problems, sex workers are stigmatized at both places of origin and destination for the moral proscriptions laden in their work (Ford and Lyons 2007: 17). Trafficked women report feeling the burden of unredeemed sins because their sex work experiences will destroy the family reputation and respect (Darwin, Wattie et al. 2003: 270).

3.3. Impact on immediate family members
It is common to find that no distinction is made between contract labour movements and irregular labour movements in the literature on migration impacts, especially in Vietnam. Very few studies have been done on impacts of migration on families of irregular labour migrants as a separate category. Similarly, little attention has been paid to impacts of marriage migration and sex worker migration on the immediate family. The difficulties faced by migrants in these groups that were described earlier certainly have important implications for members of their immediate families. The discrimination and prejudice against marriage migrants in receiving communities in Taiwan, for example, are reflected in the popular perception of their children as
developmentally disabled (cf. Wang 2010). In Japan, the temporary visa status of Southeast Asian wives means that they would have to leave the country in the event of divorce, resulting in the separation with their children. In South Korea, the financial hardships often found in households of marriage migrants mean they are less likely to be able to afford the expensive private education and cost of childcare – Seol (2005: 46) reports that only 14.5 percent of immigrant women raising preschoolers send their children to daycare centers or preschools, which is substantially lower than the rate of 56.8 percent of Korean households who do so. Many marriage migrants also complained that their children had experienced organized shunning from their peer groups, a problem that seems to be more prevalent in rural areas than in cities (ibid). Another issue that marriage migrants who were previously married in their home countries have to cope with is the limited possibility of being reunited with their children from the previous marriage. In Seol’s (2005: 46) study, 88 percent of the 229 immigrant women whose marriages in Korea were their second one had children from their previous marriages but only 16 percent of them were living with the children in Korea. Although the majority of them (75 percent) were willing to bring their children to Korea, they were discouraged by the complicated legal procedures they would have to go through (ibid).

3.4. Impact on extended family members
The literature on the impacts of the three forms of cross-border movements considered in this paper on the extended family is extremely limited. In Vietnam, a recent survey of 624 households and 460 young people in 6 provinces in Me Kong River Delta, where most of the marriage migrants come from, reports that the percentage of households who were very poor before their daughters married Taiwanese men decreased from 20 percent before to 1 percent afterward and the proportion of households that were rich was 38 percent, while this rate was only 8 percent before marriage (Nguyen and Tran 2010: 170). Over 88.3 percent of the surveyed people reported receiving money from their daughters in Taiwan (Nguyen and Hugo 2005: 17).

3.5. Impact on community development
In Indonesia, research suggests that overseas migrant workers make significant contributions to village infrastructure projects such as the construction of roads and mosques (Hernández-Coss, Brown et al. 2008: 80). The association of Filipino brides in Japan - Japanese Society of Filipino Wives - often organizes charity programs for recipients in the Philippines (Suzuki 2000: 435). The JSFW contacts formal institutions such as the Catholic Church, hospitals and educational institutions to find suitable avenues for their charity. In the first year the amount of US$2,050 raised by the association was sent to the Philippines to assist three different groups of people including squatter dwellers, patients in an underequipped hospital, and school children (ibid). The success of many migrants, however, creates the so-called “culture of migration” in many areas with high incidence of international migration in the Philippines that pressurizes girls to support the family by moving to urban areas or overseas for work which may subsequently lead to them being trafficked (Williams, Alpert et al. 2010).

3.6. Contribution to local economy
The significant out-flows of labour migration from some parts of Indonesia have left evident marks on the local economy. In some provinces of Indonesia, remittance inflows are greater than total local income (Hernández-Coss, Brown et al. 2008: xiii). In the West Nusa Tenggara, for example, remittances totaling over 300 billion rupiah in 2002 exceeded the 61
billion rupiah in local revenue in 2001. In the first quarter of 2007, it was estimated that migrants from the province of East Java remitted over US$90 million home, accounting for nearly 62 percent of total incoming remittance inflows to the country (ibid). It should be noted that the official figures on remittances include money sent by both regular and irregular migrants through formal channels only. Given the fact that the majority of irregular migrant workers come from rural areas where the poverty incidence is extremely high, this source of incomes is critical to local livelihoods and poverty alleviation.

3.7. Impacts on national economy

As mentioned earlier in the paper, the literature on remittances and international migration in the study countries rarely distinguish irregular from regular migration as well as labour migration from other forms of migration making it extremely difficult to assess the impacts of the discussed cross-border movements on the national economy. The lack of data and the irregular nature of most movements are possibly the main reasons for this gap of knowledge. The failure to account for remittances sent through informal channels represents a major hurdle to research. Data in Indonesia, for example, shows that remittances sent from Malaysia to Indonesia through formal channels decreased by over 30 percent from a high of nearly US$0.40 billion in 2002 to US$0.26 billion in 2006 despite the significant increase in the number of migrants going to Malaysia (Hernández-Coss, Brown et al. 2008: xiv). This implies that migrant workers are increasingly choosing alternative means of transferring remittances back home. Bank Indonesia estimates that as little as 9–10 percent of remittances to Indonesia from Malaysia flow through formal channels (ibid).

3.8. Impact on host countries’ economy and society

Notwithstanding the apparent benefits of cross-border movements on the host economy and society such as relieving labour shortages in certain economic sectors as in the case of irregular labour migration, they largely remain a major cause of concern for both the public and government in destination nations. As the influx of Indonesian labour in Malaysia coincided with an increase in crime rates, particularly in the 1990s, there is a concern in Malaysia that the presence of Indonesian illegals causes societal problems and ruptures the fabric of Malaysian society (Liow 2004: 14). Indeed, Indonesian labourers have been implicated and convicted for crimes ranging from petty theft to rape and high profile robberies and murders and in 2001 alone, 1051 Indonesian workers, by far the largest figure from the foreign labour communities, were arrested for such crimes (ibid). Indonesian illegal workers have become a security “threat” in the eyes of many Malaysians. They are increasingly associated with crimes and worry about the spread of HIV and terrorism (Lin 2006: 21). Moreover, issues concerning illegal labour migration from Indonesia to Malaysia caused conflicts and tension of relationship between the two countries despite the two governments’ attempts to tone down the situation (ibid).

3.9. Identification of research gaps

To date, data on cross-border movements is very limited. The irregular nature of most moves causes multiple difficulties in the process of data collection. While more literature can be found on irregular labour migration in comparison to the other forms of cross-border movements, it tends to be lumped together with contract labour migration in the scholarship on remittances and economic impacts, making the task of assessing its impacts challenging. Research on the other types of cross-border movements is both patchy and scanty. Not any country in the region has
accurate and quality data on trafficking as well as migration for sex work. In the scholarship on marriage migration, attention is disproportionately paid to the host society while little is known about the source society.

Section IV: Diaspora and Immigrants Settlers
4.1. A brief overview of diaspora population of the country

Transnational labour migration at a large scale from the Philippines dating back to the US occupation period has led to the formation of extensive Philippine Diasporas all over the world. The first wave of Philippines-US migration began when sugar workers from the Ilocos Region in Northern Philippines went to work for the Hawaii Sugar Planters Association in 1906 and continued through 1929 when the Great Depression slowed Filipino migration to the United States, and Filipinos sought jobs in other parts of the world (Garchitorena 2007). The second wave of migration to the US started in 1960s including many professionals such as doctors, nurses, and engineers. The third wave of migration began in the early 1970s, when the government of the Philippines began to actively encourage migration an effort to ease domestic unemployment and to stabilize dollar reserves (ibid). According to the latest statistics, 3.2 million Filipinos have settled down permanently in overseas locations, mostly in the United States, Canada, and Australia (Asis 2006). In the United States alone, there are reportedly 2 to 2.5 million Filipinos concentrating in five states - California, Hawaii, New York, New Jersey, and Illinois which account for 71 percent of total foreign-born Filipino population in the United States (Garchitorena 2007: 2). Filipinos, most of whom are female nurses and factory workers, started to migrate to Canada in great numbers since the 1960s and the majority of them have settled down in Toronto and Vancouver (Lawless 2005: 248). In the late 1990s, it was estimated that there were around 500,000 Philippine immigrants in Europe, with 80 percent of them being women (ibid). In Japan, the increasing number of Filipina marriage migrants in recent years helps expanding the Philippine diaspora further. According to Suzuki (2002: 102), Filipina-Japanese marriages occupied first place among all filed intermarriages in Japan between 1992 and 1996.

Although it is believed that the Indonesians started to migrate overseas as early as the 15th century, they started to move in great numbers only during the Dutch colonial time in the 19th century, first to Suriname and new Caledonia to work on Dutch plantations and subsequently to Europe to study (Rusdiana and Saidi 2008: 162). The country started to experience overseas labour migration at a large scale since the beginning of the 1970s and many workers also choose to settle down permanently in host countries, particularly Malaysia, at a later stage (cf. Hugo 1995: 282). It is estimated that more than 3.7 million Indonesians were living in foreign countries in 2007, including both temporary and permanent migrants (ibid). In the Netherlands, the Indonesian diaspora is the biggest and oldest, accounting for 12.3 percent or more than a tenth of all foreign-born and their second generation in the Netherlands (there were 389,940 persons in the Netherlands with Indonesian roots in 2007) (ERCOF 2009).

About three million Vietnamese people were living in 110 countries as permanent settlers as of 2005 (Sidel 2007: 3; Dang, Tran et al. 2010). The United States alone accounted for 43 percent (or 1.3 million) of the total number of Vietnamese overseas which was followed by Russia and Eastern Europe (300,000), France (250,000), Australia (245,000) and Canada (200,000) (MOFA 2008). The political turmoil in the second half of the 20th century in Vietnam led to an exodus of Vietnamese emigrants for the first time in its history. According to statistics collected by the United Nations High Commission for Refugees (UNHCR), during the period
1975-1995, 1,790,000 Vietnamese left the country for good. Of these emigrants, around 60 percent left the country illegally by boat or overland to a nearby Southeast Asian country, before departing and residing permanently in Western countries. The remaining 40 percent departed directly from Vietnam to resettlement countries under the Orderly Departure Program (ODP). The majority of these emigrants moved to the US (around 64 percent), Australia (12 percent) and Canada (12 percent) (UNHCR 1995). This massive figure is, however, believed to be an underestimate as the Vietnamese population censuses in 1979 and 1989 suggested that as many as 2,768,000 people had left the country during that period (Dang, Tran et al. 2010). Additionally, during the 1970s-90s, Vietnam sent 300,000 workers to the former Soviet Union and Eastern Europe where many of them stayed on and settled down permanently after the collapse of the communist regimes in these countries in the late 1980s. The increased numbers of marriage migrants to Taiwan, South Korea and increasingly Singapore and Malaysia in the past three decades help expanding the Vietnamese diaspora further to East and South East Asia.

4.2. Impact on immediate and extended family
As mentioned earlier, the literature on migration and remittances often does not differentiate between remittances from the diaspora and money sent from temporary and irregular migrants making it impossible to assess the impacts of permanent international migration on the family. During the literature search we only found a few remittance studies in Vietnam that address permanent migrants as a separate group.

Remittances sent to Vietnam increased impressively from US $35 million or 0.5 percent of GDP in 1991 to approximately US $5 billion - about 8 percent of GDP in 2006 (World Bank 2006). The vast majority of Vietnamese remittances come from the nearly three million Viet Kieu who live permanently abroad and Ho Chi Minh City alone receives 60 percent of the total amount, meaning remittances mostly benefit better-off households in urban areas (Nguyen 2008: 8; Nguyen 2009: 22). Remittance flows to Ho Chi Minh largely originate from the Vietnamese diaspora in the United States (Viet kieu), who are responsible for more than 50 percent of all remittances to Vietnam (Thai Forthcoming: 2). Remittances have been found to play a key role in improving the daily lives of family members in the homeland. Pfau and Giang (2010), for example, show that 73 percent of all remittances are allocated for immediate consumption of goods and services, while only 14 percent are saved for household construction, and 6 percent for investment. Another recent study suggests that remittances and migration have had positive impacts on household income and living standards in Vietnam (Dang, Tran et al. 2010). It shows that migrant households tend to have higher saving rates than non-migrant households and are more likely to have family businesses. Nevertheless, limited impacts of migration and remittances were found on education and health. The receipt of remittances appears to have a significant negative impact on children’s school attendance and there was little evidence of migration and remittances having an impact on standards of health in Vietnam (ibid). It should, however, be noted that analyses in this study do not differentiate between remittances from the Vietnamese diaspora and those sent by contract labour migrants, irregular migrants and other forms of migration.

4.3. Impact on community development
Research in Indonesia shows significant contributions of the Indonesian diaspora around the world to community development in the homeland. A study of the Indonesian diaspora in Netherlands shows that 70 percent of the respondents were very interested or interested in
contributing directly to communities in Indonesia and the top three priority uses of philanthropic contributions were helping the poor (43 percent), religious needs (27 percent) and supporting education (26 percent) (ERCOF 2009: 79). Sixty seven percent donated monthly with most money (87 percent) going to houses of worship or mosques (ibid). Pos Keadilan Peduli Umat (pKpU) – one of the two major organisations collecting and managing philanthropic funding from Indonesians living in and outside of the country – reported receiving 3.4 billion IDR in 2006, a significant increase from the total amount of 450 million IDR received in 2001 (Rusdiana and Saidi 2008: 169). The funding came from Indonesians living the US, Canada, Germany, Japan, Australia, UAE, Netherlands and other countries in South-east Asia and the Middle East where most Indonesian migrant workers can be found. As much as 85 percent of pKpU contributions are used for relief and rehabilitation programs. Humanitarian activities include mobile clinics, free health services, food distribution, and distribution of used clothes to refugees of conflict or natural disaster. Through its rehabilitation programs, pKpU provides scholarships, assistance to orphans, food supplements for elementary school students, school renovations and prayer facilities in areas of conflict or natural disaster, and mental and spiritual education for refugees (ibid). The Sulit Air Sepakat (sas) is another major organisation managing philanthropic contributions from overseas Indonesians. Its members are Indonesians from Sulit Air in West Sumatera who are residing in other countries. With diaspora philanthropy contributions, SAS has completed significant infrastructure, educational, health, and economic initiatives as well as relief programs in not only West Sumatera but also other parts of Indonesia (Rusdiana and Saidi 2008: 171).

Philanthropic contributions of the Filipinos living in the diaspora are channeled through hundreds of strong hometown associations, particularly in the US. The government-run program LINKAPIL channels financial and in-kind donations to projects supporting education, health care, small-scale infrastructure and livelihoods through a system call PHILNEED which provides information on projects that need support to potential Filipino contributors abroad (Newland and Patrick 2004: 9). Contributions to development projects through LINKAPIL as of 2003 amounted to more than £550 million (IMP 2003). Other direct beneficiaries of Diaspora philanthropy include churches and other faith-based institutions, universities and colleges, and hospitals. According to Garchitorena (2007: 13), almost all Filipinos abroad contribute to their churches or mosques back home, either sent through their remittances to their families, with an injunction to give a specified amount to their local church or passed through church groups in host countries or through other donation facilities such as community foundations. Giving to churches is very much an integral part of a Filipino’s way of life in the Philippines that is continued when they emigrate. Donations to Philippine universities and colleges are made by alumni associations which are the most organized model of diaspora giving among the Filipinos in the United States (ibid).

A bulk of philanthropic contributions of the Vietnamese diaspora originates from the US, due to not only the large presence of the overseas Vietnamese in this country but also the existence of hundreds of formal and informal Vietnamese-American associations. With increasing numbers of Vietnamese Americans visiting the homeland every year since the normalizations of US-Vietnam relations in 1995, giving back to Vietnam continues to grow. Émigrés brought money back for churches and temples and to support social services (Sidel 2007: 8). Vietnamese Americans started by working directly with some of the growing number of local charitable institutions but began to turn to collective action in the fall of 1997, when Typhoon Linda hit southern Vietnam, killing 3,700 Vietnamese, destroying 100,000 homes and
many villages, and leaving thousands without homes (ibid). At least $155,000 was contributed by the Vietnamese American community in Los Angeles through the International Red Cross. When floods devastated central Vietnam in 1999, displacing two million people and destroying half a million homes, it was believed that flood relief activities raised millions of dollars in Vietnamese-American communities in 1999 and 2000 (Sidel 2007: 10).

4.4. Contribution to local economy of the home countries
Because no differentiation is made between remittances from the diaspora and other sources in the literature, we cannot assess impacts of diaspora remittances separately.

4.5. Contribution to home country national economy and society

The Philippines is reputed to be the world’s third highest net remittance recipient country (relative to net migration) after India and Mexico (Pernia 2006). The massive inflows of remittances have apparently benefited the national economy. From 1990 to 2005, the central bank reported over US$80 billion in cash remittances which reached US$12.6 billion in 2006, roughly 10 percent of the GDP 2006 (Garchitorena 2007). Remittances act as a buffer for the country’s balance of payments deficits, help ease foreign exchange rates, bolster international reserves, and strengthen the peso against the dollar. Between 1990 and 1999, remittances contributed an average of 20.3 percent to the country’s export earnings and 5.2 percent of GNP (Go 2002). In addition, migration has kept unemployment rates in the Philippines, which hit 12.4 percent in the late 1990s, at tolerable levels (Bagasao 2005). An increasing trend among Filipino emigrants is to buy property in the Philippines for their retirement days - real estate companies estimate that at least 30 percent of their sales are now with overseas Filipinos (ibid).

However, a disproportionate share of the most productive age group (25-44 years) leaves the Philippines every year for work overseas, which may lead to permanent emigration in many cases, is a cause of concern for the national economy (Garchitorena 2007: 3). Because many of these people are individuals with above-average experience, on-the-job training and/or supervisory skills, their migration leads to labour shortages, diminished capacity and lower quality of service in the affected sectors, especially in health care, education, and information technology. The Private Hospital Association of the Philippines estimates that as of 2005 some 1,000 hospitals were closed down in the Philippines for the lack of nurses. It is estimated that 100,000 nurses left the Philippines between 1994 and 2003 and 4000 doctors also migrated although many of them would become nurses in their destination countries (ibid). Despite the improved economic condition of many migrant families in the Philippines, local scholars are skeptical of migration contributions to the strategic economic development of the towns and cities from which they come (Anonuevo 2002). The over-dependence on remittances of the Philippine economy is neither seen as a good national economic strategy because it masks underlying weaknesses in the financial system (Garchitorena 2007: 4).

By 2003, remittances from overseas Vietnamese (Viet Kieu) exceeded the revenues (after expenses) generated from oil, garment or seafood exports from Vietnam – Vietnam’s three leading commodity exports (Sidel 2007). The Vietnamese Diaspora sends an estimated US$6.8 billion in remittances to Vietnam annually, with the majority coming from US, France, Australia and Canada (Truong, Small et al. 2008). Remittances are seen by the country’s leaders as “the most powerful and least costly source of foreign capital for Vietnam.” The abrogation of the 5 percent tax on funds sent back through banking channels by overseas Vietnamese in the 1990s
combined with the government’s encouragement of Viet Kieu investment in the homeland led to the rapid growth of the Viet Kieu economy which amounted to $20 billion a year by the mid-1990s (Sidel 2007). According to the Committee on Overseas Vietnamese, there are currently 1,465 overseas Vietnamese companies registered in Vietnam, half from Vietnamese Americans, with a total capital of US$300 million (Truong, Small et al. 2008).

Apart from the monetary remittances sent to the homeland, studies in the Philippines and Vietnam also stress the importance of social remittances contributed by people living in the diaspora (Dang 2005; Garchitorena 2007; Truong, Small et al. 2008). Garchitorena (2007) suggest that the new aspirations, ambitions, and ideas introduced by overseas Filipinos have positive impacts on education and entrepreneurship while Dang (2005) and Truong, Small et al. (2008) notes the emphasis on mobilize “overseas Vietnamese talent for national development” in Vietnam.

4.6. Impact on host countries’ national economy and society

No relevant studies on this aspect were identified. Most of the literature on impacts of the diaspora on the host nations concerns integration, adaptation and assimilation issues rather than economic aspects. Also, the spread of the immigrant settlers from the three study countries across the globe and their diversity make it challenging to assess impacts of immigration on the host countries.

4.7. Identification of research gaps

While research shows that remittances from the diaspora tend to benefit the better-off families in urban areas rather than the poor in the homeland and hence have little impact on poverty alleviation, there is very little evidence on the latter argument. In general, most of the studies on impacts of emigration on the countries of origin focus on the macro level while empirical research at the micro level, particularly on the migration-development nexus, is extremely limited. In addition, the official statistics on remittances fails to account for significant amounts of remittances sent through informal channels while the literature on remittances in general does not distinguish the different sources of remittances (sent by different types of migrants) making it difficult to fully appreciate impacts of emigration on development and poverty.

References


IOM (2010). Labour Migration from Indonesia: An Overview of Indonesian Migration to Selected Destinations in Asia and the Middle East, International Organization for Migration.


---

1 The official statistics just accounts for the registered movements while large numbers of temporary and seasonal migrants do not register their moves with local authorities
2 Organised migration initiated and financially funded by the State still happens but on a much smaller scale in the form of resettlement of people from the construction sites of large infrastructure.
4 Seventy-two percent of the surveyed migrants in 2004 reported that they enjoyed better working conditions at the destination and 73 percent reported an improvement in income.
5 According to Nguyen (2008: 11), around 5.9 and 7.1 percent of Vietnamese households received international remittances in 2002 and 2004, respectively while the proportion of households receiving internal remittances was 78.2 and 86.3 per cent in 2002 and 2004, respectively. However, the average value of internal remittances was much smaller than that of international remittances.
