

**Working Paper  
436**

**THE FINANCIAL CRISIS IN THE GULF AND  
ITS IMPACT ON SOUTH ASIAN MIGRANT  
WORKERS**

**S. Irudaya Rajan  
D. Narayana**

August 2010

Working Papers can be downloaded from the  
Centre's website ([www.cds.edu](http://www.cds.edu))

**THE FINANCIAL CRISIS IN THE GULF AND ITS IMPACT  
ON SOUTHASIAN MIGRANT WORKERS**

**S. Irudaya Rajan**

**D. Narayana**

August 2010

---

Funded by the Asian Development Bank, Ministry of Overseas Indian Affairs, Government of India and Department of Non-Resident Keralite Affairs, Government of Kerala. The draft report was first presented in the conference organised by the ADB in Singapore during 26-27 October 2009, followed by the final draft presentation organised by the ADB in Dhaka during 3-4 December 2009. Another presentation was made at the CDS on December 15, 2009.

## **ABSTRACT**

The financial crisis originated in the United States of America and impacted the Gulf Cooperation Council (GCC hereafter) countries after a time lag. The falling oil prices, contracting trade and declining private investment flows have adversely affected the GDP growth of the Gulf countries, which in turn affected the flow of migrant labour to and from them and remittances from them. In this context this study seeks to:

Assess the impact of the recession on key industries in the GCC economies;

Assess the repatriation of expatriate labourers;

Assess the flow of emigrant labourers and fall in remittances;

Assess the impact of loss of employment on the emigrant households' in the country of origin; and

Identify the measures undertaken by various stakeholders to mitigate the adverse effects.

The study takes a two pronged approach to the subject. The impact of the global crisis on the GCC economies is first analyzed in terms of the sectors of the economy affected, the changes in GDP growth and employment of expatriate labourers. A Survey of migrants in the destination countries was carried out to assess the loss of employment and earnings and their coping strategies. It was followed by surveys of emigrants and return migrants in the countries of origin in South Asia. Study teams visited the six GCC countries and Malaysia to interview labourers as well as employers in various sectors.

The global crisis has affected the GCC economies through falling oil prices, depressed property and equity prices, low investor confidence and reversal of capital flows. The GDP growth in GCC economies spawns large population growth, especially large influx of migrant labourers from South Asia. So a recession is expected to affect the flow of migrants and remittances.

The rising oil prices since 2002 brought about large scale FDI flow into the GCC economies, rising investment rates and higher GDP growth rates by boosting the investment in telecom, banking, power and real estate. Private investment flow played an important role in the emergence of West Asia as the world's largest market in project finance surpassing Western Europe and North America. The rapid growth of the GCC economies in the 2000s initiated increasing concentration of employment in manufacturing, construction and trade, and so attracted a large influx of expatriate unskilled and semi skilled labourers. One estimate put the composition of Indian expatriates in UAE as 50 per cent unskilled workers, 25 per cent semi-skilled and 25 per cent skilled professionals. The large influx of unskilled and semi-skilled workers led to higher rent inflation on top of unprecedented food inflation, attributed to global rise in food prices in the late 2000s. Over a quarter of the population in the GCC countries was spending above 20 per cent of their disposable income on food then. In response, the governments raised the wages of the public sector employees. This might have protected them, but vast segments of workers in manufacturing, construction and trade suffered real income losses.

The precipitous fall of oil prices and the large losses suffered by the Sovereign Wealth Funds of the GCC countries had dried up the FDI inflow and credit flow into the Gulf; much worse, the banking sector also was facing a severe crisis with few international banks willing to lend to projects in GCC Countries. The world export demand was not expected to pick up immediately; and trade discriminatory measures were increasing as protectionism was spreading globally in the face of crisis. Added to the adverse economic environment were the not too transparent bank dealings in the Gulf, poor contract enforcement and discriminatory property ownership regimes. The silver lining was the quick rebound of oil prices - current prices surpassed the January 2008 levels- and the improvement in the 'doing business environment' in the Gulf countries.

The construction boom in the GCC countries had come to a halt with 20 to 30 per cent cancellations, the bulk of which was in Dubai and trade volumes had declined. The phenomenal growth in employment of the past five or six years had come to a halt and about 40 per cent of the workers had been affected. Expatriate workers did not leave in large numbers, but salary cuts were widespread; stoppage of increments, benefits and perks was also reported.

As regards the impact of the crisis on the South Asian migrant workers, the databases were poor and the numbers were hard to come by. The numbers mentioned by Indian ministers ranged between 50,000 and 500,000. An estimate of return migrants to Kerala arrived at by the Centre for Development Studies, based on a revisit of the emigrants and return emigrants of their 2008 Kerala Migration Survey, was around 61,000 for Kerala. Applying the methodology of the Kerala Resurvey to South Asia as a whole, the return emigrants from the Gulf were estimated to be 264,000. These estimates were far lower than the official predictions because migrants somehow struggled to stay back and earn to repay the debt incurred to pay for the cost of migration. Hence, the migrants' loss of current employment did not lead to an immediate return as they would be hunting for various alternatives in which social support networks also played a part. Thus, the number of migrants returning would be lower than those losing jobs, the difference implying that they were in search of employment in the destination countries. The numbers of migrants from Kerala who lost jobs but continued to stay in Gulf were estimated to be 39,000 and those who returned at 61,000; and for South Asia, the corresponding numbers were 170,000 and 264,000 respectively.

Despite the crisis and job loss, the demand for expatriate workers continued in the Gulf as was evident from the outflows of migrant workers from South Asia. Except for a 35 per cent fall in numbers from India, the flows in 2009 were comparable to those in 2008. But the direction of

flow had changed; UAE was attracting less number of labourers whereas hardly any change was observed for Saudi Arabia.

Migrant workers sent home remittances which boosted the economy. India being one of the world's top remittance recipients at \$52 billion (and China at \$49 billion) in 2008, the policy makers were worried that remittance flows might decline due to the crisis. But estimates showed that remittances had, in fact, increased by 3 to 25 percent in 2009 in the South Asian countries. Micro level data on remittances from households with an emigrant currently in Gulf confirm the macro findings: about 94 percent of the households reported receiving regular remittances and about 30 percent receiving gifts during the crisis period. No change had been observed in the use of remittances by those households in 2008-09 compared to normal times. But the survey showed that 13 per cent of the emigrants reported loss of job. Nearly half of them had found another job, and a quarter were staying illegally in the Gulf. The work conditions had also changed due to the crisis: 25 per cent of the emigrants reported redundancies, 16 per cent reported postponement of contracts, 20 per cent reduction of wages, 17 per cent heavier workloads and 8 per cent were forced to take annual leave and proceed home.

The survey among return emigrants in South Asia who had lost their jobs showed that 73 per cent of them remained unemployed one month after return; but their proportion had declined to 42 per cent at the time of survey. Among the employed, 37 per cent had managed to find regular employment, 40 per cent casual employment and 8 per cent, contract work. The unemployed return emigrants survived on past savings, borrowing, and support from family members. And a few had sold assets to meet expenses.

The governments of the countries of origin and destination have taken a few steps to mitigate the hardships faced by the workers losing jobs. The Government of Nepal has announced a plan to meet the cost of

migration of those who returned after losing jobs. The Government of Kerala state has announced a rehabilitation package for the Gulf returnees. Some GCC countries have relaxed slightly the visa conditions, allowing those who were thrown out of jobs to stay for longer periods in their country making it possible for them to search for alternative employment. The sponsorship condition has also been relaxed in some cases. Some of these reforms in the GCC countries might not be directly related to the crisis, because they were in the making for some time now in the face of severe criticisms of the work and life conditions of the expatriate workers in those countries even before the crisis struck them.



## **1. Introduction**

The financial crisis had its origins in the United States of America (USA) in 2008, and spread to Europe, particularly the United Kingdom, and then to Japan. It has now engulfed most economies – developed, developing and emerging. However, the effect of the crisis has been slow to manifest in the six Gulf Co-operation Council (GCC) countries<sup>1</sup> than in the European and US economies. Their basic strengths - a public funded banking sector and huge trade surplus due to the export of oil, the price of which saw unprecedented increase in a span of six months in 2008 - shielded the GCC economies from the adverse impact during the initial days of the crisis. The large current account surpluses ranging from 6.1 per cent of the GDP for Oman to 45 per cent for Kuwait also helped (IMF, 2009a, 2009b). This, coupled with significant inward foreign direct investments to all GCC countries, except Kuwait, also had a beneficial impact (ESCWA, 2008).

However, there were indications from various sources that the GCC economies began to feel the impact of global crisis since the last quarter of 2008. The most significant indicator was the slowdown in the GDP growth rate in 2008 and the predicted negative growth rate in 2009 in some of these economies (GulfTalent.com, 2009). The predicted decline

in the growth rate in these economies was based on the first few months of 2009 during which there was a continued decline in the oil prices<sup>2</sup>, owing mainly to the decline in demand from the OECD countries. At the time of writing this report, the crude oil price had almost reached the level of the base line price of January 2008. Moreover, given the link between the growth in the hydrocarbon-based sectors in the economy and the non-hydrocarbon-based sectors, the decline in the price of oil was expected to reduce the growth of the latter. In the financial sector, the stock markets in all the GCC countries recorded a decline, owing to the withdrawal of the foreign institutional investors. A number of private funded domestic and international projects in the Gulf region had reportedly been cancelled or abandoned, leading to a large number of layoffs or retrenchment of the workforce. At the beginning of 2009, after observing the downturn in GCC economies, several international organizations showed interest in assessing the impact of the economic crisis on industry and trade (Nanto, 2009) and some in particular, on migration and remittances (Fix et al, 2009; Ibrahim, 2009; ILO, 2009; World Bank, 2009).

Nevertheless, these effects cannot be generalized for all the GCC countries given their diversity. Countries that are more exposed to global capital, investment and consumption demand face a greater risk of being affected by the crisis than others. For instance, Dubai in the UAE, which depend heavily on international capital, tourism and real estate, seems to be more adversely affected than other countries. On the other hand, Saudi Arabia, which has only 25 per cent foreign workers compared to much higher proportions in the other GCC economies might be much less affected than others (Zachariah and Rajan, 2009). The crisis seems to have visibly hit the GCC economies in the beginning of 2009. However, both the depth and intensity of crisis and the possibility of turnaround are not clear. Of course, the longer it takes to reach a turnaround, the longer it would take to overcome the crisis.

Needless to say, the slowdown in the growth rates of GCC economies will have particular significance for the South Asian expatriates who are the main source of migrant labour in the GCC countries. This would affect the flow of migration and cause unexpected large scale return emigration and falling remittances (Kapiszewski, 2006).

## **2. Research Questions**

In this context, for informed policy making in the countries of origin (South Asia) and countries of destination (GCC countries), the research issues to be investigated are as follows:

- How is the crisis going to affect the demand for South Asian migrant workers in the Gulf countries?
- What strategies could the emigrants adopt to cope with the situation at their place of work (countries of destination): what is the likely impact of the crisis on the home country in terms of decline in remittances, if any?
- Do countries in South Asia expect large-scale return emigration? Do they expect a decline in the outflow of emigrant labour to Gulf countries; and inward remittances from them?
- How do the strategies of the migrants to cope with the crisis in the countries of destination affect the coping mechanisms of their families in the home country, particularly those of the women left behind?
- What actions could the South Asian countries - collectively or independently- take to mitigate the hardships of the return emigrants and their families?

## **3. Research Objectives**

To seek answers for the above questions, this project formulated the following objectives:

- To assess the impact of the recession on key industries in the GCC economies which employ a majority of migrant workers from South Asia, and to examine the migrants' strategies to cope with the crisis.
- To assess the impact of the crisis on the extent of repatriation of the migrants, decline in the flow of emigrants and fall in remittances.
- To analyze the effect of the return of the migrants to their respective households in their countries of origin.
- To study the changes in the characteristics of employment, savings and livelihood diversification of affected households, if any; and
- To identify the key measures to be carried out by various stakeholders, such as SAARC and the countries of origin and destination.

#### **4. Scope of Research<sup>3</sup> and Study Teams**

The scope of the present research is to critically assess the emerging economic growth and employment trends in the context of the global financial crisis in the countries of destination, particularly in the six countries of the Gulf (United Arab Emirates, Saudi Arabia, Oman, Qatar, Bahrain and Kuwait) and Malaysia. The scope also includes the impact of the global financial crisis on stocks and flows of migrant workers and inward remittances to the five countries of South Asia<sup>4</sup> – India, Pakistan, Bangladesh, Nepal and Sri Lanka.

The study is a collaborative effort of Centre for Development Studies, Thiruvananthapuram and the social sciences research institutes within the South Asian region. Team members from Centre for Development Studies, Thiruvananthapuram and from among the social sciences research institutes within the South Asian region as and the destinations where they worked are presented below.

Countries of Destination	Team Members from the Centre for Development Studies
Malaysia	S Irudaya Rajan, Aparna Nair and M. Mansy
United Arab Emirates	D Narayana, Vinoj Abraham, S Irudaya Rajan and K C Zachariah
Saudi Arabia	A V Jose, D Narayana, S Irudaya Rajan, Sabu Aliyar and S. Sunitha
Qatar	Udaya Sankar Mishra, Hrushikesh Mallick and S Irudaya Rajan
Bahrain	K Navaneetham, Arindam Banerjee, V J Varghese and S Irudaya Rajan
Oman	P Mohanan Pillai, Arindam Banerjee and S Irudaya Rajan
Kuwait	K Pushpangadan, Parameswaran.M and S Irudaya Rajan

Countries of origin	Institute	Researchers
India	Centre for Development Studies, Thiruvananthapuram, Kerala	S Irudaya Rajan
Pakistan	Pakistan Institute of Development Economics, Islamabad, Pakistan	Nasir Iqbal Saima Nawaz
Bangladesh	Bangladesh Institute of Development Studies, Dhaka, Bangladesh	Anwara Begum
Sri Lanka	Marga Institute, Colombo, Sri Lanka	Myrtle Perera
Nepal	Nepal Institute of Development Studies, Kathmandu, Nepal	Ganesh Gurung

## 5. Approach and Methodology

The first approach for the research is to assess the trends in relation to expatriate workers, imports, exports, investment, inflation, employment structure and other financial aspects and stimulus packages announced by the respective governments in the seven countries of

destination<sup>5</sup>. They are to be based on the macro picture from the published national and international sources of data and the discussions of the same with the respective ministries and other stakeholders in the Gulf. Then the researchers are expected to submit a destination country report<sup>6</sup>. During their visit to the Gulf, the researchers are expected to complete the emigrant survey questionnaires to assess the coping mechanisms of migrants in the Gulf.

The second approach for the research is to map the trends and patterns of international migration, preferred countries of destination and trends in remittances over a long period of time. This approach also attempts to assess the resilience of the outflow of migrant labour from South Asia and inflow of remittances from around the globe, especially from the Gulf region, in the context of the financial meltdown. These objectives are attempted to be achieved by engaging a research institute in the country of origin which works closely with the national governments to carry out these tasks. The institutes involved<sup>7</sup> are as shown above.

In addition to the macro assessment of the situation in the five countries of origin and the seven countries of destination, three surveys were also undertaken in this study. The purpose of those surveys was to obtain a micro level understanding of the coping strategies (a) of emigrants in the countries of destination; (b) of the emigrant households in the countries of destination and (c) of the return emigrants in the countries of origin who lost their jobs in the countries of destination due to the financial crisis.

### **5.1 Workers Survey<sup>8</sup>**

350 workers in the seven countries of destination were surveyed with the sample size limited to 50 workers in each country. Logistic support of the Indian Embassies in the respective countries of destination and migrant associations<sup>9</sup> was obtained for the conduct of the survey.

This survey was aimed at understanding the profile of migrant workers and their respective households; employment conditions; emoluments; working and living conditions; remittances, saving and investment at the time of survey, six months before (at the time of the crisis) and a year ago (before the onset of the crisis); adaptation to and coping mechanisms by both the migrant workers in the countries of destination and their families in the country of origin (see Appendix I for the worker survey module).

### ***5.2 Emigrant Household Survey<sup>10</sup>***

This survey was conducted among the households which have at least an emigrant currently in the Gulf to examine their coping mechanism, if any, at the time of the crisis. The survey was canvassed among 50 households each in four countries of South Asia – Pakistan, Bangladesh, Nepal and Sri Lanka – with the support of a research partner in the respective countries. In India, CDS conducted the survey among 250 households in the five states of India selecting 50 each from the states of Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra and Punjab, from where large-scale migration to Gulf takes place. The total number of households that participated in the emigrant household survey in the five countries of origin in South Asia was 450. The survey elicited information on household details, profile of emigrants, household economic assets, remittances and their utilisation, current employment status of the emigrants and their coping mechanisms, economic impact of the crisis in terms of household expenditure, financial commitment and pattern of investment, change in the frequency of remittances, adapting and coping mechanisms, psychological impact – stress and anxiety, financial autonomy and health related issues (see Appendix II).

### ***5.3 Return Emigrant Survey<sup>11</sup>***

This survey was conducted among the emigrants who lost their jobs and were forced to return home because of the financial crisis in the Gulf. It was also aimed at examining their coping mechanism after their

return to their home country. The survey was canvassed among 50 return emigrants each in the four countries of South Asia – Pakistan, Bangladesh, Nepal and Sri Lanka – with support from research partner institutions. In India, the survey was canvassed among 250 return emigrants in five states of India, selecting 50 each in Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra and Punjab. Thus the total number of return emigrants surveyed was 450 among the five countries of origin in South Asia. However, we confess that it was difficult to locate the emigrants who lost their jobs in the countries of destination and returned back to the countries of origin. In the beginning of 2009, most countries in South Asia expected that due to the crisis there would be large-scale return emigration to their countries. Our small-scale survey of return emigrants conducted in South Asia proved those forecasts unsubstantiated, as we will see later in the report. The return emigrant survey collected information on household details, the profile of return emigrants, household economic assets, employment, remittances and their utilisation, household expenditure pattern, reasons for return, adaptation and coping mechanisms (see Appendix III).

#### ***5.4 Return Migrant Resurvey, 2009<sup>12</sup>***

Return migration from the Gulf is the normal process of contract migration. Migrants from South Asia go on contract work to the destination countries; and once the contract ends, they, in the normal course, return to the countries of their origin. As of now, we have no estimate of return emigration from Gulf to South Asia. However, the Centre for Development Studies has completed four large-scale migration surveys (1998, 2003, 2007 and 2008) over the last decade. One of the research objectives of this project is to assess the flow of forced return emigration, or return emigrants before the expiry of contract from the Gulf region to South Asia. To assess both regular return migrants and the crisis-led return emigrants from the Gulf, we revisited emigrant households from the 15,000 households of the 2008 Kerala migration survey. We estimated the extent of crisis led-return emigrants to Kerala



after the revisit. In a later section of this paper we are applying the same methodology and projecting the figures approximately to estimate the number of return emigrants from the Gulf to South Asia. In addition, the return migration resurvey 2009 also estimated the number of emigrants who lost their jobs in the Gulf, but had chosen to remain there itself without returning back to their counties of origin. This is new information ('lost job, but have not returned') which will also be generated for South Asia (see details of the above survey, working paper No. 432)

## **6. Analytical Framework**

The financial crisis had its own impact on the destination countries. It manifested differently on both employees and employers in the respective countries of origin and destination. For instance, some sectors in the destination countries were seriously affected, and both expatriates and nationals lost their jobs. Some expatriates chose to adjust to the situation and decided to work on lower wages under harsh living conditions, while the rest returned to their countries of origin; whereas nationals of the destination countries declared themselves as 'unemployed'. The unemployment among nationals instigated their respective governments to respond by implementing strong regulation in visa regimes and tightening the movement of labour from foreign countries (what the Gulf countries call "demographic imbalance"). Similarly, emigrant families in the countries of origin had to make several adjustments to cope with the crisis (see Figure 1 for details). We shall briefly explain some of the aspects below:

### **6.1 Demand for Migrant Labour**

For the countries of South Asia, such as India, Bangladesh, Sri Lanka, Nepal and Pakistan, which send their labour out, the repercussions of the financial crisis in Gulf economies are a set of specific issues relating to the flow of migrants to the Gulf, crisis led/forced return emigration from Gulf to the home country and the possibility of declining remittances to the home country. The demand for labour in a crisis-

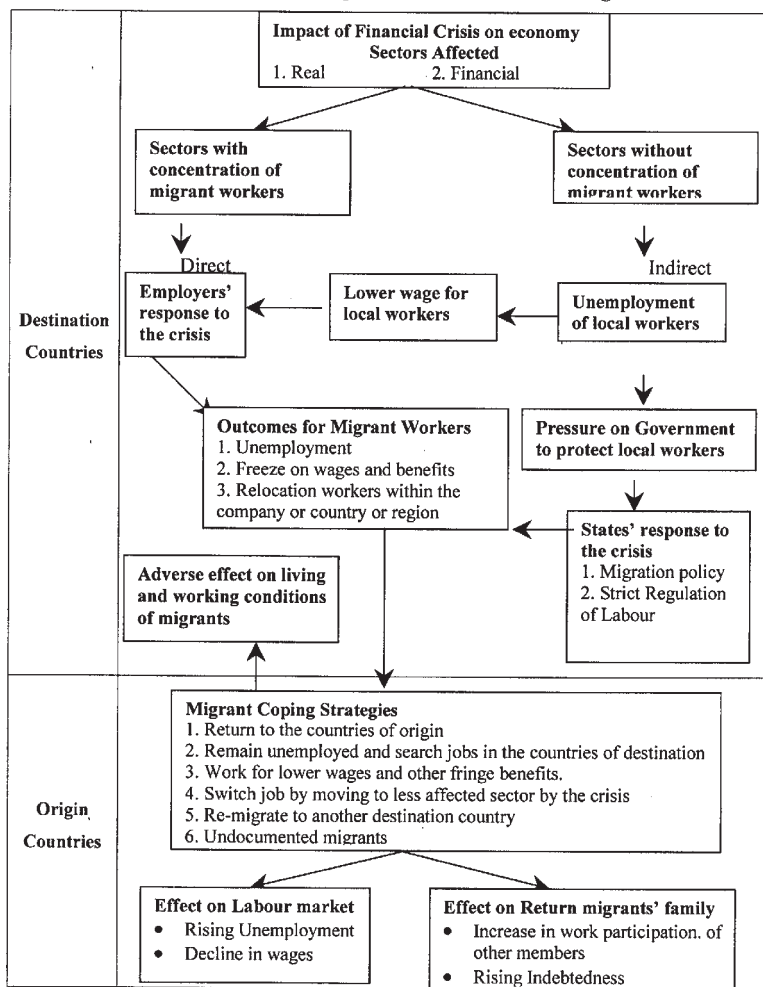
affected economy may be influenced by two kinds of effects. The first is the scale effect. - The scale effect is a change in the total demand for labour in the economy owing to the change in total output of the economy. The second is the substitution effect. It is the replacement of foreign labour with local labour or other factors of production. In the current scenario, the substitution may take place mainly in the form of local workers replacing the migrant workers. This could occur because the wage rates of the local workers might decline due to the slump in the economy. This could also occur because of the pressure from the political lobbies to employ local labour rather than migrant workers. However, the scale effect and substitution effect may affect different industries differently. The scale effect may be industry specific: all industries may not face a decline in output, while some may face a crisis. For instance, the scale effect of the crisis in UAE seems to be more concentrated within the real estate and tourism segments. Also, those industries which are in the value chains of affected industries, or which are intermediaries/final outputs of other affected industries, could also be affected, depending on the strength of the linkages.

## **6.2 Migrant Workers' Strategies to Cope with the Crisis**

In times of crisis, the migrant workers may adopt various strategies to tide over the situation or to mitigate the risks. The most common strategy adopted by the migrant workers would be to return to the home country and find alternate employment. Among the rest, some may decide to migrate to other destinations which are less affected by the crisis; some may remain in the same destination country but move/shift to new occupations/industries which are less affected by the crisis; and some may decide to work in the same industry/occupation in the countries of destination at a much lower wage rate and under less favourable conditions of work.

Adding yet another dimension to the issue would be the reaction of the local workers and local governments in the face of increasing

Figure 1. Analytical Framework: Impact of Financial Crisis on Migrant Workers



unemployment in the local economy which may take the forms of increasing stigma and persecution of foreign labour. All the same, the extent of return migration to the South Asian economies due to the crisis is, at the moment, conjectural. An explicit understanding of the strategies adopted by the migrants to meet the crisis alone would allow one to draw correct conclusions about the size of return migration, re-migration, attrition, mobility, work and poorer earnings.

### **6.3 The Impact of the Migrant Workers' Strategies on the Sending Country**

In the countries which send migrant workers out, the strategies to cope with the crisis might get manifested mainly in three ways: there could be an increase in the number of job seekers within the country; a reduction in the remittances; and more importantly, changes in the spending habits of the return migrants/emigrant families.

The home countries are already overburdened with shrinking jobs due to the global crisis. Migrants returning home would mean that more workers would be added into that economy. Estimates show that GDP growth in South Asia decelerated in 2008, falling from 8.6 per cent in 2007 to below 7 per cent. It is projected to decline further to around 6 per cent or less in 2009, before recovering to around 7 per cent in 2010 (ADB, Various issues). One issue in this context would be to find employment for the returning migrant workers when unemployment is already on the increase. The overall effect of the global crisis on South Asian economies has been less compared to developed economies. Nevertheless, given the fact that the inherent capacity of such economies is weak owing to their poor financial conditions and high level of poverty, any decline in the growth rates would greatly diminish their ability to cope with an influx of return migrants.

To assess the meaningful effect of crisis on migrant workers, sectoral specificities of the destination countries need to be understood as well. The manufacturing and construction sectors are likely to be among the severely affected sectors there. Many of the return migrant workers might have been employed in such sectors in the destination countries, and hence finding alternative employment would be a challenge for them at the countries of origin, as those sectors are likely to be depressed there also. Even if they are ready to switch roles as entrepreneurs/self employed workers, as is the case usually with return migrants, in the present circumstances, the possibilities of successful entrepreneurship

require external support as well. The Finance Minister of the Government of Kerala (Kerala has an estimated 2 million workers in the Gulf) has announced a US\$200 million entrepreneurship package for repatriates in his budget speech in 2009. It is an indication of such support. Similarly, the Government of Nepal has taken measures to compensate Nepali migrant workers who have lost their jobs because of the global recession.

Another significant way in which the crisis may affect the home economy is through the fall in remittances. Studies predict that remittance flows to South Asia will decline sharply from over 16 per cent growth in 2008 to zero per cent in 2009 (Ratha, Mohapatra and Xu, 2008). India is the largest recipient of remittances in the world today; and a significant share is contributed by the innumerable unskilled and semi-skilled Indian workers abroad. Remittances also play a very important role in the balance of payments position in all South Asian economies. A fall in the number of migrants from the region, and the reduction in their wage rates and poorer work conditions of continuing migrant workers may reduce the flow of remittances to the home economy.

#### **6.4 The Effect of the Crisis on the Migrant's Family**

As migrant workers are often the sole breadwinners of their families, any lay off in the destination countries is likely to push these families into poverty once again. The crisis may impose some changes in the spending and investment habits of the migrant workers. While repatriation would open the question of re-entry of the migrant in the home labour market, the stoppage or reduction in the remittances would necessitate changes in the spending and saving habits of their households. The sudden reduction in income may bring about employment and livelihood diversification within the household, trigger cutback in long gestation investments such as education and health expenditure and push the younger members of the households prematurely to enter the labour market.

## **6.5 The Effect of the Crisis on Migrant Women Workers and Women Left Behind**

In keeping with Islamic tradition, the GCC countries, in general, do not encourage women to work. The presence of native women workers in the GCC workforce is marginal, and they constitute between 2-10 per cent of the national workforce. Because of the traditional policies regarding the place of women in the workforce, occupational segregation of women had been very strong in GCC countries. Most women workers in the GCC countries are poor expatriates from South Asian economies engaged as domestic help. According to some estimates, in the UAE, over 80 per cent of the employed women were expatriates, while in Bahrain the proportion was 55 per cent. Expatriate women were between 10-25 per cent of the total expatriate workforce (Kapiszewski, 2006). Even during normal times, it is recognized that migrant women domestic workers face severe hardships including working for very low wages (Irudaya Rajan and S. Sunitha 2010). Women migrant workers are also excluded from protection under labour laws because they are considered to be part of the employing family and are outside the reach of those laws. These difficulties may, in the context of the crisis, become more accentuated.

Similarly, women left behind in the home country face many difficulties in managing their families. According to our estimates, Kerala has one million married women whose husbands are migrants to the Gulf (Zachariah and Irudaya Rajan 2010a). They have to take steps to effectively reorient the use of remittances, if they expect that the remittances from their husbands are likely to decline due to the crisis.

## **7. Assessment of the Financial Crisis in the Gulf<sup>13</sup>**

This section tries to trace the transmission links of the global financial crisis to the employment and remittances of the South Asian migrant workers to the GCC economies. The global crisis has affected the gulf countries through its impact on export trade, finance and FDI. The sectors which are severely affected are manufacturing, trade and

construction, which also are the sectors employing the bulk of the expatriate labour. The source for the number of expatriates affected and the extent to which the volume of remittances fell is the size of the economy and the policy of the GCC economies on migrant labour.

### ***7.1 The Crisis and Growth***

The US is at the epicenter of the global crisis facing severe recession arising out of a squeeze on credit, sharp fall in housing and equity prices, and high level of uncertainty. These shocks have depressed consumption and have increased the saving rate. Equity prices are still down and the exchange value of dollar has strengthened. Real GDP has been contracting since the fourth quarter of 2008, and employment has fallen rapidly since end 2007. Credit market is still remaining unsettled despite the easing of policy rates. The economy is projected to contract by 2.8 per cent in 2009 and start recovering only by the middle of 2010.

The impact of the global crisis on Asian economies has been severe despite their low exposure to US securitized assets, and their better macroeconomic fundamentals. The group of advanced economies of Asia - Korea, Taiwan, Hong Kong and Singapore - are expected to contract by about 6 per cent in 2009. Given their extreme exposure to external demand, they will all suffer due to the contraction of the advanced western markets. ASEAN - Indonesia, Thailand, Malaysia, Philippines, and Vietnam - is also severely hit, especially Thailand and Malaysia which are expected to contract in 2009 by 3 per cent and 3.5 per cent respectively. Chinese growth is expected to come down from 13 per cent in 2007 to about 6.5 per cent in 2009. Indian growth is expected to decline from over 9 per cent in 2007 to 4.5 per cent in 2009.

The global crisis has affected the Middle East through a large fall in price of oil, reversal of capital inflows, depression of property and equity markets, and losses in sovereign wealth funds. The effect of global crisis is expected to vary across the countries depending upon country

Table 1. Selected Economies: Real GDP Growth Rates (Annual % Change)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Country of Destination</b>											
Bahrain	4.62	5.19	7.25	5.64	7.85	6.65	8.07	6.12	2.64	3.47	3.94
Kuwait	0.22	3.01	17.33	10.24	10.62	5.14	2.51	6.33	-1.14	2.39	4.34
Oman	7.51	2.57	2.01	5.33	6.02	6.79	6.38	6.18	3.02	3.80	6.00
Qatar	6.32	3.20	6.32	17.72	9.24	15.03	15.35	16.40	17.99	16.37	8.90
Saudi Arabia	0.55	0.13	7.66	5.27	5.55	3.03	3.52	4.63	-0.91	2.90	4.40
United Arab Emirates	1.70	2.65	11.89	9.69	8.19	9.39	6.34	7.41	-0.60	1.55	3.29
<b>Country of Origin</b>											
Bangladesh	4.83	4.85	5.78	6.11	6.30	6.53	6.32	5.59	5.00	5.38	6.01
India	3.89	4.56	6.85	7.90	9.21	9.82	9.30	7.29	4.52	5.61	6.89
Nepal	5.63	0.12	3.95	4.68	3.12	3.72	3.19	4.70	3.60	3.25	4.81
Pakistan	1.98	3.22	4.85	7.37	7.67	6.18	6.02	5.95	2.50	3.50	4.50
Sri Lanka	-1.55	3.96	5.94	5.45	6.24	7.67	6.80	5.95	2.20	3.59	4.98
<b>Major Developed Countries</b>											
Japan	0.184	0.262	1.414	2.744	1.934	2.039	2.392	-0.641	-6.197	0.515	2.168
United States	0.751	1.599	2.51	3.637	2.939	2.779	2.028	1.111	-2.751	-0.049	3.53
United Kingdom	2.462	2.097	2.818	2.758	2.058	2.838	3.022	0.707	-4.086	-0.396	2.121

Source: World Economic Outlook Database, April 2009.

Note: Data for 2009-2011 are forecasts.



characteristics, such as high share of oil exports in total exports; large quantum of re-exports, sizeable share of services in GDP, especially transportation, trade, hotel and restaurants (Table 1). “In the region as a whole, growth is projected to decline from 6 per cent in 2008 to 2.5 per cent in 2009... Among the oil producing countries, the sharpest slowdown is expected in the United Arab Emirates (UAE), where the exit of external funds... has contributed to a large contraction in liquidity, a sizeable fall in property and equity prices, and substantial pressure in the banking system... At the other end of the spectrum is Qatar, which is projected to grow by 18 per cent in 2009(up from 16.5 per cent in 2008), since its production of natural gas is expected to double this year.” (IMF, 2009, p. 91).

The crisis affects expatriate labour through its adverse impact on GDP growth and employment opportunities in the Gulf.

## **7.2 Gulf Economies: Population and GDP Growth**

The population of the GCC countries has increased by 8.39 million between 2000 and 2009, an increase which is almost the size of GCC excluding Saudi Arabia in 2000. Over half of this increase is contributed by Saudi Arabia, the country accounting for about 70% of the population of GCC. However, the rate of increase has been low in Saudi Arabia and high in Qatar, the UAE and Kuwait. Thus, two groups of countries may be identified in the Gulf, one with an increase in population of about 20% between 2000 and 2009 and another with increases of three to four times that (Table 2).

The large increase in populations of the Gulf countries is spawned by the high average growth of GDP between 2000 and 2009. Qatar’s close to doubling of the population between 2000 and 2009 has come along with an average annual GDP percentage increase of over 11 per cent during this period. The UAE has grown at close to 8 per cent per annum. Only Kuwait show exhibits a large increase in population with a relatively low increase in GDP. Thus, the large increase in population and the large migration of labour has come about with a high GDP growth.

**Table 2. Growth of population and GDP in GCC countries.**

Country	Population (Million)				GDP Growth 2000-08 (%)
	2000	2009	Increase	Increase(%)	
Kuwait	2.217	3.443	1.226	55.30	6.68
Qatar	0.606	1.098	0.492	81.19	11.17
Saudi Arabia	20.474	24.897	4.423	21.60	3.91
UAE	2.995	4.764	1.769	59.07	7.74
Bahrain	0.670	0.779	0.109	16.27	6.29
Oman	2.402	2.769	0.367	15.28	5.36
Total	29.364	37.750	8.386	28.56	-

Source: World Economic Outlook Database, April 2009.

Short run GDP growth in GCC countries should ideally be translated into population growth through migration as most of them are heavily dependent on expatriate labour. However, such translation is not simple and proportional as it is mediated through the government effort to employ nationals in the different economic sectors. The high share of nationals in the total employment in countries like Bahrain, Oman and Saudi Arabia despite smaller overall population increases in those countries indicates this.

### **7.3 Migration as a Component of Economic Growth**

Countries like Oman and Bahrain, which have relatively less oil revenues, have begun to employ their nationals more and more in the work force. So, between 2000 and 2004, 134,000 expatriates were laid off in Oman. The government had banned employment of expatriates in certain sectors, like selling and transporting fruits and vegetables. Bahrain too follows similar policies. For instance, in the construction sector, a mandatory 25 percent Bahrainization had been in effect for some years, which was brought down to 15 percent later. Saudi Arabia

**Table 3: Profile of Expatriates in the Gulf, 2009**

Country	Population (,000)	% Expatriates to total population	% of South Asian Expatriates to total expatriates	% of Expatriates in the labor force
Kuwait	3443	68.8	52.8	83.9
Qatar	1098	86.5	68.4	92.5
Saudi Arabia	24897	27.8	54.9	55.8
United Arab Emirates	4764	81.0	68.7	89.8
Bahrain	779	43.0	95.1	58.3
Oman	2769	28.4	89.0	64.3
GCC	37750	40.3	61.8	-

Sources: Compiled from various sources such as ‘Country Reports’ prepared by the CDS team,

Reported figures by the respective Embassies in the Gulf and the following four publications:

- (a) United Nations. 2009. International Migration 2009. Department of Economic and Social Affairs, Population Division, New York.
- (b) Kapiszewski, Andrzej (2006) “Arab versus Asian migrant workers In the GCC countries”, UN Expert Group Meeting on International Migration and Development in the Arab region, UN/POP/EGM/2006/02
- (c) Taattolo, Givonni (2006), *Arab Labor Migration to The GCC States*, Project on Arab Labour Migration.
- (d) Shah, Nasra. M (2009) *Trends and Policies for Contract Worker Mobility of Asian to the Gulf Cooperation Council Countries*, Paper for presentation at the 2009 IUSSP conference in Marrakech, Morocco, September 27-October 2, 2009, Session 603 on “International Migration” (organized by Ayman Zohry)

too is no exception. In 2003, the government decided to reduce its expatriate workforce by more than half within 10 years. It announced a 20 percent ceiling on the number of expatriate workers and their dependents in the Kingdom; and issued a directive that workers from a single country should account for no more than 10 percent of the workforce by 2013. Further, about 54 job sectors have been reserved exclusively for nationals. The nationalization drive is not so intense in Kuwait, Qatar, and the UAE.

As a result of migration policies, rates of population increases and also distinct population composition of the countries in the Gulf vary (details see Zakir Hussain 2010). In Qatar and UAE expatriates constitute over 80 per cent of the total population, and in Kuwait they account for close to 70 per cent of the total population. While in Saudi Arabia and Oman, expatriates constitute slightly over a quarter of the population, Bahrain has over 40 per cent non- nationals in the total population. The proportion of expatriates in the labour force moves with the proportion in the population. Over 60 per cent of the expatriates are from South Asia and in some countries, such as Oman and Bahrain, they account for over 90 per cent of the expatriates (Table 3).

#### **7.4 Investment and Growth**

GDP growth goes along with investment and the Gulf is no exception to it. While Qatar with 33 per cent investment rate reports a GDP growth of close to 12 per cent, the UAE with investment rate of 23 per cent recorded a growth of close to 8 per cent. Rest of the countries invests between 16 per cent and 20 per cent of their GDP and show lower growth rates (Table 4).

When countries do not run a current account deficit and have resources to invest in the domestic economy, why do they not push up the investment rate and growth rate? It seems to be a question of strategy given the fluctuating oil prices and the experience of the 1970's. The high oil prices of the 1970's and the investment of the surpluses in US Treasury

**Table 4. Growth of GDP, Investment and Current Account in the Gulf**

Country	GDP Growth 2000-08 (%)	Investment Rate, 2000-08 average (% GDP)	Current Account Balance (% GDP)	
			2000-03	2004-08
Kuwait	6.68	16	23.43	36.33
Qatar	11.17	33	24.44	30.01
Saudi Arabia	3.91	20	8.02	26.27
UAE	7.74	23	10.07	16.31
Bahrain	6.29	19	3.704	11.08
Oman	5.36	16	8.95	8.34

Source: World Economic Outlook Database, 2009.

Bills helped countries like Saudi Arabia to carry on through the difficult period of the 1980's and 1990's when oil prices remained low.

The previous price spike also witnessed massive investment in physical and social infrastructure which yielded poor returns. The bloated, highly subsidized and inefficient public sector yielded poor growth. USA was the destination for most of the external investment. The steady increase of the price of oil since 2002 has resulted in the Gulf States reaping an incredible windfall of at least \$ 1.5 trillion between 2002 and 2006 (Maloney 2009, P.129). Compared to the earlier price spikes, the recent windfalls display altogether different trends. Saudi Arabia and Kuwait reduced their external debt by more than half by 2005 (Smith, 2008, p.37). They continued to base their budgets around revenue expectations of \$ 25 per barrel, raising it only after a considerable time lag when the price band had become obsolete. Many of the larger Gulf States have invested in large projects within their countries. For example, Saudi Arabia has invested about \$ 200 billion in new 'economic cities' to generate large-scale employment. Together the GCC countries have approximately \$ 1 trillion in infrastructure investments in the pipeline, in power generation, water desalination, education and housing (Maloney, 2009, p.134).

The rising oil prices and booming investments in the oil and other sectors have seen increased flow of foreign direct investment (FDI); a ten fold increase in the region's proportion of global FDI is witnessed between 2001 and 2006. The region's share in total FDI flows into the developing world rose from a paltry 3% in 2002 to 15% in 2008. The flow is led by large increases in FDI into Saudi Arabia, Turkey and UAE. They accounted for 75% of cumulated inflows during 2003-2007 (UNCTAD, 2009, p.57). The increased flow of FDI into the Gulf boosted the investment rate in these economies as is evident from the share of FDI in gross capital formation (Table. 5).

**Table 5. FDI flows and stocks in relation to investment and GDP in the GCC economies**

Country	FDI inflow as a percentage of gross capital formation			FDI stock as a percentage of GDP		
	2006	2007	2008	1990	2000	2008
Kuwait	0.8	0.5	0.2	0.2	1.6	0.6
Qatar	19.2	24.2	25.6	0.9	10.8	21.6
Saudi Arabia	29.4	31.8	46.1	18.8	9.3	24.4
UAE	38.9	37.2	24.9	2.2	1.5	26.7
Bahrain	74.4	40.1	35.6	12.8	73.6	69.9
Oman	18.9	24.6	17.7	14.7	13.2	22.8
West Asia	23.3	22.1	21.8	10.2	9.7	18.0

Source: UNCTAD, 2009

FDI inflow into the Gulf had increased rapidly and Gulf held foreign assets have more than doubled since 2003 to between \$ 1.8 trillion and \$2.4 trillion (Maloney, 2009, p.135). Intra-Arab investments tripled between 2000 and 2005. About 11% of Gulf foreign investment since 2002 is remaining within the region. Growing relationships with Asia have seen greater flow of Gulf FDI into Asia. Since 2002, eleven percent of Gulf investment has gone to Asia, which is expected to double by 2020 (Maloney, 2009, p.136)

FDI in services has become more prominent in recent years. While telecom, banking, power, water and real estate has attracted a large amount of foreign investment, the ongoing crisis dried up credit in a number of infrastructure, residential-commercial and tourism related real estate projects. The private sector played an important role in the emergence of West Asia as the world's largest market in project finance, surpassing Western Europe and North America. The first nine months of 2008 saw nearly \$ 40 billion in project debt raised for developments in West Asia and North Africa compared to \$ 32 billion in Western Europe and \$ 29 billion in North America (UNCTAD, 2009, p.60). The deepening global financial crisis dried up this source of project finance which affected project prospects and forced governments to increase direct public funding of projects.

**Table 6. Estimated gains and losses of Gulf *Sovereign Wealth* funds (Billion Dollars)**

Agency	Value Dec 2007	Changes in value		Value Dec 2008	Loss on Dec 2007 portfolio (%)
		Capital gain/loss	Net inflows		
Abu Dhabi Investment Authority (ADID), Abu Dhabi Investment Council (ADIC)	453	-183	59	328	-40
Qatar Investment Authority (QIA)	65	-27	28	58	-41
Kuwait Investment Authority (KIA)	262	-94	57	228	-36
Saudi Arabian Monetary Agency (SAMA)	385	-46	162	501	-12
Other GCC	116	0	-33	84	0
GCC Total	1282	-350	273	1200	-27

Source: UNCTAD, 2009.

A further dimension of the financial crisis is the losses suffered by the Sovereign Wealth Funds of the GCC countries. The surplus oil revenues of the GCC countries flew into US Treasury Bills since the 1970s. These savings helped them fund expansions in the 1980s and 1990s when oil prices fell and deficits rose. In the late 1990s, SWFs started investing in riskier assets abroad, such as stocks and real estate. The rising oil prices in the 2000s saw this trend gain in strength. Recent years saw them investing in industries such as energy, automotives, aerospace, real estate and technology and helped reap the benefit in a rising market. UAE had taken the lead in such investments. However, the recent collapse of the real estate and equity markets generated large losses for SWFs (Table 6).

The ongoing financial crisis would probably cause a further drop in international trade and revenue resources and might tighten credit markets for new projects. While outward flow might not fall as assets could be obtained at discount prices, inward flow would be affected for the time being, which might adversely affect economic activity in the GCC countries.

### ***7.5 Employment Structure in the GCC Countries***

In terms of value added by sectors, the structure of the GCC economies is loaded heavily in favour of the oil sector ever since the oil price spike in the mid- 1970s. The evolving structure of employment reflects the growth trajectory followed by these countries. Early on a sizable proportion of the oil revenues were set apart for building essential services such as health, education, transport, power and water. The resulting gains in human development indicators of the GCC countries over the last three decades have been creditable. Infant mortality rates which ranged between 41 (for Kuwait) and 110 (for Oman) among the GCC countries in 1970-74 have fallen to between 9 (for UAE) and 23 (for Saudi Arabia) in 2000-04. Literacy rates have risen above 70% by 2000 and Human Development Indices ranged between 0.770 (Oman) and 0.843 (Bahrain) in 2002 (Tabutin and Schoumaker, 2005).



**Table 7. Share of Employment (%) across Economic Activities in GCC Countries, 2007**

Activity	Bahrain	Oman	Kuwait	Qatar	Saudi Arabia	UAE
Agriculture, Hunting & Forestry	0.47	9.09	2.60	1.92	4.69	5.0
Fishing	0.01	0.44	0.08	0.43	*	*
Mining & Quarrying	0.49	1.96	1.90	5.27	1.32	1.3
Manufacturing	17.54	10.77	4.43	8.69	7.28	13.0
Electricity, Gas & Water Supply	0.13	0.33	0.01	0.66	0.96	1.2
Construction	29.86	34.68	14.23	37.14	10.22	20.6
Wholesale, Retail Trade & Car Repairs	24.62	16.18	14.03	12.28	16.10	20.0
Hotels & Restaurants	6.55	5.97	2.89	1.96	3.20	4.2
Transport, Storage & Communication	4.20	1.30	3.85	4.33	4.42	6.2
Financial Intermediaries	3.46	0.29	1.21	1.09	1.08	1.4
Real Estate & Renting Services	7.54	1.77	5.59	3.43	3.22	3.3
Public Administration and Defence	0.01	0.00	14.75	6.35	18.03	10.8
Education	1.24	0.76	5.23	3.16	11.96	**
Health & Social Work	0.24	1.91	2.40	2.55	4.33	**
Community & Personal Services	2.11	1.08	4.18	1.54	2.26	4.5
Domestic Services	0.06	9.96	21.86	8.79	10.79	8.4
Extra -Territorial Org. & Bodies	0.21	2.59	0.11	0.21	0.13	0.00
Not Classified by Economic Activity	0.30	0.90	0.66	0.18	0.01	0.01
Total	100.00	100.00	100.00	100.00	100.00	100.00

Source: ILO Labour Statistics, ILO; Statistical Year Book 2008, Ministry of National Economy Oman; For Saudi Arabia and UAE the figures are taken from the country reports.

Note: For Bahrain and UAE figures show the paid employment by economic activity. For Oman figures show expatriate workers in private sector. Kuwait figures show for year 2005.

\*Fishing is included in Agriculture, Hunting and Forestry. \*\*Education and Health are included in Public Administration and Defence.

To start with, the workers in the service sectors were largely expatriates. Over a period of time, preferred employment of nationals to the workforce is changing its composition. But even in a country like Saudi Arabia, which is in the forefront preferred employment of nationals, except for the government sector (over 90% Saudi workforce), petroleum, electricity & gas and banking (around 50% Saudi workforce), there are other sectors like health sector which still has over 90% non- Saudi workforce<sup>14</sup>. The rapidly growing sectors like construction, trade and manufacturing, which employ the bulk of the workforce is largely dominated by the expatriates. And the pattern is not very different in the other GCC countries.

In the GCC countries, over 50% of the workforce is employed in manufacturing, trade and construction. Kuwait and Saudi Arabia are the exceptions, where the share of public administration and defence is rather high (Table 7). The share of construction in total employment increased very fast during 2001-08 in some of the GCC countries. For instance, in UAE the share of construction sector employment increased by five percent points during the period. In Saudi Arabia, the increase in employment in the construction sector during the period was of the order of 300,000.

### ***7.6 Inflation and Wages***

As already indicated, the UAE, Qatar and Kuwait have high shares of expatriates; even in Oman and Saudi Arabia, they make up 20 to 30 percent of the total population. About 75 percent of the UAE labour force is from Asia; and Indian workers constitute 42.5 percent of the population. Indian embassy estimates that, “50 percent of the 1.8 million Indian expatriates in the UAE are unskilled workers, 25 percent semi - skilled and 25 percent skilled professionals” (Woertz et al, 2008, p.20). As all the unskilled and a large proportion of the semi- skilled workers are housed in labour camps, and their rent, water and electricity charges are borne by their employers, the major outgo from their wages is towards

the expenses on food. The food expense as a percentage of disposable income does not show much variation across the GCC economies. For over a quarter of the population, food expenses eats up over one- fifth of their income, and only less than a quarter of the population spends less than 10% of their income on food (Table. 8). In the UAE, rent component for some segments of workers is also fairly large - 21 to 50 % of the disposable income.

**Table 8. Distribution of population by percentage of disposable income spent on food in the Gulf**

Percentage spent on food	Percentage of population					
	Kuwait	Qatar	Saudi Arabia	UAE	Bahrain	Oman
Less than 10%	14	24	22	24	22	13
10-20%	46	43	38	44	39	40
Above 20%	29	18	26	20	23	35
Don't know	11	15	13	13	16	10

Source: Woertz et al, 2008.

**Table 9. Inflation in GCC countries 2002-07 (%)**

Country	2002	2003	2004	2005	2006	2007
Kuwait	0.5	1.2	1.3	4.3	3.3	6.6
Qatar	0.2	2.2	6.8	8.8	11.8	12.8
Saudi Arabia	0.2	0.6	0.3	0.7	2.2	6.5
UAE	2.9	3.1	5.1	7.1	11.3	11.6
Bahrain	-0.5	1.7	2.3	2.6	2.1	8.4
Oman	-0.7	-0.3	0.9	1.9	3.1	5.3
World	3.7	3.2	3.9	3.6	3.5	4.2

Source: Woertz et al, 2008.

Food inflation which was non-existent in the GCC countries until 2002 has developed into a serious problem in the Gulf post- 2005. The

UAE and Qatar were particularly affected. A major part of the inflation could be attributed to the global rise in food prices- Food Price Index of the FAO rose 57% between March 2007 and March 2008. This was on top of an increase of 23% from 2006. The GCC countries responded to the unprecedented inflation by rising subsidies, allowances, public sector wage increases, and caps on rents. In the UAE, the governments of Abu Dhabi, Dubai and Sharjah announced a pay hike of 70 percent to all public sector workers. However, it is not clear to what extent these measures had protected the expatriate workers. The crisis has only added to the afflictions of the expatriate workers.

### ***7.7 Crude Oil Prices and Volumes***

After the phenomenal increase in crude oil prices in the mid-1970's and early 1980's which touched almost 30 USD per barrel in the early 1980's, nominal prices ruled below 20 USD for over one and a half decades till 1999 (Table 10). Since 2000, crude oil prices began rising steadily and by 2004 they had crossed 35 USD per barrel, reaching 50 USD in 2005 and going above 100 USD on average by mid- 2008. "Oil prices have roller- coastered: starting 2008 at US \$ 92/b, the OPEC Reference Basket rose to a record US \$ 141/b in early July before falling to US \$ 33/b by the end of the year, the lowest level since summer 2004." (<http://www.opec.org/library/worldoiloutlook/pdf/woo2009.pdf> accessed on 26 September, 2009)

Crude oil prices ranged between USD 40-45 during January to March 2009, and began rising since April 2009, crossed the USD 65 mark by June 2009, (that is, the price level of 2006) and to over USD 70 by September 2009. As is evident, the rise in price above USD 70 was confined to about 15 months since June 2007 and the fall in price below USD 50 for about four months since December 2008 (Figure 2). The nominal price, however, is projected to stay in the range USD 70-100/b during 2009-30, which seems to have come true already. Thus, leaving aside the turbulent year of 2008, oil prices, which more than doubled

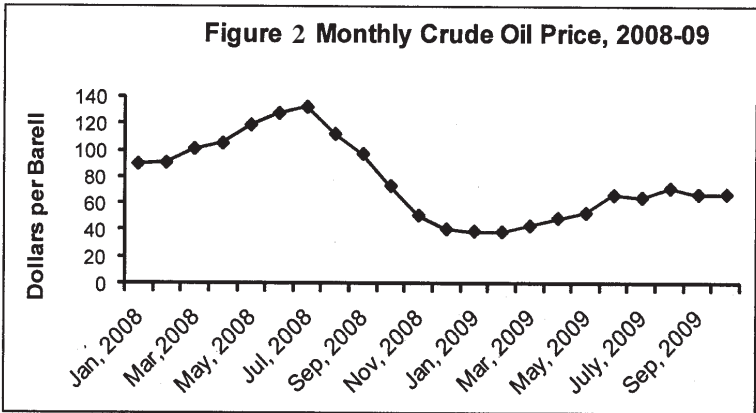
**Table 10. Crude oil price and volume**

Year (5 year average centered)	Nominal price (dollar per barrel)	Nominal price adjusted for inflation	Nominal price adjusted for inflation and exchange rate
1976	11.63	8.30	8.65
1983	29.83	11.23	15.15
1990	18.17	4.79	5.38
1997	17.12	3.58	4.39
2000	27.60	5.42	7.93
2001	23.12	4.44	6.70
2002	24.36	4.58	6.65
2003	28.10	5.17	6.53
2004	36.05	6.49	7.57
2005	50.64	8.91	10.40
2006	61.08	10.50	12.20
2007	69.08	11.59	12.62
2008	94.45	15.33	15.99

Source: [www.opec.org/library/AnnualStatisticalBulletin/PDF/ASB2008.pdf](http://www.opec.org/library/AnnualStatisticalBulletin/PDF/ASB2008.pdf) accessed on 26 September 2009.

both in nominal and real terms between 2003 and 2006, are projected to remain at that level over the period, 2009-30.

The demand for oil is said to grow in the medium term despite a marginal fall in OECD demand: “OECD demand falls from 47.5 mb/d in 2008 to 45.5 mb/d by 2010, and remains at that level to 2013” (world oil outlook). Almost 80 % of the net growth in oil demand from 2008-2030 is in developing Asia, and as Asia is set to grow at moderate rates, the overall oil demand is not expected to be adversely affected to any great extent. The lower than expected growth in oil demand needs to be viewed in the context of the buoyant demand realized over the period 2003-08.



Source: [www.opec.org/library/AnnualStatisticalBulletin/PDF/ASB2008.pdf](http://www.opec.org/library/AnnualStatisticalBulletin/PDF/ASB2008.pdf) accessed on 20 November 2009.

Crude oil production in the Gulf countries has not shown any corresponding fluctuations to the variations in oil prices. Saudi Arabia has been producing about 8 million barrels/ day since 1991 which has risen beyond 9 million b/day since 2005. UAE has been producing over two million barrels a day since 1991 which has crossed 2.5 million barrels by 2006. Qatar has been producing about 400 thousand barrels a day since 1990, 600 thousand barrels per day by 1998 and 800 thousand barrels by 2006.

Overall, oil revenues of the six nations under study are expected to remain high in the medium term. Prices are projected to remain at the levels reached by 2006, which are over twice the levels of 2003. While demand for oil may not grow at the rates seen during the last three or four years, it is not expected to fall to any great extent either. The net result of the two processes is expected to generate moderately high levels of oil revenues for the oil exporting countries of the Gulf.

### **7.8 Growth Prospects**

The immediate growth prospects in GCC countries may be viewed in the context of the fall in oil prices, a deepening of the global economic downturn, an increase in financial instability and a rise in protectionism.

The fall in oil prices and worsening outlook for the world economy since the third quarter of 2008 have hit investments hard in development projects of GCC countries. The number of international banks willing to lend to projects in GCC countries has come down to 12 at the end of 2008 from 45 in 2006 hitting major oil and gas, industrial and infrastructural projects that have substantial amount of FDI. The deepening global financial crisis has dried up project finance, led developers to reappraise projects in the light of falling demand and worsening outlook for credit markets. This has put pressure on governments to increase funding.

Domestic investments in the Gulf backed by larger FDI flows during 2003 and 2007 had surged. The global financial crisis had a dampening effect on FDI. Global inflows in 2008 fell by 14% to \$ 1697 billion from a record high of \$ 1979 billion in 2007 (UNCTAD, 2009, p.1). The negative impact on FDI has been through access to finance affecting the capacity to invest and also through lower propensity to invest owing to gloomy economic and market prospects. The crisis has adversely affected Mergers & Acquisitions as equity and debt financing has become difficult in the face of falling stock market values and tightening credit conditions. Leveraged buyouts involving private equity funds or hedge funds have also dried up. This is further accentuated by the largest fall in FDI in finance (UNCTAD, 2009, Box I.3)

The export demand for the output from GCC would depend on the growth of demand in the rest of the world and the access to those markets. The growth of demand in the rest of the world is expected to be weak owing to rising unemployment, weak consumer and investor confidence and unsettled financial sector. About a quarter of the total exports of the oil exporting countries<sup>15</sup> of the Middle East are to North America and the European Union. This segment would not show much of a growth in 2010 and 2011. But the bulk of the trade to Asia (over 50% the total) would not suffer such serious fall as South Asian and

Chinese growth is expected to be robust and ideally the GCC countries should be benefitting from it.

But what has come in the way of the GCC countries benefitting from it is the state measures by foreign countries increasing protectionism which would have an adverse impact on trade: "... while middle Eastern countries are faced with 204 trade discriminatory measures implemented, or about to be implemented, by countries across the world, trade liberalizing measures affecting the region number only 36" (Pradhan, 2009, p.191). UAE faced the highest number of discriminatory trade measures followed by Saudi Arabia. Thus, the GCC countries are likely to face daunting challenges in their international trade activities during the current crisis.

### **7.9 Construction/ Projects**

As is evident, project finance and utilities have also taken a severe beating along with finance institutions in the current crisis. A recent survey of projects (worth at least \$10 million) reported 10 to 30% cancellations or orders to put on hold in the GCC countries. Dubai, which has about 60% of all projects in the GCC, has taken the largest hit, which in turn has affected the GCC as a whole.

**Table 11. Projects affected by the crisis in the Gulf**

Country	Projects and Finances involved			
	Projects under construction	Projects cancelled/ on hold	Total project worth (billion \$)*	% Cancellation
Kuwait	90	18	114	17
Qatar	124	7	42	-
Saudi Arabia	442	106	387	19
UAE	1372	566	900	29
Bahrain	148	54	36	27
Oman	95	8	38	8

Source: Proleads.

Note: \*All projects including cancelled/on hold.



Interestingly, the crisis has affected all subsectors - from commercial projects to residential properties - as the illustration from UAE would show (Table 12).

**Table 12. Projects affected by subsectors, UAE.**

Subsector	Projects under construction	Total number of projects	% Cancellation
Commercial projects	340	487	147 (30)
Hospitality business	288	406	118 (29)
Residential properties	495	712	217 (30)
Retail projects	249	333	84 (25)
Total	1372	1938	566

Source: (<http://www.gulfbase.com/site/interface/News Archive Details.aspx? n=110724>)

While new project starts have come down in the UAE, there is continuing high level activity in ongoing projects that would be “the envy of many” elsewhere in the world. There is evidence of increased construction activity in Abu Dhabi, Sharjah, and Ajman. Thus, while new starts have come down and those about to be started have been put on hold, lot of activity is continuing in ongoing projects.

### **7.10 Gulf Crisis and South Asian Labour: The Links**

GCC countries are largely oil exporters and the quadrupling of oil prices during 2000-2008 brought windfall gains to them - estimated to be over \$2 trillion. The rising oil prices, the large savings and better credit ratings of the GCC countries attracted large FDI inflows into the Gulf boosting investments and growth. Apart from the oil sector, other sectors such as tourism, trade, telecom, banking, power, and real estate have attracted massive private investments. Infrastructure development has been led by massive public investments in the Gulf. As a result of these investments, there is commensurate GDP growth in the GCC economies. This growth has got translated into expatriate population

increases, subject only to the policy on expatriate labour of the countries, with the bulk of the labour flowing from South Asia.

Countries with few restrictions on the number and origin of migrant labourers, such as Kuwait, UAE, and Qatar, experienced 60 to 80 % increase in their populations during the first ten years of 2000s, and those with explicit policies of showing preference for nationals in employment, such as Saudi Arabia, Oman, and Bahrain experienced just about 20% increase in their populations. Despite a restrictive migration policy, the number of migrants entering Saudi Arabia during 2000-2008 was more than those entering the rest of the five GCC countries put together. Except in Kuwait, in the rest of GCC countries, over 70% of the expatriate labourers are being employed in just four sectors, namely agriculture, manufacturing, construction, and trade; whereas in Kuwait about a quarter of the total employment is in domestic services. The spike in global food price and the rapid rise in employment have led to rising inflation and a squeeze on real wages in the GCC economies.

The global crisis reached the Gulf with a time lag, as the oil prices reached record heights in early 2008 before falling precipitously. Commodity prices, real estate prices and equity prices too fell. Along with the falling commodity and asset prices, FDI inflows into the Gulf began to be adversely affected, which in turn impacted investments in key sectors. The large losses incurred by the SWFs and mortgage defaults further eroded investor confidence. Growth of manufacturing, trade, tourism and construction, which are all major sectors of employment growth, began to be adversely affected depressing expatriate employment. However, the impact of the crisis on GDP growth has varied across the GCC economies with Qatar, Oman and Bahrain continuing to show positive growth; and the other three economies showing mild contraction, around 1% in 2009; even these economies are expected to turn to positive growth in 2010.

The quick rebound of oil prices by mid – 2009 and the not too depressing current account and budget balances have made the governments of the GCC countries bolder and induced them to continue major infrastructure investments. The interventions in the banking sectors have also been decisive. A further boost has been the, albeit lower, but healthy GDP growth in the whole of South Asia in 2009 and the forecast of higher growth rates in 2010. South Asia and China have emerged as the major trading partners of GCC economies and the trade outlook does not look very depressing. However, the continuing adverse factors have been the depressed real estate and equity prices in the GCC countries.

Overall, large scale retrenchment of expatriate labour in the GCC economies did not take place due to the not too depressing GDP growth and encouraging economic outlook. Rather, the large infrastructure projects and public investments in some countries on the strength of rising oil prices have begun attracting new flow of labour, albeit at a slightly lower rate. The adjustment mechanisms of expatriate labourers to the layoffs caused by the crisis have been salary cuts, forced leave and delayed renewal of work contracts. Hence, the expected large return flow of labour to South Asia has not happened.

### ***7.11 Crisis, Employment and Wages***

The crisis had affected a large number of workers in some way or the other (An estimate puts that nearly 40 percent of the workers have been affected<sup>16</sup>). The effect varied across different industries, across various occupations, across various skill levels and also depended on the number of years of experience of the expatriate. The strategies adopted by the workers to cope with the crisis were also varied. Contrary to the general expectation, the impression from the field visit was that expatriate workers did not leave the countries of their destination in large numbers. However, workers in some construction companies such as the ‘Arabtec Construction Company’ in Dubai had to leave the country

because the company was severely affected in the crisis. In the normal course, in most cases the construction companies would provide the workers with the basic minimum facilities including food and accommodation. Hence, for the less skilled workers in construction sector which retained the workforce, the effect of the crisis was not as severe. However, when the company faced sickness or closure, these workers had no choice of staying back in the country.

The most rampant effect of the crisis was the cut in salary, stoppage of increments, and stoppage of benefits and perks which the expatriates had to suffer. Almost all workers interviewed reported suffering in the recent past one of the above mentioned effects in their work life. The effect of this phenomenon was more severe in case of middle income group workers engaged in semi skilled and skilled jobs, since they have to make their own arrangements for accommodation and food. Salary cuts ranged from 10 to 30 percent of the salary levels prevailing in 2007 just before the crisis. However, it is to be kept in mind that prior to the crisis there had been a large rise in the salaries and wages due to the boom in the sector. Hence the decline in wages is a relative decline compared to the boom wage levels in 2007. Yet the effect of this cut cannot be trivialized. This is so because the boom had also lifted the expectations of most workers leading to a high spending life style. Many workers stated that the rise in wages during the boom period induced them to borrow large loans for various purposes. The crisis alternatively led to a situation wherein most workers were in debt traps since their repayment capacity had fallen. And these traps precisely acted as a lock in for workers, who could not leave the country even if they wanted to.

At the level of highly skilled workers and managerial class, the effect of the crisis had been curiously positive for the South Asian workers. Most positions at the senior managerial levels were held by European expatriates who claimed large salary packages. Many

companies decided to lay off their European workers and replaced them with South Asian workers who needed to be paid much less. However, results from a survey among workers in UAE showed that almost all workers perceived the crisis as a potential threat to their jobs and so, the level of insecurity felt by them was very high.

## **8. Impact of the Crisis on South Asian Migrant Workers**

This section is devoted to an assessment of the impact of the crisis: on the South Asian migrant workers in terms of return emigration; flows of labour emigration from Asia to the Gulf; and, inward remittances to South Asia. The assessment is based on the summary results of the emigrant household surveys and survey of return emigrants carried out to understand the coping mechanisms of individuals and families in times of crisis.

### ***8.1 Return Migration to South Asia from the Gulf, 2009***

All agencies working on migration and remittances in the South Asian countries and the Gulf region predicted an exodus of return emigrants from the Gulf to their countries of origin. *But* we still do not have firm estimates of the number of return emigrants due to the financial crisis from the Gulf to South Asia. Gulf migrants are basically workers who emigrated for work on a contractual basis and they are supposed to return to the country of origin once the contract period is over. So, return migration<sup>17</sup> is not a new phenomenon among South Asian workers in the Gulf. Concerned officials in the countries of South Asia have predicted the possible increase in number of return migrants to their respective places of origin following the impact of the crisis in Gulf. For instance, Mr. Vayalar Ravi, Minister of Overseas Indian Affairs, Government of India, informed the Parliament that accurate figures on the return of Indian workers are not available. “It is estimated that about 50,000 to 150,000 workers have returned to India as a result of the delay in execution of projects due to the economic slowdown and recession,”

said he in a written statement. Mr. T.M. Thomas Isaac, Finance Minister of Kerala<sup>18</sup> State, India, informed the State Legislative Assembly that some 200,000 to 500,000 Keralites working in the Gulf are likely to return home by mid 2009.

The Centre for Development Studies, Kerala, has undertaken four large-scale migration surveys in Kerala during the last 10 years to estimate the number of emigrants, return emigrants and remittances. The latest survey was conducted in 2008<sup>19</sup> and it was revisited in 2009<sup>20</sup> to arrive at reliable estimates of return emigrants due to the crisis. All those in the original sample who had returned were asked to cite the reasons for returning to Kerala. The questionnaire provided ten possible reasons for return, among which the following three could be attributed to recession: job loss and return due to financial crisis, expiry of contract (renewal of contract did not take place as expected due to recession), and compulsory expatriation. The estimates of return migrants due to the crisis are provided in Table 13.

**Table 13. Number of Return Emigrants to Kerala due to Recession in 2009**

	Sample	Kerala
Total Emigrants in 2008 based on 2008 Kerala Migration Survey	3953	2193412
Return emigrants among emigrants of 2008 in Return Migration Survey in 2009	304	168681
Return Emigrants to Kerala due to financial crisis and recession	110	61036

Source: Zachariah and Irudaya Rajan, 2010b

If we deduce that out of the stock of 2.19 million emigrants from Kerala, about 61,036 crisis-led migrants returned, then what could be the number of return emigrants from the Gulf to South Asia? According to the database available from various sources (both formal and informal), we arrived at a figure of 9.5 million South Asian emigrants in the Gulf;

and the projected return emigrants from the Gulf region to South Asia at about 263,660<sup>21</sup>. The country-wise estimates of return emigrants are provided in Table 14. India registered the highest number of return emigrants due to the crisis (140,000), followed by Pakistan (64,000), Bangladesh (25,000), Sri Lanka (27,000) and Nepal (7,000). One can also estimate the number of return emigrants from the countries of destination in the Gulf to countries in South Asia. For instance, India had a stock of 1.7 million migrants settled in the United Arab Emirates (UAE); and in the projected number of return emigrants from the UAE, there were 47,000 Indians.

**Table 14. Estimates of Return Emigrants to South Asia from the Gulf due to Financial Crisis, 2009**

Country	Stock of Emigrants	Return Emigrants due to crisis
Kerala	2193412	61036
India	5050000	140526
Pakistan	2300000	64002
Bangladesh	900000	25044
Nepal	250000	6957
Sri Lanka	975000	27131
South Asia	9475000	263660

Why is the estimate of return emigrants small in comparison with the predicted number of Gulf returnees to South Asia? The senior researcher postulated two important features of Gulf migration from South Asia as responsible for this<sup>22</sup>. They are: 1. the cost of migration to the Gulf and 2. the peculiarities of the channel of migration. South Asians incur huge costs to migrate to the Gulf. According to the Kerala Migration Survey 2008, the cost of migration to the Gulf varied between Rs. 53,951 to Kuwait to Rs.74,606 to Saudi Arabia - between USD 1200 and 1660 at an exchange rate of Rs. 45 per US Dollar (Table 15). This applies to all the South Asian countries (also see United Nations, 2009; Zachariah and Rajan, 2010a; Rajan and Prakash, 2009).

**Table 15. Average cost of Emigration for different Migration Corridors from Kerala to the Gulf, 2008**

Countries	Average cost (Rupees)
Kerala-Bahrain	57172
Kerala-Kuwait	53951
Kerala-Oman	56840
Kerala-Qatar	66316
Kerala-Saudi Arabia	74606
Kerala-UAE	61308

Source: Zachariah and Irudaya Rajan, 2010a

**Table 16. Sources of Finances for Emigration, 2008**

Source	Per cent of Emigrants
From Family Members	26.8
Personal Savings	40.1
Parents Savings	37.7
Borrow from Friends	42.1
Loans from money lender	12.6
Loans from Banks	14.1
Sale/Mortgage of Land	4.9
Sale/Mortgage of Other Assets	3.4
Sale/pledge Ornaments	29.2
Government Assistance	0.4
Others	7.0

\*The total exceeds 100 as emigrants use more than one source.

Source: Zachariah and Irudaya Rajan, 2010a

The high cost of migration to the Gulf caused many emigrants to borrow money from various financial sources, including moneylenders and to obtain cash from the sale of assets such as land and gold ornaments



(for details, see Table 16). Under such conditions, even if the expatriates lost their jobs in the Gulf, they would prefer not to return home fearing inability to repay the debt already contracted there. They would rather accept any job at a lower wage and try to continue to send home remittances to repay their loans even during a crisis in the destination country.

Another characteristic of South Asian migration to Gulf is the part played by the social network, which consists of friends and relatives, who perform a major role in the channel of migration flows by arranging visas and other requirements for the emigration process. For instance, an all-India survey conducted by the Centre for Development Studies for the International Labour Organization and the Ministry of Overseas Indian Affairs revealed that close to 80 per cent of Indian emigrants utilised their friends and relatives as an important channel for migration (Table 17). This also ensured that in the event of a job loss, they could rely on someone to provide them temporary support.

**Table 17. Channels of Migration by Emigrants, 2007**

Channel	Male	Female	Total	Male	Female	Total
Friends and relatives	330	185	515	74.2	88.52	78.7
Government agency	3	0	3	0.7	0.00	0.5
Foreign employer	41	7	48	9.2	3.35	7.3
Private Recruitment Agencies	71	17	88	16.01	8.1	13.5
Total	445	209	654	100.0	100.0	100.0

Source: Irudaya Rajan, Varghese and Jayakumar, 2009; 2010

These features of South Asian migration (cost and social network) has minimised the extent of return emigration during this time of financial crisis.

***Lost Jobs in the Gulf and have not returned to the Country of Origin***

So there is a category of migrants who have ‘lost jobs in the gulf and have not returned to the country of origin’. One of the strategies adopted by the emigrants who lost their jobs in the countries of destination due to the financial meltdown is to return to their countries of origin and look for employment. As we have seen in the earlier section, some of those who returned home after having lost their jobs in the Gulf are still unemployed and looking for jobs. The Nepal Government has announced an incentive package to help such return emigrants. However, there is an equal number or more persons who lost their jobs and are still not able to return due to the heavy investment they incurred in order to migrate.

This class of emigrants remain unemployed in the destination country and continue to look for jobs in the sectors which are less/not affected by the crisis, and are ready to work even for lower wages than what they were previously receiving and under hostile working conditions. The Return Emigrant Survey 2009 conducted in Kerala offered a unique opportunity to estimate the number of those who lost their jobs in the Gulf countries due to the crisis there. According to the estimate made by the authors, of the 2.2 million stock of emigrants from Kerala, about 39,396 persons lost their jobs between 2008 and 2009 but have not returned to their country of origin (Zachariah and Rajan, 2010).

**Table 18. Estimates of Emigrants who lost job in the Gulf but have not returned, to South Asia, 2009**

Country	Stock of Emigrants	Number lost job but not returned
Kerala	2193412	39396
India	5050000	90703
Pakistan	2300000	41310
Bangladesh	900000	16165
Nepal	250000	4490
Sri Lanka	975000	17512
South Asia	9475000	170181

Applying the same methodology to estimate the number of South Asian migrants who lost their jobs in the Gulf, but had not returned to the country of origin is placed at 170,181. This total comprise of Indians (90,000), followed by Pakistanis (41,000), Bangladeshis (16,000), Nepalese (5,000) and Sri Lankans (18,000). How these workers cope with their shattered livelihood in the destination countries requires separate investigation.

We have briefly attempted to review the coping mechanism of Gulf job-deprived return migrants in their respective countries of origin.

## ***8.2 Outflow of workers from South Asia to Gulf, 2009***

As there was no official data to show the extent of the crisis-led return emigration from the Gulf to South Asia, we estimated the possible trends in the number of return emigrants. However, South Asian countries have reasonably well-managed data base on the flow of workers from their respective countries to the country of destination. Evidence gathered from the five country reports prepared for this research clearly indicates a decline in the outflow of workers from South Asia to the Gulf in 2009. According to the projections made by the authors of the report based on the actual data available for the last seven to eight months of 2009, all countries in South Asia, except Sri Lanka, have reported decline in the flow of workers to the Gulf. The projected decline for India is huge – about 280,000 – followed by Pakistan with just 12,000 (See Table 19).

Evidence available from all the countries in South Asia indicate that the number of workers going to the Gulf declined the most in case of the UAE, which has been more severely affected by the crisis than the other countries in the Gulf. For instance, in 2008, 349,827 Emigration Clearance Required (ECR) passport holders left for the UAE for work from India; and their number had declined to just 75,000 in September 2009. On the other hand, Saudi Arabia attracted about 228,406 persons

**Table 19. Outflow of Migrant Workers from South Asia to Gulf, 2005-09**

	India	Pakistan	Bangladesh	Nepal	Sri Lanka
2005	454628	127810	207089	88230	192004
2006	618286	172837	307620	128306	170049
2007	770510	278631	483757	182870	188365
2008	818315	419842	643424	169510	215793
2009*	538090	407077	N.A.	152272	226299

Source: This table is based on the country papers prepared by the respective country team at the countries of origin for this project.

\* Projected by the authors of this report based on the 2009 available data.

India: Actual data available for January-September 2009; Pakistan: Actual data available data for January-July 2009; Nepal: Actual data available for January to September 2009; Sri Lanka: Actual data available for January to August 2009.

**Table 20. Outflow of Migrant Workers from South Asia, 2008-09**

	India	Pakistan *	Bangladesh	Nepal	Sri Lanka #
2008	N.A.	246361	N.A.	N.A.	145722
2009	N.A.	237462	N.A.	N.A.	150866
Change	N.A.	- 8899	N.A.	N.A.	+ 5144

Note: \* January-July; # January-August

in 2008; and as of September 2009, 214,043 had already left for Saudi Arabia. This pattern holds true for Pakistan, Sri Lanka and Nepal also. Thus the recession has changed the migration and demographic dynamics of South Asian workers in the Gulf region.

### 8.3 Inward Remittances to South Asia, 2009

The money that migrants send home is important not only to their families, but also to their country's balance of payments. In many developing countries, remittances represent a significant proportion of the gross domestic product (GDP) as well as foreign exchange earning.

In 2009, the World Bank published the list of 10 developing countries (Table 21) with the volume of remittances and remittances as percentage of the GDP. (World Bank, 2009) Among the South Asian countries under study, India was ranked number one in terms of the volume of remittances with US\$ 52 billion in 2008 which is the equivalent of 4.2 per cent of the gross domestic product. Bangladesh ranked eighth among the first ten countries with US\$ 9 billion. Pakistan, another Asian country with US\$ 7 billion ranked as 11<sup>th</sup> in terms of remittances. On the other hand, Nepal is being listed as one of the top 10 countries with the highest share of remittances to the GDP at 22 per cent. Table 21 also illustrates the importance of remittances to other South Asian countries such as Pakistan, Sri Lanka and the State of Kerala in India.

When the crisis hit in 2008, most of the concerned public were more worried about the remittance flows rather than the migration flows. In November 11, 2008, the World Bank (2008) stated, “The outlook for remittances for the rest of 2008 and 2009-10 remains as uncertain as the outlook for global growth, oil and non-oil commodity prices, and currency exchange rates.” After several years of strong growth, remittance flows to developing countries began to slow down significantly in the third quarter of 2008 in response to a deepening global financial crisis. Based on the World Bank’s economic projections for 2008-10 and available monthly and quarterly data on remittances for January-August 2008, we estimated that remittance flows to developing countries would reach US\$ 283 billion in 2008 compared to a revised US\$ 265 billion in 2007. World Bank (2009) argued that “remittance growth was expected to be moderately significant, but that flow would remain resilient”. This assessment was a relief to several economists, at least in the South Asian context.

In late 2008, the Government of Kerala, India requested the Centre for Development Studies to prepare a report on the Global Financial Crisis and Kerala Economy: Impact and Mitigation Measures.

**Table 21. Top 10 Remittance-Receiving Countries, 2008**

Rank	Countries	(US \$ billions)	Percentage to GDP
1	India	52	4.2
2	China	49	1.1
3	Mexico	26	2.4
4	Philippines	19	11.2
5	Poland	11	2.0
6	Nigeria	10	4.7
7	Romania	9	4.7
8	Bangladesh	9	11.4
9	Egypt	9	5.3
10	Vietnam	7	7.9
	<i>Pakistan</i>	7	4.2
	<i>Nepal</i>	3	21.6
	<i>Sri Lanka</i>	3	7.2
	<u>Kerala State, India</u>	10.4	30.7

Source: World Bank. 2009. Migration and Remittance Trends 2009: A better-than-expected outcome so far, but significant risks ahead. Migration and Development Brief 11, Migration and Remittances Team, Development Prospects Group, World Bank; Zachariah and Irudaya Rajan. 2010a. Migration Monitoring Study, 2008: Emigration and Remittances in the Context of Surge in Oil Prices. CDS, Kerala.

Remittances have played an important role in Kerala's development. Remittances are also one of the channels through which the crisis could affect the economy (Centre for Development Studies, 2008). The report<sup>23</sup> predicted that the remittances to Kerala were expected to increase from Rs.30.122 crores in 2007 to Rs.42.917 crores in 2008. Both the World Bank and CDS reports are milestones in the context of the financial crisis and remittances because both predicted that the inflows of remittances to South Asia and Kerala were likely to continue, when the general expectation was that it would drastically fall (Irudaya Rajan and Zachariah, 2010a; 2010b).

**Table 22. Inward Remittances to South Asian Countries from Migrant Workers, 2000-09**

	India	Pakistan	Bangladesh	Nepal	Sri Lanka
US \$ (Millions)					
2000	12890	1075	1968	111	1166
2001	14273	1461	2105	147	1185
2002	15736	3554	2858	678	1309
2003	20999	3964	3192	771	1438
2004	18750	3945	3584	823	1590
2005	22125	4280	4314	1212	1991
2006	28334	5121	5428	1453	2185
2007	37217	5998	6562	1734	2527
2008	51581	7039	8995	2727	2947
2009 *	47000	8619	10431	3010	2892
2009 +	53227	8856	10525	2812	3308
Percentage Change					
2000-01	10.73	35.91	6.96	32.43	1.63
2001-02	10.25	143.26	35.77	361.22	10.46
2002-03	33.45	11.54	11.69	13.72	9.85
2003-04	-10.71	-0.48	12.28	6.74	10.57
2004-05	18.00	8.49	20.37	47.27	25.22
2005-06	28.06	19.65	25.82	19.88	9.74
2006-07	31.35	17.13	20.89	19.34	15.65
2007-08	38.60	17.36	37.08	57.27	16.62
2008-09 *	-8.88	22.45	15.96	10.38	-1.87
<b>2008-09 +</b>	<b>3.19</b>	<b>25.81</b>	<b>17.01</b>	<b>3.12</b>	<b>12.25</b>

Source: World Bank and the country reports prepared by the research team for this project from five countries of South Asia.

\* World Bank Estimates + Our estimates

Almost a year has passed since these estimates were made. Let us assess the trends in remittances to the South Asian countries since 2000 to examine the growth of remittances (Table 22). The remittance growth

during 2007-08 was extremely high for India, Bangladesh and Nepal, with Nepal registering the highest growth at 57.27 per cent. Based on the existing monthly data available for the South Asian countries, the World Bank (2009) predicted that remittances in Pakistan, Bangladesh and Nepal are expected to register growth, ranging from 22 per cent in Pakistan to 10 per cent in Nepal. Our estimates based on the simple average of remittances for the available months from the country reports prepared by the teams suggests that all the countries of South Asia are resilient to the crisis in terms of remittances. Our estimates put the growth in remittances to India at 3 per cent, from US\$ 52 billion in 2008 to US\$ 53 billion in 2009.

**Table 23. Inflow of Worker's Remittances to South Asia, 2008-09 (US \$ Million)**

	India	Pakistan *	Bangladesh*	Nepal *	Sri Lanka #
2008	26723	5731	6811	1654	2249
2009	23558	7380	7894	1875	2481
Change	- 3165	+1649	+1083	+221	+232

Source: Same as Table 22

Reference periods: Bangladesh: January-September; Pakistan: January-October; Nepal: January-August; Sri Lanka: January –September and India: January-June.

On November 3, 2009, the World Bank (2009) released a new report 'Migration and Remittances Trends 2009' which said that the outcomes were better than expected so far, but that there are significant risks ahead. Remittance flows to South Asia grew strongly in 2008 despite the global economic crisis, but now there are risks that they may slow down in a lagged response to a weak global economy. Why did remittances not decline in South Asia? From our study, the following six observations can be made: (a) the debts contracted to meet the high cost incurred during their migration which remained unpaid kept the emigrants from returning to the countries of origin in spite the lay offs at the countries of destination; (b) the predictions of a large exodus of



return emigrants from Gulf did not come true; (c) though the outflow declined in the first half of 2009, it has still not significantly affected the stock of South Asian migrants in the Gulf; (d) the appreciation of the US dollar vis-à-vis South Asian currencies; for instance, the current exchange rate of the Indian rupee to the US dollar is same as in 2001-02; (e) the continuous rise in oil prices generating more income in the Gulf; and (f) the “reverse migration” of the crisis-led return emigrants back to the Gulf (as indicated by our quick field work in India).

#### **8.4 Outward remittances from the Gulf**

Another way to assess the inflow of remittances to South Asia is to analyse the outflow of remittances from the Gulf countries. The World Bank (2009) could provide data only for 2008 for four countries in the Gulf – Bahrain, Kuwait, Oman and Saudi Arabia. Even the World Bank could not obtain any information on outward remittances for the UAE and Qatar.

**Table: 24. Outflows of Remittances from Gulf, 2001-08 (USD Million)**

	Saudi Arabia	Oman	Bahrain	Kuwait
2001	15120	1532	1287	1784
2002	15854	1602	872	1925
2003	14783	1672	1082	2144
2004	13555	1826	1120	2403
2005	13996	2257	1223	2648
2006	15611	2788	1531	3183
2007	16068	3670	1483	3824
2008	16068	5181	1483	3824

Source: World Bank, 2009: Information for United Arab Emirates and Qatar are not available

Until 2008, the outflows of remittances from the Gulf were on the increase in all countries, except Bahrain.

### 8.5 *Emigrant Household Survey Results from South Asia*

As discussed earlier in the methodology section, this survey was conducted in five countries of South Asia among the households which have an emigrant currently in the Gulf in order to examine their coping mechanisms, if any, at the time of the crisis. The survey was canvassed among 452 households in five countries of South Asia. We shall briefly discuss a few aspects of the analysis for this report<sup>24</sup>. A few of the surveyed households have more than one emigrant, thus taking the total number of emigrants to 482 in 452 households. The average household size or emigrant support ratio is 3.8 persons per household. Only 5 per cent of households have women emigrants. About 85 per cent of emigrants went abroad on proper worker visas, while others went on visit visas, tourist visas, free visas and so on.

Families of poorer sections which have made huge investments to send one member abroad will not be able to make migration the path to their social mobility. Our survey indicates that about 75 per cent of the households with migrants own land, 85 per cent own houses, 50 per cent own refrigerators and 57 per cent own video recorders. Similarly, one-fourth of households have drinking water within their premises, 40 per cent use their own well or tube well and almost half of the households use LPG for cooking.

94 per cent of the households reported receiving regular remittances even during the crisis period; and about 30 per cent of the households also received gifts from emigrants. To assess the utilisation pattern of remittances, we asked the household members staying behind in the home country to list the uses to which remittances are expended in order of importance (Table 25). The results indicate that there is no major change in their expenditure pattern during 2008-2009, and in fact, households were prudent in their use of remittances, devoting relatively larger sums of money to saving and investment. Table 25 also provides the general pattern of use of remittances in South Asia. About

**Table 25. Utilization of Remittances among Emigrant Households in South Asia during the time of crisis, 2009**

Utilization of remittances	Order of Importance		Possible Uses of remittances	
	2008	2009	2008	2009
Day to day household expenses	55.1	60.4	84.7	90.9
Education	9.7	11.1	73.0	76.5
Medical Expenses	10.0	11.9	67.5	69.9
Savings for constructing house, buying land	5.3	7.3	61.1	62.4
General Savings, not earmarked any particular purpose	5.3	9.1	63.7	68.6
Business investment, share market venture, gold etc.	0.7	0.9	53.1	54.0
Repayment of debts incurred by the household	2.9	4.9	60.0	61.7
Repayment of debts related to the costs of migration	16.6	9.3	60.2	60.6
For important life course events (marriage, dowry)	2.2	2.2	54.4	55.8
Others	0.9	0.7	18.1	19.5

Source: Special Survey conducted by the Research Team, 2009

90 per cent of households reported the use of remittances (in order of importance) as follows: day-to-day expenses, investment in human development (education and health), general savings and saving for construction of a house. About 61 per cent of the families reported the repayment debts related to the cost of the migration as one of the chief uses of remittances. It was found that the economic crisis had no impact on emigrant households' use of remittances.

To a query on their current job status in the host country, 13 per cent of the emigrants households reported that their breadwinner had lost their jobs due to the financial crisis since 2008. Among them, half had found another job and stayed on the countries of destination; one fourth had changed their sponsors; and another one fourth had continued to stay on illegally in the Gulf. Interestingly, about 40 per cent of the households reported that their emigrant members planned to return home soon.

When we enquired about the employment scenario in their work place at the time of the crisis, 25 per cent of the emigrants reported that there were large scale redundancies at their companies, 16 per cent reported that contracts were postponed/cancelled, 20 per cent reported that wages were reduced or not paid, 17 per cent reported that heavier workload was imposed with the same or lower wages, 8 per cent reported that they were forced to take annual leave and another 10 per cent reported that there were shortfalls in provisions of food, shelter or health care by their employers.

We were also keen on assessing the household expenditure on various items during the time of crisis as compared to pre-crisis situation among emigrant households. Six out of ten households reported no change in the pattern of household expenditure. Among those households who reported changes in the expenditure pattern (178 out of the 452 households) during the crisis, we asked them to provide feedback as follows: (a) Increase (b) Decrease, and (c) Not much change (Table 26). Only 8 per cent of emigrant households reported decline in their household expenditure on food and clothing, 5 per cent each reported

**Table 26. Changes in Household Expenditure during the Crisis in South Asia, 2009**

Household expenditure	Not much change	Increase	Decrease	Decrease to total (452) emigrant households (%)
Food, clothing	25	119	34	7.52
Rent (room, House)	151	14	13	2.88
Basic Utilities (water, electricity)	44	99	35	7.74
Transport and communication	24	111	43	9.51
Health (Medications, Hospitals visits, tests)	76	81	21	4.65
Education	71	85	22	4.87
Building Construction	88	43	47	10.40
Life course rituals	124	16	38	8.41
Others	163	4	11	2.43

Source: Same as Table 25.

**Table 27. Repayment Behavior of Emigrant Households on the Financial Commitments during the financial crisis in the Gulf, 2009**

Financial Commitment	Number of households	Payment Status in 2008			Payment Status in 2009		
		Regular	Irregular	Default	Regular	Irregular	Default
Mortgage	81	26	50	5	22	54	5
Car loan	2	0	2	0	0	2	0
Educational Loan	1	1	0	0	1	0	0
Agricultural Loan	2	2	0	0	2	0	0
Personal Loan	25	16	7	2	18	6	1
Loan from Private money Lender	14	9	5	0	10	4	0
Credit card payment	16	10	6	0	13	3	0
Others	10	9	1	0	5	4	1
Total	151	73	71	7	71	73	7

Source: Same as Table 25.

decline in expenditure on education and health respectively, and 10 per cent said that expenditure on construction of houses had to be cut down.

On the financial commitments and repayment status during 2008 and 2009, we found that among the surveyed households, there were only seven defaulters in 2008. And they continued to be defaulters in 2009 also. There was no change in the financial commitment among the emigrant households during the time of the crisis (Table 27).

**Table 28. Postponement of the Pattern of Investment among Emigrant Households in South Asia, 2009**

Investment pattern	Number	Percent
Land	54	11.9
House	48	10.6
Insurance	18	4.0
New/Existing Business Ventures	17	3.8
Building/construction/Renovation/ Maintenance	85	18.8
Private Investment Schemes	9	2.0
Bank Deposits	74	16.4
Others	5	1.1

Source: Same as Table 25.

Looking at the patterns of investment, it was found that about 12 per cent of the households had postponed their investment in land or houses, about 19 per cent had put off construction activities on their houses and about 17 per cent had postponed depositing money in the bank. Following the crisis, three out of four households had taken some kind of loan to supplement the household income. One out of ten households had borrowed money from their friends and relatives. On the use of the borrowed funds, it was found that 42 per cent used them for routine household expenses, 23 per cent for human development (health and education) and another 18 per cent for meeting financial

commitments (Table 29). In one out of 10 households, members left behind in the countries of origin had taken up a new jobs/employment to supplement the income due to the crisis.

The survey also enquired about a few selected events that had taken place in the households since the crisis and tried to find out how many of them were due to financial crisis. Just 19 households shifted the residence since the crisis and only five cited the reason for moving house as the financial crisis. Similarly, only 27 households reported that their children ‘dropped out’ or ‘moved school or college’ since the crisis and among them only 17 attributed this to be due to the crisis. A number of households postponed realistically their life course events such as marriage (25) due to the crisis, 49 households postponed the medical treatment of one of the household members and 22 households postponed medical checkup of a family member.

Did any of the households sell their existing assets to cope with the decline of remittances from their emigrant members abroad? It was found that during the crisis just two households closed their fixed deposits, one household sold land, seven households sold jewelry, two households sold personal vehicles and 35 households sold their livestock.

When assessing the impact of the financial crisis, most researchers do not attempt to evaluate the psychological stress suffered by the emigrant members and by their household members left behind<sup>25</sup>. The research team at the Centre for Development Studies assigned five questions to assess the psychological impact including anxiety and stress among emigrant households. The answers to these questions are presented in Table 30. About 70 per cent of the left behind members of the emigrant households felt that it would be difficult for them to manage the financial affairs of the household, if their emigrant member did return due to crisis. Similarly, one out of two households reported that they faced the imminent threat of their emigrant member losing his/her job. About one out of four emigrant members reported changes in their health status following the crisis.



**Table 29. Channels used by Emigration households to supplement their household income in South Asia, 2009**

Source of Loan	No	Per cent to total households	Purpose of Loan	No	Percent to borrowed households
Government	5	4.5	Routine HH expenses	47	42.0
Co-operatives	29	25.9	Education	14	12.5
Commercial Bank	32	28.6	Medical expenses	11	9.8
Professional Money Lenders	18	16.1	Meeting financial commitments	20	17.9
Insurance/PF	2	1.8	Life course expenses	13	11.6
Friends and relatives	48	41.1	Other purposes	39	34.8

Source: Same as Table 25.

**Table 30. Indicators of Psychological Assessment among the Emigrant Household Members Left Behind in South Asia, 2009**

Indicators	Answer	percentage
Did you feel confident that the household (emigrant and non-emigrant members inclusive) would be able to weather the financial crisis	No	64.8
Did you feel unsure whether you may be able to meet monthly financial commitments and or regular household expenditure	Yes	44.0
Do you worry that the emigrant members of the household are about to lose their jobs/would be forced to leave	Yes	47.8
If the emigrant members of the household did return to the household, do you think that it will be difficult for the household to manage its financial affairs	Yes	70.4
Do you know if there have been any changes in the status of the emigrants health in the country of destination since January 2009	Yes	24.8

**Table 31. Reported Morbidity Patterns among Emigrants and Women Members Left Behind in South Asia, 2009 (out of the 452 emigrant households contacted)**

Emigrant member order (first 5)	Descending	Women left behind	Descending order (first 5)
Headaches	45	Fevers	52
High Blood Pressure	27	High Blood Pressure	33
Anxiety/depression	3	Headaches	31
Sleeplessness	4	Anxiety/depression	17
Weight loss	5	Gastrointestinal problems	10

Among the morbidity problems reported, headaches, anxiety/depression and high blood pressure have emerged as important ailments faced by emigrant members and women members left behind. Sleeplessness and weight loss are also the problems reported among emigrant members.

### **8.6 Return Emigrant Household Survey results from South Asia**

This survey was conducted among the return emigrants who lost their jobs because of the financial crisis in the Gulf and were forced to return home. The survey aimed at examining their coping mechanisms after return. The survey was canvassed on various issues connected to the crisis among 425 return emigrants in the five countries of origin. Among the emigrants, 22 were female. A few important findings from the survey<sup>26</sup> are discussed below.

We were interested in assessing the livelihood options (employment patterns) of the return emigrants at various points of time: more than six months and less than one year prior to return; six months prior to return; two weeks prior to return; at the time of our survey; and one month after return. First, we assess the employment status and pattern of employment among return emigrants at the time of survey, and within one month after return. Among the return emigrants, about 73 per cent

remained unemployed even one month after their return, while the remaining 27 per cent managed to find employment as regular wage workers and as casual wage labourers or become self employed. However, at the time of survey, the proportion of unemployed among the return emigrants declined from 73 per cent to 42 per cent. Among the employed, about 37 per cent managed to find regular employment, whereas casual and contract workers constituted 40 per cent and 8 per cent of the workers respectively at the time of the survey.

**Table 32. Employment Status and Type of Employment among Return Emigrants in South Asia at the time of Survey and one month after their forceful Return, 2009**

Employment status	Present status	One month after return	Present status %	One month after return%
Self Employed	86	39	20.24	9.18
Regular salary/wage employment	63	17	14.82	4.00
Casual wage labour	66	15	15.53	3.53
Unemployed	179	310	42.12	72.94
Others	31	44	7.29	10.35
Employment type				
Regular	80	26	36.70	35.62
On contract	18	2	8.26	2.74
Casual	86	27	39.45	36.99
Others	29	15	13.30	20.55

The prevalence of unemployment among return emigrants immediately after return from the countries of destination and at the time of the survey indicates that such persons did not get any support from either the Government or any banking institution. At the time of the survey, about half of the return emigrants lived by making use of their past savings, followed by borrowing and support from other members of the family.

**Table 33. Coping with Unemployment after Return by Return Migrants in South Asia, 2009**

	Present status	One month after return	Present status	One month after return
Lived in Past savings	73	126	48.67	62.07
Borrowed to stay on	52	40	34.67	19.70
Depended other earning members of the household	25	37	16.67	18.23

We have also collected information on the reasons for return among the return emigrants who were self-employed, in regular salary employment or unemployed in the destination countries two weeks prior to return. Out of the 425 return emigrants surveyed, 221 had jobs in the regular category and 144 were unemployed two weeks prior to return. Let us assess the reasons behind the return of the regular category of workers. About 52 per cent of them returned because their employer terminated the contract. Another 40 per cent were forced to leave the country on a long leave, while about 34-37 per cent left due to reduced wages and change of contract, followed by change of sponsor.

The return emigrant survey also indicates that some of them were unemployed two weeks prior to return. Some probably lost jobs and became unemployed and were looking for a job but failed to land one and returned to the country of origin. There were also cases where a worker had arrived in the Gulf on a visit visa during the boom period, then acquired a job and converted his/her visit visa to an employment visa. However, due to the crisis, the opportunities to avail such jobs could be getting limited in the Gulf so those visitors have to return. About 54 per cent of the emigrants felt that they would get a job with a salary lower than expected; about 45 per cent left the countries of destination because they could not get the job in the preferred sector and another 33 per cent left because they felt that they would not get any job in the near future.

**Table 34. Reasons for Returning among Regular Salary Employed from the Gulf to South Asia, 2009**

Reasons for return	Number	Percent
Current contract period was over	38	17.19
The current employer terminated the contract	116	52.49
The employer enforced a leave	89	40.27
Current employer reduced wages/salary	77	34.84
Current employer changed the contracted nature of job (working and living conditions, perks, benefits, timing of work etc.)	82	37.10
Current employer shifted you from one occupation/industry to another	45	20.36
Retired from job	19	8.60
Voluntarily resigned from job to take up another job at home country	16	7.24
Voluntarily resigned from job to take up job in another country other than the home country	7	3.17
Tried to migrate to another country but failed	7	3.17
None of the above have occurred till now, but any or all the above are expected to occur	12	5.43
Any other reason	1	0.45

Note: Multiple answers possible, hence percentages add up to over 100.

**Table 35. Reasons for Return among Unemployed two weeks prior to return from the Gulf to South Asia, 2009**

Reasons for return	Number	Percent
Did not expect to get any job in the near future	47	32.64
Expected to get some job in the near future, but with a lesser salary than expected	78	54.17
Expected to get some job in the near future, <i>but not in</i> the preferred occupation/ industry	63	43.75
Expected to get some job in the near future, but you may not get your preferred period of appointment/type of employment contract	67	46.53
Tried to Migrate to another country but failed	12	8.33
Any other reason, specify	2	1.39

**Table 36. Channels used by Return Emigrants to supplement their household income in South Asia, 2009**

Source of Loan	No	Per cent to total households	Purpose of Loan	No	Percent to borrowed households
Government	4	0.94	Routine HH expenses	35	33.33
Co-operatives	13	3.06	Education	27	25.71
Commercial Bank	4	0.94	Medical expenses	28	26.67
Professional Money Lenders	28	6.59	Meeting financial commitments	26	24.76
Insurance/PF	1	0.24	Life course expenses	16	15.24
Friends and relatives	55	12.94	Other purposes	8	7.62



One out of four return emigrants took loans to supplement the family income; half of such borrowers depended on friends and relatives and 7 per cent took loans from the professional money lenders. This again indicates that the emigrants were not from very poor families as they could mobilise the funds needed for the migration process. Half of the loans were used for human development (education and health) and the next most notable purpose of the loans was for routine household expenses.

**Table 37. Adaptation of the Households after return of the emigrants to South Asia from the Gulf, 2009**

	Event reported	due to financial crisis	Percent to total households
The household has shifted residence	16	12	2.82
Any children in dropped out/ moved school/college	32	24	5.65
Postponement/cancellation of a life course event	59	51	12.00
Postponement/cancellation of a trip/ vacation by non-emigrant members	55	50	11.76
Postponement/cancellation of routine medical checkups for any of the household	15	12	2.82
Postponement/cancellation of medical treatment for any of the household	49	36	8.47
Postponement/cancellation of the proposed emigration by an household member	25	14	3.29

The survey also made enquiries about the adaptation and coping mechanisms employed by the return emigrant households to cover the loss of remittances. About 2 per cent of households shifted residence

due to the crisis, 12 per cent postponed their life course events, 11 per cent postponed/cancelled their vacation, 13 per cent postponed their medical check-ups or treatment and finally, about 3 per cent postponed the proposed emigration plan of another household member.

**Table 38. Position of Assets among Return Emigrant Households in South Asia, 2009**

Asset	Owned	Percent to total households	Assets sold	Percent to owned households
Savings	354	83.29	12	3.39
Land	364	85.65	10	2.75
House	383	90.12	3	0.78
Company/business	298	70.12	2	0.67
Livestock	315	74.12	39	12.38
Consumer durables	384	90.35	9	2.34
Gold Jewellery	385	90.59	19	4.94
Vehicle	344	80.94	11	3.20
Other property	307	72.24	1	0.33

Among the return emigrant households, 86 per cent owned lands, 90 per cent owned houses, 90 per cent owned gold jewelry and 81 per cent owned vehicles. Decline in income and prolonged unemployment in the countries of origin led 3 per cent of the return emigrants in South Asia to sell their lands, 5 per cent to sell their gold and an overwhelming 12 per cent to sell their livestock.

### **8.7 Summing up of the Impact on Migrant Workers and Remittances**

The unraveling of the impact of the crisis on output and employment in the USA had generated an anticipation of large scale retrenchment of expatriate labourers in the Gulf region. The anticipated misery and the need for rehabilitation had got some governments in South Asia thinking about plans for the returning migrants. But our

'survey of emigrants and return emigrants' showed that the dimensions of the impact were not as large as was feared earlier. For a stock of approximately 9.5 million South Asian emigrants in the Gulf, the number who returned due to the crisis was about 264,000 (just around 2.78%); and the number who lost jobs but was continuing to stay in the Gulf was about 170, 000 (1.80%). Overall, less than 5% of the South Asian emigrants had lost jobs owing to the crisis. But such an impact had not adversely affected the yearly flow of out-migrants from South Asia. Compared to the outflow of about 2.2 million workers in 2008, the number in 2009 is expected to be close to 2.0 million, which still is higher than the corresponding figure in 2007.

As regards remittances (in USD), the annual percentage increase since 2004-05 has been over 20% for the South Asian countries, except for Sri Lanka. The magnitude of the increase has taken a hit all over South Asia, except Pakistan from where the outflow of migrants had been increasing at around 50% every year since 2005. But remittances have not fallen following the crisis; either it has remained stagnant or has shown a mild rise depending upon the estimates. As most of the South Asian currencies have depreciated against the USD (to which the GCC currencies are pegged) from late 2007, remittances in terms of domestic currencies would have shown an increase. Survey of migrant households in South Asia confirmed these estimates as 94% of the households reported regular remittances during the crisis period also as in previous years and no significant change in the use of remittances was reported by these households.

Overall, less than 5% of the stock of South Asian migrants in the Gulf had lost jobs and either returned back to home country or kept struggling to continue in the Gulf. The flow of workers from South Asia to the Gulf had also not been affected to any significant extent, but there were changes in the origin (in favour of Pakistan) and the destination (in favour of Saudi Arabia) of the flow. The volume of remittances into South Asia had also not fallen to any significant extent.

The crisis, however, had affected the workforce in some decisive ways. Those who returned home after losing jobs gave various reasons, such as termination of contract, forced to take long leave, and contract not renewed. A sizeable proportion reported reduced salary and benefits, shift to another job, and deteriorating working and living conditions. One out of four return emigrants had to take a loan to meet routine household expenses, education and medical expenses, and other life course expenses. Sale of assets, however, had not been a response to tide over the period of unemployment and lack of earnings.

## **9. Policy Recommendations**

Labour is one of the factors of production and all economic activity is founded on it. As regards the GCC economies, and to a large extent in Malaysia as well, labour is regarded as mobile as capital. Capital mobility requires sound general accounting procedures, but the burden of any form of accounting of labour mobility is put on the individual. The countries of origin too are to blame for it. That is why the database on migrant labour is weak and in the eventuality of a crisis, such as the current one, the policy makers are in the dark about the numbers, destinations, and skill base of the migrants to make any informed policy interventions. It is time a sound database of migrants is built and regularly updated.

Countries of destination often have restrictive visa regimes. This does not allow enough time for migrants to plan their course of action when they become unemployed. The labourer alone bearing the entire burden of adjustment is unjust. The countries of destination should allow a reasonable duration of stay for a labourer losing employment in normal times and a longer duration in periods of crisis.

The labour receiving countries should avoid forced expulsion of migrant workers. To ensure decent treatment of labour, they should extend the inspection to sectors and work places where migrant workers

are concentrated. They should discourage the managerial tendencies to cut pay and to resort to exploitative and discriminatory practices. Confiscation of passports and other documents and harassment of the workers by the employers should be prevented at all times. Adequate compensation should be paid to the workers who are forced to return due to the economic crisis.

Despite rules prohibiting labour contractors from collecting the cost of migration from the migrants, the practice goes on unhindered. Especially high are the costs incurred by unskilled and poorly paid labourers. It is important that labour receiving countries should introduce model labour contracts for various categories of workers, specifying the details of wages and non-wage benefits to be paid. Then they should take steps for their strict implementation. All the labour receiving countries in the Gulf should fix the minimum wages and regulate other working conditions like hours of work per day, paid holidays, accommodation facilities, provision for medical treatment and return journey travel cost.

Harassment, ill-treatment and sexual exploitation of the female domestic workers by the employers should be treated as criminal acts; and the civil courts should treat these cases at par with those involving the other citizens of the labour-receiving country. The labour redressal machinery should contain special labour laws for all categories of female workers such as domestic workers in the households, and skilled, semi-skilled and unskilled female workers employed in establishments.

Some countries impose a tax on expatriate labourers. What they fail to recognize is that competitive migration helps to keep wages low in the destination countries which gives them competitive advantage in product markets. Instead of rewarding the labour for such a gain, they seem to be penalising them by taxing them. Further, the burden of social security payments falls on the countries of origin, which do not reap the gains of any production by these workers. It may be made mandatory for

the labour receiving countries to make payments for social security which should be distributed through the countries of origin.

The labour sending countries of South Asia and South East Asia should form a union like OPEC to ensure that the labour receiving countries implement minimum wages, zero cost of migration, decent working conditions, labour laws to protect the workers and special laws for female workers. The labour sending countries should collectively take a decision not to allow workers to go to those countries which are not prepared to fix a minimum wage and offer them decent working conditions.

*S. Irudaya Rajan is Professor at Centre for Development Studies, Thiruvananthapuram. Currently he is Chair Professor of the Research Unit on International Migration set up by the Ministry of Overseas Indian Affairs. His main areas of research interests are Aging, Migration and Kerala Studies.*

*Email: rajan@cds.ac.in*

*D. Narayana is RBI Chair Professor at the Centre for Development Studies, Thiruvananthapuram. His research interests include Decentralisation, Migration, Marginalised Social Groups, Population and Health.*

*e-mail: narayana@cds.ac.in*

## Notes

- 1 Gulf Co-operation Council (GCC) countries are: United Arab Emirates, Saudi Arabia, Qatar, Bahrain, Kuwait and Oman.
- 2 The price of crude oil had declined to average of USD 50 per barrel, compared to the baseline price of USD 75 in 2009.
- 3 Though the CDS has received a major grant from the Asian Development Bank (RETA 6417) through the South Asian Network of Economic Institutes (SANEI) via Pakistan Institute of Development Economics (PIDE) in Islamabad, additional grants and logistic support were received from the Ministry of Overseas Indian Affairs (MOIA), Research Unit on International Migration at Centre for Development Studies, Department of Non-Resident Keralite Affairs, Government of Kerala and the Ministry of External Affairs of Government of India through their respective Indian Embassies in the seven countries of destination – six countries in the Gulf and Malaysia.
- 4 The extension of the study to five South Asian Countries will lead us to provide policy framework at the South Asian Association of Regional Corporation (SAARC level). With the senior author's experience in conducting studies on aging issues in South Asia, migration research at this juncture was extended to South Asian countries; see S. Irudaya Rajan (Ed). 2008. *Social Policies for the Elderly: Experiences from South Asia*. Routledge; S. Irudaya Rajan, Carla Risseuw and Myrtle Perera. 2008 (Eds). *Institutional Provisions and Care for the Aged: Perspectives from Asia and Europe*. Anthem Press.
- 5 The senior author has conducted earlier research in the countries of destination (United Arab Emirates, Qatar and Bahrain) both for the Department of Non-Resident Keralite Affairs, Government of Kerala and Ministry of Overseas Indian Affairs, Government of India; see details, K C Zachariah, B A Prakash and S Irudaya Rajan. 2003; *The Impact of Immigration Policy on Indian Contract Migrants: The Case of the United Arab Emirates*, *International Migration*, Volume 41. No.4, Pp. 161-172; Zachariah, K C, B A Prakash and S Irudaya Rajan, 2004; *Indian Workers in UAE: Employment, Wages and Working Conditions*. *Economic and Political Weekly*, Volume XXXIX, No. 22, May 29 2004, Pp.2227-2234; S. Irudaya Rajan, V.J. Varghese and M.S. Jayakumar. 2009: *Overseas Recruitment Practices in India: A Critical Assessment*. International Labour Organization and Ministry of Overseas Indian Affairs, Government of India.
- 6 The preparation of country report was undertaken by a two member team consisting of a professor and assistant professor from the Centre for Development Studies, who made a one week trip to all the countries in the Gulf with the logistic support of the respective Indian Embassies in the Gulf. They were supported by the research assistants both in the Gulf and in India to prepare the country report and complete the emigrant survey. The senior author of the report visited most of the Gulf countries and Malaysia along with the team to gather the firsthand information on the crisis and its impact on migrant workers. The country reports are available for circulation

at the Centre for Development Studies, Kerala. With the growing interest on the destination country reports of the Gulf, the Ministry of Overseas Indian Affairs, Government of India, has agreed to sponsor an one day seminar at the CDS to present the country reports in January 2010 and to later get the report published by a leading publisher in India.

- 7 The report prepared by the five countries of origin – India, Pakistan, Bangladesh, Sri Lanka and Nepal – is available with the Centre for Development Studies, Kerala. With a view to publicise the report, the Secretary, Ministry of Overseas Indian Affairs has requested the senior author of this report to organise a one-day workshop on “Dynamics of Migration from South Asia in the context of Global Financial Crisis” at Thiruvananthapuram, Kerala, in March 2010.
- 8 Separate report based on the survey was prepared by S. Irudaya Rajan and D. Narayana of the Centre for Development Studies.
- 9 In Qatar, the survey was facilitated by School of Foreign Service in Qatar of the Georgetown University with the assistance of Dr. Ganesh Seshan.
- 10 Separate report based on the survey was prepared by S. Irudaya Rajan and Arindam Banerjee of the Centre for Development Studies.
- 11 Separate report based on the survey was prepared by S Irudaya Rajan and Vinoj Abraham of the Centre for Development Studies.
- 12 This survey was financed by the Department of Non-Resident Keralite Affairs, Government of Kerala for the larger study on Impact on Global Recession on return emigrants in Kerala. This report is being prepared by K.C. Zachariah and S. Irudaya Rajan of the CDS. The preliminary report will be available by late December 2009.
- 13 This section is based on the six country reports prepared by the research team at the Centre for Development Studies. Most of the members of the research team have already visited Gulf to assess the reality by talking to several stake holders and additional research is done by the authors of this report.
- 14 See country report.
- 15 GCC plus Algeria, Libya, and Sudan.
- 16 By a research consultant Dr. Janardhan based in UAE.
- 17 The stock of return emigrants in Kerala was about 0.7 million in 1998, and increased to 0.9 million in 2003 and 1.2 million in 2008 (see Zachariah and Irudaya Rajan, 2009).
- 18 According to the 2008 Kerala Migration Survey conducted by the Centre for Development Studies, the emigrants from Kerala are estimated at 2.19 million (about 90 per cent live in the Gulf) and the remittances are estimated at Rs. 43,288 crores. At present, Kerala leads the other states in India both in terms of outward emigration and inward remittances (Zachariah and Irudaya Rajan, 2009).



- 19 The fourth Kerala Migration Survey (KMS, 2008) was conducted during August-December 2008, covering 15,000 sample households throughout the 63 taluks in Kerala. Out of 15,000 households, the survey enumerated 2,702 households with 3,981 emigrants. The KMS 2008 estimated the stock of emigrants from Kerala as 21.9 million based on the following method (more details, see Zachariah and Irudaya Rajan, 2009)

$$\text{EMI (Emigrants)} = \left[ \frac{\sum (\text{Hi} * \text{ri} / \text{hi})}{\sum \text{Hi}} \right] * \text{H}$$

ri = Number of Emigrants in the sample households in the ith locality

hi = Number of sample HHs in the ith locality (50)

Hi = Total number of HHs in the sample locality (from Census)

H = Total number of HHs in the Taluk (from Census)

- 20 Return Emigrant Survey 2009 was conducted at the Centre for Development Studies and sponsored by the Department of Non-Resident Keralite Affairs, Government of Kerala (for more details of the survey report, see Zachariah and Irudaya Rajan, 2009). The field work was carried out during 16 June – 7 September 2009.
- 21 These could be underestimates as the composition of migrants from Kerala would have a lower proportion of unskilled workers.
- 22 Firstly, as organizer and participant in the Round Table Discussion on Global Financial Crisis and Indian workers in the Gulf sponsored by the Ministry of Overseas Indian Affairs, Government of India, held at Centre for Development Studies on 3 February 2009. Secondly, as a organizer and paper presenter at the International Conference on Effects of the Global Financial Crisis in GCC Countries and its Impact on South And South East Asian Migrant Workers during 21-22 July 2009 at Centre for Development sponsored by the International Labour Organization, United Nations Fund for Women and Ministry of Overseas Indian Affairs, Government of India.
- 23 The senior author of the report was a member of team which prepared the report for the Government of Kerala. The remittances are projected to reach between Rs. 38,492 crores (low estimate) to Rs.42,917 crores (high estimate) (go to [www.cds.edu](http://www.cds.edu) for the full report); interestingly, the Kerala Migration Survey 2008 conducted by the Centre for Development Studies for the Department of Non-Resident Keralite Affairs has estimated the remittances to Kerala in 2008 as Rs. 43,288 crores in 2009 (Zachariah and Irudaya Rajan, 2009).
- 24 Separate report based on the survey was prepared by S. Irudaya Rajan and Arindam Banerjee of the Centre for Development Studies.
- 25 The Centre for Development Studies has undertaken major research on social and psychological impact of migration on left behind women, children and elderly (Zachariah, Mathew and Irudaya Rajan, 2003).
- 26 Separate report based on the survey was prepared by S. Irudaya Rajan and Vinoj Abraham of the Centre for Development Studies.

## APPENDIX I

### DESTINATION COUNTRY SURVEY SCHEDULE

To be canvassed among migrant workers in the Destination country

#### 1) Profile of the Migrant and Migrant's Household

(About all members in the family whether they are staying with the respondent or at the home country)

Sr.No	1	2	3	4	5	6	7
Name							
Relation with respondent	1						
Age							
Sex							
Marital Status							
Activity Status							
Location	1						
Highest Gen Education							

**Marital Status :** Married = 1, unmarried=2, married and widowed = 3, married and separated = 4

**Sex :** male -1, female - 2.

**Relationship code:** Self - 1, Partner/Spouse - 2, Daughter - 3, Son - 4, Daughter in law - 5, parents of the migrant-6, in-laws of migrant - 7, domestic servant = 8, other relatives- 9

**Activity status:** Self employed - 1, Regular salary / wage paid employment - 2, Casual wage labor - 3, Unemployed - 4, Others - 5.

**General education status :** Illiterate - 1, Literate without school education -2, Below primary -3, Primary completed - 4, Upper primary completed - 5, secondary completed - 6, Higher secondary / pre university completed - 7, Graduation completed - 8, Post graduation completed - 9, Others 10)

**Location :** staying with the respondent in destination country=1, staying in the house in home country to which respondent belongs =2, others -3

## 2) Migration Profile of the Emigrant

	Migration Episode		
	First	Second	Third
Month and year of migration			The current episode
Country to which migrated			
Duration of stay ( in months)			
Channels of migration (in code)			
Visa type (in code)			
Period of unemployment (in months)			
Cost of Migration (in US Dollars)			
Did you sign a new contract after your arrival?			
Did you receive the salary what was promised before you leave your country Yes No			
If no, how much percentage reduction?			
Language skills (ability to speak)			

**Channels of migration:** Relatives and friends - 1, Labor contractor - 2, Recruiting agent - 3, Employer in host country -4 Others - 6.

**Visa Type:** Contract visa -1, Student visa - 2, Tourist visa - 3, Free visa - 4, Other types -5

## 3. Employment, emoluments and other particulars of Emigrants

Conditions of work for Main employment	Present status	Six months prior	One year back
Activity status (use code)			
Type of employment (code)			
Main Occupation –Describe			
Main Industry ( code)			
Mode of payment (code)			
Salary/earnings per month ( in amount)			
Does employer provide food ( Yes/No)			
Does employer provide accommodation ( Yes/No)			
If yes, how many persons stay with you (number)			
Does the employer provide you with air ticket once a year ( Yes/No)			
Does the employer provide your family with air ticket once a year ( Yes/No)			
Does the employer cover your medical expenses ( Yes/No); if yes, the amount.			
Does the employer cover your family's medical expenses( Yes/No); if yes, the amount.			
Does the employer provide you with life insurance ( Yes/No); if yes, the amount.			
Does the employer provide you with festival bonus and other lump sum payments ( Yes/No),if yes, the amount.			
Does your employer pay salary on time ( Yes/No)			
If NO to the above please mention what is the period of delay (in months)			
What is the average number of hours of work a day (hours and minutes)			
Are you entitled to annual increments ( Yes/No)			
If yes, When did you get your last increment ( month and year)			
How many days of leave are you entitled in a year (days)			
Does the employer provide you with any other perks please mention below			

**Industry :** Agriculture and allied (hunting, forestry, Fishing) – 1, Mining and quarrying – 2, Manufacturing – 3; Electricity, gas and water supply - 4; Construction - 5; Wholesale and retail trade - 6; Repair of motor vehicles, motorcycles and personal and household goods - 7; Hotels and restaurants - 8; Transport, storage and communications - 8; Financial intermediation - 9; Real estate, renting and business activities - 10; Public administration and defense; compulsory social security - 11; Education, Health and social work Other community and social work – 12, Personal service activities 13; Others – 14.

**Mode of payment:** monthly – 1, weekly = 2, daily – 3, others -- 9)

**Type of employment=** permanent ( regular) – 1, temporary (on contract) – 2, casual – 3, others -9

4 Details of the Employer of the Main Employment		
Status code	Ownership	Ethnicity
		Name of the company
Present status		
Six months prior		
One year back		

**Ownership pattern:** own company = 1, private domestic=2, private foreign = 3, joint =4, government owned =

**Ethnicity pattern:** owned by South Asian expatriates = 1, owned by European/Japanese/American expatriates =2, owned by local citizens = 3, others ( including government ) =4.

<b>5 Perception of Emigrants</b>		YES/NO
Has the current economic recession led to any lay off of employees in the organization in which you work?		
If the crisis continues do you think your Job is secure?		
Do you know anybody gone back to their country of origin due to crisis?		
<b>6 REMITTANCES, SAVING, EXPENDITURE</b>		
<b>Average monthly household/personal expenditure At the DESTINATION COUNTRY</b>		
	Presently	One year back
Monthly Remittance To Household		
Food expenses		
Clothing and footwear		
Medical, Health expenses		
Education		
Rent and taxes		
Electricity and water		
Transport		
Entertainment		
Savings of any form		
Debt repayment		
Any other expenses not classified above		

## 7 ADAPTATION AND COPING MECHANISMS

7.1 Loans and their purposes	(Yes -1, No -2, Not applicable 3)
Have you taken a loan through regular or irregular channels to supplement your household income in the last six months	
IF YES THEN please tell us the Purpose from below	
Routine Expenses at destination ( education, medical, Food, Clothing and footwear, Medical, Health expenses, Education, Electricity and water, Transport)	
Routine Expenses at home country ( education, medical, Food, Clothing and footwear, Medical, Health expenses, Education, Electricity and water, Transport)	
Meeting Financial Commitments (Mortgage, Loan payments)	
Life Course Expenses	
Other purposes, specify	

## 7.2 In the past six months has any of the following taken place with you

Event	Report (Yes -1, No -2)	Was this due to financial crisis
Have send any of your family members back to home country		
Have changed the schools of children		
Have changed your accommodation to a cheaper place ( to a house, apartment, dormitory or labour camps)		
Postponement/cancellation of a trip to home country		
Postponement/cancellation of medical treatment for any of the family		
The household has shifted residence		
Any children in dropped out /moved school /college		
Postponement /cancellation of a life course event (marriage)		
Postponement/cancellation of a trip/vacation by non-emigrant members		
Postponement/cancellation of routine medical checkups for any of the HH		
Postponement/cancellation of medical treatment for any of the HH		
Postponement/cancellation of the proposed emigration by an HH member		

At the Destination country

At the home country

## Appendix II

Schedule	
SerialNumber	

**SOUTH ASIAN EMIGRANT HOUSEHOLD SURVEY, 2009**

(Emigrant households with out Return Emigrants since September 2008)

Country				
Nepal	Sri Lanka	Bagladesh	Pakistan	India

**Block 1. Identification and interview particulars**

Address of Household	
Name of Respondent	
Name of Interviewer	
Name of Supervisor	
Language Interview Conducted in	
Date of Interview	
Time taken	
Signature of Interviewer	
Signature of Supervisor	

*Note to Interviewers:**The household respondent should be*

- *A key decision maker in the household, if possible the head of the household. In the absence of the head of the household, another individual who is able to provide all the information required.*
- *At least 18 years of age*
- *Knowledgeable person on various aspects of the household structure, its economic profile, employment, health,*
- *expenditure and consumption patterns*



Block 2 Profile of household including employment history									
0	1	2	3	4	5	6	7	8	9
Sl.No.	Name	Relationship to head of household	DOB	Age	Sex	Marital Status	Education status	Employment status in 2009	Occupation – describe only for those who are working in 2009
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									

**Column 2 - Relationship to Head :** Head-1, Partner/Spouse-2, Daughters-3, Son-4, Daughter-in-Law-5, Son-in-Law-6, Grandchild-7, Mother-8, Father-9, Mother-in-Law-10, Father-in-Law-11

13, Adopted/Foster/Step Child-14, Domestic Servant-15, Lodger-16, Non relatives - 17 (Include domestic servant, lodger and non relatives only if they are normal resident members of the household)

**Column 5 - Sex :** Male -1, Female -2

**Column 6 - Marital Status :** Never married -1, Married-2, Widowed-3, Divorced-4, Separated-5

**Column 7 - Education :** Illiterate-1, Literate without school education -2, Less than primary school-3, Primary School Completed-4, Secondary School Completed-5, Higher secondary/ preuniversity completed-6, College/ University degree completed-7, Postgraduate Degree Completed-8, Others 9.

**Column 8 - Employment status :** Self employed -1, Regular salaried employment -2, Casual wage labour -3, Unemployed -4, Others -5.

Grandparent-12, Other Relatives-

Block 2 Profile of household including employment history (contd)

0	10	11	12	13	14	15	16
Sl. No.	Industry ( applicable only for those who are working in 2009)	Reference year 2009 – annual		Employment status (use the same code of col 8)	Reference year 2008 – annual		Other types of income include business income, rentals, pension, remittances etc
		Salaries and wages – including those received in kind as well	Other types of income include business income, rentals, pension, remittances etc		Occupation – describe only for those who were working	Salaries and wages including those received in kind as well	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

## Column 9 : Industry:

Agriculture and allied (hunting, forestry, Fishing) - 1, Mining and quarrying - 2, Manufacturing - 3, D-Electricity, gas and water supply - 4, Construction - 5, Wholesale and retail trade - 6, Repair of motor vehicles, motorcycles and personal and household goods - 7, Hotels and restaurants - 8, Transport, storage and communications - 9, Financial intermediation - 10, Real estate, renting and business activities - 11, Public administration and defense; compulsory social security - 11, Education, Health and social work/Other community and social work - 12, Personal service activities - 13, Others - 14.

Block 3. Profile of Emigrants who have been resident at the time emigration with the households - migration history												
17	18	19	20	21	22	23	24					
Emigrant code	Name	Relationship head of household	DOB	Age	Sex	Education Status	Employment status prior to migration (use the same code of col 8)	31	32	33		
21	22	23	24	25	26	27	28	29	30	31	32	33
26	27	28	29	30	31	32	33	34	35	36	37	38
16	25	26	27	28	29	30	31	32	33	34	35	36
Emigrant code	Migration episode number	Month and year of migration	Country to which migrated	Period of stay (in months)	Channels of migration (use code)	Visa type (use code)	Period of unemployment during stay (in months)	Return Month and year (if any)	Month and year of remigration to a country without return to home country			
21												
22												
23												
24												
25												
26												
27												
28												
29												
30												
16												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30												

Column 29 - Channels of migration : relatives and friends -1, labour contactor - 2, recruiting agent - 3, employer in host country - 4, Others - 9

Column 30 - Visa type : contract visa - 1, student visa - 2, tourist visa - 3, free visa - 4, other types - 9

(Such as Visit Visa, Contract expired visa)

<b>Block 4. General particulars about the household</b>			
4.1	Type of dwelling unit ( report number of rooms)		
4.2	Type of walls ( Mud and other similar materials -1, Brick - 2, Stone - 3, Wood - 4, Others - 9)		
4.3	Type of floor ( Mud and other similar materials - 1, Cement - 2, Mosaic - 3, Floor Tiles - 4, Wood - 5, Others - 9)		
4.4	Type of roof (Leaves and other similar materials - 1, Metal sheets - 2, Roof tiles - 3, Wood - 4, Concrete - 5, Others - 9)		
4.5	Electrified (Yes -1, No -2)		
4.6	Major source of drinking water ( Piped water inside premises - 1, Own well / tube well - 2, Public tap - 3, Public well / tube well - 4, Spring / river / stream etc - 5, Water vendor - 6, Others - 9)		
4.7	Major source of fuels used for cooking ( Coal / charcoal - 1, Firewood - 2, Kerosene - 3, LPG - 4, electricity - 5, Others - 9)		
4.8. Does the household own any of the following?)			
		( Yes -1, No - 2)	If yes when acquired ( last 6 months -1, 6 to 12 months -2, More than 12 months -3)
4.8.1	Land		
4.8.2	House / Building		
4.8.3	Motor Car		
4.8.4	Bike / Scooter for own use		
4.8.5	Taxi / Truck / Lorry / Auto Rickshaw		
4.8.6	Refrigerator		
4.8.7	Television		
4.8.8	VCR /DVD / MP3 player / Music systems		
4.8.9	Land phone		
4.8.10	Personal Computer / Laptop		
4.8.11	Cable connection		
4.8.12	Mobile phone		
4.9	Religion ( Hindu - 1, Muslim - 2, Christian - 3, Budhist- 4, Sikh - 5, Others - 9)		
4.10	Caste ( SC -1, ST -2, Backward communities - 3, General - 4)		
<b>Household remittances and its utilization</b>			
4.11	Did any member of this household receive money from emigrants over the past 12 months? ( Yes -1, No - 2)		
4.12	If yes to item 4.11, on an average, how much was received <b>during last year</b> as remittances (in US \$)		
4.13	Did any member of this household receive goods or gifts from emigrants over the past 12 months? ( Yes -1, No - 2)		
4.14	If yes to item 4.13 imputed value of gifts received in kind <b>during last year</b> (in US \$)		
4.15	Utilisation of remittances: Please indicate the order of importance : Most important as 1 and the least important as 10 :		
	Main items of utilization	<b>2008</b>	<b>2009</b>
4.15.1	Day to day household expenses		
4.15.2	Education		
4.15.3	Medical Expenses		
4.15.4	Savings for constructing house, buying land		
4.15.5	General savings, not earmarked any particular purpose		
4.15.6	Business investments, share market ventures, gold etc		
4.15.7	Repayment of debts incurred by the household		
4.15.8	Repayment of debts related to the costs of migration		
4.15.9	For important life course events (marriage, dowry, etc)		
4.15.10	Others, Specify		

<b>Block 5. Migration status and reported labour conditions (October 2008 - August 2009)</b>			
5.1	Has/Have the emigrant member/s of this household lost their jobs in the country of destination since October 2008?(Yes -1, No -2, Don't know - 3)		
5.2	If yes to Item 5.1 what is their current status? While reporting use the emigrant code used in block 2.		
	<b>Emigrant code</b>	<b>Possibilities</b>	(Yes -1, No -2, Don't know - 3)
5.2.1		Found another position, and stayed on	
5.2.2		Currently looking for another position	
5.2.3		Changed their sponsor	
5.2.4		Moved to another country in the region seeking better opportunities	
5.2.5		Continue to stay on, illegally	
5.2.6		Is planning to return home soon	
5.3	Have/has the emigrant member/s of the household reported any of the following occurring at his/her place of employment since October 2008?		
	<b>EMI code</b>	<b>Possible occurrences</b>	(Yes -1, No -2, Don't know - 3)
5.3.1		Large scale redundancies at their companies/place of work	
5.3.2		Postponement / Cancellation of previously agreed upon work contracts	
5.3.3		Reductions / Nonpayment of wages	
5.3.4		Being compelled to accept heavier workloads at the same / lower wages	
5.3.5		Being forced to take annual leave	
5.3.6		Shortfalls in the provisions of food, shelter and / or healthcare by their employers	
5.4	If code 1 against 5.33 what percent of pre crisis wages they receive now		

<b>Block 6 : Economic Impact of the Crisis ( October 2008 – August 2009)</b>					
<b>Changes in household expenditure</b>					
6.1	Have there been any significant changes in the patterns of overall household expenditure? ( Yes -1 , No -2)				
6.2	If yes to item 6.1 in which of the following changes have occurred: ( Increase – 1, Decrease – 2, Not much of a change -3)				
6.2.1	Food, Clothing				
6.2.2	Rent (Room, House)				
6.2.3	Basic Utilities (Water, Electricity)				
6.2.4	Transport and Communication				
6.2.5	Health (Medications, Hospital Visits, Tests)				
6.2.6	Education				
6.2.7	Building Construction/Renovation/Maintenance				
6.2.8	Life Course Rituals				
6.2.9	Others, Specify.....				
<b>Changes in financial commitments</b>					
6.3	What manner of regular financial commitments does this household have to meet? Report the member number from block 2 for reference				
	Nature of financial commitments	(Yes -1, No -2)	If yes in last column then member number from block 2	Paymnet status ( Reular -1, Irregular – 2, Default – 3)	
				2008	Current
6.3.1	Mortgage				
6.3.2	Car Loan				

6.3.3	Educational Loan				
6.3.4	Agricultural Loan				
6.3.5	Personal Loan				
6.3.6	Loan from Private Lender/Institution				
6.3.7	Credit Card Payment				
6.3.8	Other, Specify				
<b>Changes in pattern of investments</b>					
6.4	Have you reduced, postponed or cancelled any previously planned / intended investments in the past six months				( Yes -1 , No - 2, Not applicable -3)
6.4.1	Land				
6.4.2	House				
6.4.3	Insurance				
6.4.4	New / Existing Business Ventures				
6.4.5	Building/Construction/Renovation/Maintenance				
6.4.6	Private Investment Schemes				
6.4.7	Bank Deposits				
6.4.8	Others, Specify				
<b>Changes in the frequency of Remittances</b>					
6.5	Do you observe a change in the frequency of remittances from the emigrant member/s of the household? (( Yes -1 , No - 2, Not applicable -3)				
6.6	If yes to item 6.5 then report the frequency of remittances in 2008 and 2009 in terms of codes		2008	2009	
6.7	What is the mode of remittances received by the households? 1 Electronic wires/Swift, 2 Bank Drafts 3 Bank Cheques 4 Debit/Credit Cards 5 Money Orders 6 Direct Transfer to bank account 8 Western Union/Money gram 9 friends and relatives 10 Other methods				

Frequency of remittance code ( Weekly -1, Fortnightly -2, Monthly -3, Once in 2 months -4, once in 3 – 5 months – 5, once in 6 months – 6, once in a year – 7, Irregular – 8, Others – 9)

<b>Block 7 : Adaptation and Coping Mechanisms</b>					
7.1.	Have you taken a loan through regular or irregular channels to supplement your household income since October 2008? ( Yes –1, No – 2, Not applicable 3)				
7.2	If yes to item 7.1 then				
Item No.	Source	Report (Yes –1, No – 2)	Item No	Purpose	Report (Yes –1, No – 2)
7.2.1	Government		7.2.8	Routine Household Expenses	
7.2.2	Co-operatives		7.2.9	Education	
7.2.3	Commercial Bank		7.2.10	Medical Expenses	
7.2.4	Professional Money Lenders		7.2.11	Meeting Financial Commitments (Mortgage, Loan payments)	
7.2.5	Insurance/PF		7.2.12	Life Course Expenses	
7.2.6	Relatives or Friends		7.2.13	Other purposes, specify (sending money to emigrants)	
7.2.7	Other sources, specify				
7.3	Has any of the following events occurred in the household since October 2008?				

Event No.	Event	Report (Yes -1, No -2)	Reason	Occurrence of event is due to financial crisis? (Yes -1, No -2)
7.3.1	The household has shifted residence		7.3.8	
7.3.2	Any children in dropped out /moved school /college		7.3.9	
7.3.3	Postponement /cancellation of a life course event		7.3.10	
7.3.4	Postponement/cancellation of a trip/vacation by non-emigrant members		7.3.11	
7.3.5	Postponement/cancellation of routine medical checkups for any of the HH		7.3.12	
7.3.6	Postponement/cancellation of medical treatment for any of the HH		7.3.13	
7.3.7	Postponement/cancellation of the proposed emigration by an HH member		7.3.14	
7.4 Do any members of the household own any of the following assets and have they sold /pawned off any assets to supplement household income or to meet financial commitments since October 2008?				
Asset No.	Type of asset	Ownership of asset ( owned by EMI -1, owned by the Women members 2, EMI with others - 3, Owned by others -4, Not owned - 5)	Status no.	Status of assets (Sold -1, Pawned - 2, , Kept in tact -3)
7.4.1	Savings (Bank deposits etc)		7.4.10	
7.4.2	Land		7.4.11	
7.4.3	House		7.4.12	
7.4.4	Company / Business		7.4.13	
7.4.5	Livestock (Cattle, Poultry)		7.4.14	
7.4.6	Consumer Durables (TV, household furniture)		7.4.15	
7.4.7	Jewellery, gold,		7.4.16	
7.4.8	Vehicle (Car, bike, etc)		7.4.17	
7.4.9	Other property, specify		7.4.18	
7.5	Have any of the <b>non-emigrant</b> member of the household done any of the following since Jan 2009? Report status in terms of code and member reference number from block 2			
	Nature of adjustments	(Yes - 1, No -2)	If yes in previous column the member number from block 2	
7.5.1	Taken up a new job / employment / position			
7.5.2	Begun seeking employment			
7.5.3	Taken up a second or third job			
7.5.4	Taken up part-time work (partial employment in addition to full-time work			
7.5.5	Taken up over time work in the present work			
7.5.6	Begun working from home (tuition, sewing and other activities)			
7.5.7	Others specify			

Block 8 : Psychological impact: Assessing anxiety and stress among Emigrant Households			
	Indicators	1 Yes 2 No	
8.1	Did you feel confident that the household (emigrant and non-emigrant members inclusive) would be able to weather the financial crisis?		
8.2	Did you feel unsure of whether you may be able or been unable to meet monthly financial commitments and/or regular household expenditure?		
8.3	Do you worry that the emigrant member/s of the household are about to lose their jobs/forced to leave?		
8.4	If the emigrant member/s of the household did return to the HH, do you think it will be difficult for the household to manage its financial affairs?		
8.5	Do you know if there have been any changes in the status of the emigrant/s' health in the country of destination since January 2009?		
8.6	If yes to Item 8.5, what type of problem has been reported		
	Problems	(Reported -1, Not reported - 2	Emigrant code from block 3
8.6.1	High Blood Pressure		
8.6.2	Cardiovascular Conditions		
8.6.3	Anxiety/Depression		
8.6.4	Gastrointestinal Conditions ( peptic ulcer , irritable bowel, stomach pain etc)		
8.6.5	Weight Loss		
8.6.6	Asthma		
8.6.7	Arthritis		
8.6.8	Nausea		
8.6.9	Psoriasis/Urticaria		
8.6.10	Exhaustion/Fatigue		
8.6.11	Chest Pains		
8.6.12	Headaches		
8.6.13	Palpitations		
8.6.14	Tremors		
8.6.15	Breathlessness		
8.6.16	Sleeplessness		
8.6.17	Others, Specify,...		



<b>Block 9. Financial autonomy and the crisis (Only for women and girls resident in the household)</b>					
9.1	Report average number of hours worked and average earnings for each of the female working members aged 15 to 49 years of the household				
	<b>Member number from block 2</b>	<b>Hours / week of work in 2008</b>	<b>Hours / week of work in 2009</b>	<b>Who decides as to how your money is Spent? ( Self -1, Part by me and part by other male members of the household – 2, all by other male members of the household – 3, head of household – 4, No response – 5)</b>	
				<b>2008</b>	<b>2009</b>
9.1.1					
9.1.2					
9.1.3					
9.1.4					
9.1.5					
9.2	Did any female members of this household report have any chronic, general or acute medical condition/s since January 2009? ( Yes -1, No – 2, Not applicable – 3)				
9.3	If yes to item 9.2 what conditions they reported				
	<b>Conditions</b>	<b>(Reported -1, Not reported – 2)</b>		<b>Member code from block 2</b>	
9.3.1	Aches/Pains/Myalgia				
9.3.2	High Blood Pressure				
9.3.3	Cardiovascular Conditions				
9.3.4	Anxiety/Depression				
9.3.5	Gastrointestinal Conditions				
9.3.6	Fevers				
9.3.7	Gynaecological Conditions				
9.3.8	Acute or Chronic Infections				
9.3.9	Pregnancy/Childbirth Related				
9.3.10	Chronic Conditions				
9.3.11	Dermatological Conditions				
9.3.12	Others, Specify				
9.4	If reported for any item in 9.3 did they receive timely diagnosis and Treatment ( Yes -1, No -2, Not applicable – 3)				
9.5	If no to 9.4, is it due to financial crisis (1 yes 2 No)				
9.6	If any of the non-working household members taken job to supplement the family income due to financial crisis? 1 yes 2 No				
9.7	If yes, 1 Male Member 2 Female member				
<b>Block 10 Remarks of the Field team</b>					
<b>Investigator</b>			<b>Supervisor</b>		

## APPENDIX III

Schedule Serial Number	
------------------------	--

## SOUTH ASIAN RETURN EMIGRANT SURVEY, 2009

(Please read the notes and definitions before filling up the schedule)

This survey is to be canvassed among migrants who lost jobs and returned due to the financial crisis from the six Gulf countries during the last few months in particular since October 2008. The survey elicits information regarding the migration profile, change in earning, employment and working conditions, coping and mitigation strategies of their household.

Country				
Nepal	Sri Lanka	Bangladesh	Pakistan	India

<b>Block 1. Profile of the Return emigrant</b>	
<b>Sl. No.</b>	<b>Basic particulars</b>
<b>1.1</b>	<b>Name</b>
<b>1.2</b>	<b>Age ( in completed years)</b>
<b>1.3</b>	<b>Sex ( male -1, female --2)</b>
<b>1.4</b>	<b>Religion ( Hindu - 1, Muslim - 2, Christian - 3, Budhist- 4, Sikh - 5, Others - 9)</b>
<b>1.5</b>	<b>Caste ( SC -1, ST - 2, Backward communities - 3, General - 4)</b>
<b>1.6</b>	<b>General education status ( Illiterate - 1, Literate without school education -2, Below primary -3, Primary completed -4, Upper primary completed - 5, secondary completed - 6, Higher secondary / pre university completed - 7, Graduation completed - 8, Post graduation completed - 9, Others 10)</b>
<b>1.7</b>	<b>Technical education ( describe)</b>
<b>1.8</b>	<b>Skills if any ( describe )</b>
<b>1.9</b>	<b>Marital status ( never married - 1, currently married - 2, divorced - 3, widowed - 4, separated - 5)</b>
<b>1.10</b>	<b>Number of children (Male and Female separately)</b>
<b>1.11</b>	<b>Household size</b>
	<b>M= F=</b>

Block 2. Profile of normal resident members of the household including the return emigrant									
2.1	2.2	2.3	2.4	2.5	2009		2.7	2.8	2.9
Mem ber No.	Name	Age	Sex	Relation ship with RE/M	Employment status	Average monthly earnings	Employment status	Average monthly earnings	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

Col 2.4 – Sex : male -1, female – 2.

Col 2.5 – Relationship code: Self – 1, Partner/Spouse – 2, Daughter – 3, Son – 4, Daughter in law – 5,  
Son in law – 6, Grand child – 7, Mother – 8, Father – 9, Mother in law – 10,  
Father in law – 11, Grand parent – 12, Other relatives – 13, Adopted / foster child – 14,  
Domestic servant – 15, Lodger – 16, Friend – 17, Others - 18

Col 2.6 and 2.8 -Employment status: Self employed – 1, Regular salary / wage paid employment -- 2,  
Casual wage labor – 3, Unemployed – 4, Others – 5.

Block 3. Migration Profile of the Return Emigrant						
		Migration Episode				
		First	Second	Third	Fourth	Latest
3.1	Month and year of migration					
3.2	Country to which migrated					
3.3	Duration of stay ( in months)					
3.4	Channels of migration (in code)					
3.5	Visa type (in code)					
3.6	Period of unemployment (in months)					
3.7	Month and year of return					
3.8	Month and year of re -- emigration to another country with out return					

**Item 3.4 – Channels of migration:** Relatives and friends - 1, Labor contractor – 2,

Recruiting agent – 3, Employer in host country – 4, Others – 6.

**Item 3.5 – Visa Type:** Contract visa -1, Student visa – 2, Tourist visa – 3, Free visa – 4, Other types – 5

Block 4. General particulars about the household		
4.1	Type of dwelling unit ( report number of rooms)	
4.2	Type of walls ( Mud and other similar materials -1, Brick -2, Stone -3, Wood -4, Others -9)	
4.3	Type of floor ( Mud and other similar materials --1, Cement -2, Mosaic -3, Floor Tiles -4, Wood -5, Others -9)	
4.4	Type of roof (Leaves and other similar materials -1, Metal sheets -2, Roof tiles -3, Wood -4, Concrete -5, Others -9)	
4.5	Electrified (Yes -1, No -2)	
4.6	Major source of drinking water ( Piped water inside premises -1, Own well / tube well -2, Public tap -3, Public well / tube well -4, Spring / river / stream etc -5, Water vendor -6, Others -9)	
4.7	Major source of fuels used for cooking ( Coal / charcoal -1, Firewood -2, Kerosene -3, LPG -4, electricity -5, Others -9)	
4.8.	Does the household own any of the following?)	
	( Yes -1, No -2)	If yes when acquired ( last 6 months -1, 6 to 12 months -2, More than 12 months -3)
4.8.1	Land	
4.8.2	House / Building	
4.8.3	Motor Car	
4.8.4	Bike / Scooter for own use	
4.8.5	Taxi / Truck / Lorry / Auto Rickshaw	
4.8.6	Refrigerator	
4.8.7	Television	
4.8.8	VCR /DVD / MP3 player / Music systems	
4.8.9	Land phone	
4.8.10	Personal Computer / Laptop	
4.8.11	Cable connection	
4.8.12	Mobile phone	

<b>Block 5 Employment, emoluments and other relevant particulars of Return Emigrants</b>						
5.1	5.2	5.3	5.4	5.5	5.6	5.7
Status code	Particulars	Employment status (use code for column 2.6)	Type of employment (regular - 1, on contract - 2, casual - 3, others -9)	Main Occupation Describe	Main Industry (code)	Mode of payment (monthly - 1, weekly - 2, daily - 3, others - 9)
1	Present status					
2	One month after return					
3	Two weeks prior to return					
4	Six months prior to return					
5	More than six months and less than one year prior to return					

**Column 5.6 - Industry :** Agriculture and allied (hunting, forestry, fishing) - 1, Mining and quarrying - 2, Manufacturing - 3; Electricity, gas and water supply - 4; Construction - 5; Wholesale and retail trade - 6; Repair of motor vehicles, motorcycles and personal and household goods - 7; Hotels and restaurants - 8; Transport, storage and communications - 8; Financial intermediation - 9; Real estate, renting and business activities - 10; Public administration and defense; compulsory social security - 11; Education, Health and social work Other community and social work - 12, Personal service activities 13; Others - 14.

Block 5 Employment, emoluments and other relevant particulars of Return Emigrants (contd..)						
5.1	5.2	5.8	5.9	5.10	5.11	5.12
Status code	Particulars	First Subsidiary Occupation Describe	First subsidiary Industry (code)	Second subsidiary Occupation Describe	Second subsidiary Industry (code)	How many times did you change your employer prior to your return (Never - 1, Once - 2, Twice - 3, Four times - 4, above 5 times - 6)
1	Present status					*****
2	One month after return					*****
3	Two weeks prior to return					*****
4	Six months prior to return					
5	More than six months and less than one year prior to return					



Block 5 Employment, emoluments and other relevant particulars of Return Emigrants (contd..)					
5.1	5.2	5.13	5.14	5.15	5.16
Status code	Particulars	Average monthly earnings (above US \$ 3000 -1, US \$ 2000 to 3000 -2, US \$ 1000 to 2000 -3, US \$ 500 to 1000 -4, < US \$ 500 -5, No salary -6	Average monthly remittance to household (US \$)	How long were you unemployed? (in days)	How did you cope up with period of unemployment? (Lived on past savings -1, Borrowed to stay on -2, Depended on other earning members of the household -3, Government extended support -4, Other means, specify -9)
1	Present status				
2	One month after return				
3	Two weeks prior to return				
4	Six months prior to return				
5	More than six months and less than one year prior to return				

5.18	<b>Report the reasons for providing economic support to household at home country while you were abroad. (Examine the following and indicate ranks with Rank 1 for the Most Important and Rank 9 for the Least Important)</b>		
5.18.1	Day to day household expenses		
5.18.2	Education of household members		
5.18.3	Health / medical expenses		
5.18.4	Savings to construct a house		
5.18.5	Savings for future but not specifically earmarking a purpose		
5.18.6	Investment in business / share / mutual funds / gold etc		
5.18.7	Pay off debts		
5.18.8	Pay off debts incurred by REM for migration		
5.18.9	Pay off debts incurred by REM for purposes other than migration		
	<b>Average monthly household expenditure and other disbursements ( US \$)</b>	<b>5.19 Before return of the REM</b>	<b>5.20 After the return of REM</b>
Ex1	Food expenses		
Ex2	Education		
Ex3	Clothing and footwear		
Ex4	Fuel and light		
Ex5	Rent and taxes		
Ex6	Electricity and water		
Ex7	Transport		
Ex8	Entertainment		
Ex9	Savings of any form		
Ex10	Debt repayment		
Ex11	Construction of house etc		
Ex12	Any other expenses not classified above		

<b>Block 6 : Reasons for return and other probing issues</b>		<b>(Report Yes-1, No-2)</b>
<b>Reasons for return</b>		
<b>6.1 For those who were self employed for two weeks prior to return</b>		
6.1.1	Was not able to get sufficient business	
6.1.2	Business did not reduce really but clients were not ready to pay for the services at the same levels earlier	
6.1.3	Defaults and deferred payments had increased substantially	
6.1.4	Tried to Migrate to another country but failed	
6.1.5	None of these have not occurred till now but expected this to occur	
6.1.6	Any other reason, specify	
<b>6.2 For those who were on regular salary or wage paid employment or casual wage laborers for two weeks prior to return</b>		
6.2.1	Current Contract got over	
6.2.2	The Current employer terminated the Contract	
6.2.3	The employer enforced a leave	
6.2.4	Current Employer reduced wages/salary	
6.2.5	Current Employer changed the contract of job (working and living conditions , perks, benefits, timing of work etc)	
6.2.6	Current Employer shifted you from one occupation/industry to another	
6.2.7	Retired from Job	
6.2.7	Voluntarily Resigned from Job to take up another job at home country	
6.2.8	Voluntarily Resigned from Job to take up job in another country other than the home country	
6.2.9	Tried to Migrate to another country but failed	
6.2.10	None of the have occurred till now but expected any or all the above to occur	
6.2.11	Any other reason, specify	

<b>6.3 For those who were unemployed two weeks prior to return</b>	
6.3.1	Did not expect to get any job in the near future
6.3.2	Expected to get some job in the near future, but with a lesser salary than expected
6.3.3	Expected to get some job in the near future, not the preferred occupation/industry
6.3.4	Expected to get some job in the near future, but you may not get your preferred period of appointment/ type of employment contract
6.3.5	Tried to Migrate to another country but failed
6.3.6	Any other reason, specify
<b>6.4 For those who are unemployed at present</b>	
6.4.1	Are you planning to take up any job in the home country y?
6.4.2	Do you plan to migrate to another country?
6.4.3	Do you expect to get a job of your choice in the near future in your home country?
<b>6.5 For those who are presently neither working nor unemployed or available for work : you are not in labor force because</b>	
6.5.1	Student
6.5.2	Taking care of domestic needs
6.5.3	Too old to take up employment
6.5.4	Unsound /Incapacitated (ill-health)

6.5.5	Retired from work and does not want to take up employment
6.5.6	Resigned job (but did not earn enough) and does not plan to work
6.6	Since the financial crisis did you think you needed to start looking for a job lately? (Yes -1, No -2)

<b>Block 7 : Adaptation and Coping Mechanisms</b>					
7.1. Have you taken a loan through regular or irregular channels to supplement your household income since return? ( Yes -1, No -2, Not applicable 3)					
7.2 If yes to item 7.1 then					
Item No.	Source	Report (Yes -1, No -2)	Item No	Purpose	Report (Yes -1, No -2)
7.2.1	Government		7.2.8	Routine Household Expenses	
7.2.2	Co-operatives		7.2.9	Education	
7.2.3	Commercial Bank		7.2.10	Medical Expenses	
7.2.4	Professional Money Lenders		7.2.11	Meeting Financial Commitments (Mortgage, Loan payments)	
7.2.5	Insurance/PF		7.2.12	Life Course Expenses	
7.2.6	Relatives or Friends		7.2.13	Other purposes, specify	
7.2.7	Other sources, specify				

7.3 Has any of the following events occurred in the household since return?			
Event No.	Event	(Yes -1, No -2)	Event occurred due to financial crisis? (Yes -1, No -2)
7.3.1	The household has shifted residence		7.3.8
7.3.2	Any children in dropped out /moved school /college		7.3.9
7.3.3	Postponement /cancellation of a life course event		7.3.10
7.3.4	Postponement/cancellation of a trip/vacation by non-emigrant members		7.3.11
7.3.5	Postponement/cancellation of routine medical checkups for any of the HH		7.3.12
7.3.6	Postponement/cancellation of medical treatment for any of the HH		7.3.13
7.3.7	Postponement/cancellation of the proposed emigration by an HH member		7.3.14

**7.4** Do any members of the household own any of the following assets and have they sold /pawnd off any assets supplement household income or to meet financial commitments since return?

Asset No.	Type of asset	Ownership of asset ( owned by REM -1, Owned by female member of the household 2, owned by REM with others - 3, Owned by others -4, Not owned - 5)	Status no.	Status of assets (Sold -1, Pawnd - 2, Kept in tact -3)
7.4.1	Savings (Bank deposits etc)		7.4.10	
7.4.2	Land		7.4.11	
7.4.3	House		7.4.12	
7.4.4	Company / Business		7.4.13	
7.4.5	Livestock (Cattle, Poultry)		7.4.14	
7.4.6	Consumer Durables (TV, household furniture)		7.4.15	
7.4.7	Jewellery, gold,		7.4.16	
7.4.8	Vehicle (Car, bike, etc)		7.4.17	
7.4.9	Other property, specify		7.4.18	

**8.0** While you were in abroad, what instrument you mostly use to transfer remittances?  
 1 Electronic wires/Swift, 2 Bank Drafts 3 Bank Cheques 4 Debit/Credit Cards 5 Money Orders 6 Direct Transfer to bank account 8 Western Union/Money gram 9 friends and relatives 10 Other methods

8.1: How much days/hours, your family member receives remittances? ----

8.2 How much you paid for transferring remittances to your home country? (in US \$ for every 100 US \$)

8.3 Were you ever been cheated while transferring remittances? 1 Yes 2 No

<b>Block 8. Remarks of Filed Team</b>	
<b>Investigator</b>	<b>Supervisor</b>



## Bibliography

- Abed, George.T. 2003. Unfulfilled Promise- Why the Middle East and North Africa region has lagged in growth and globalization. *Finance and Development*, 40(1), pp. 1-11.
- Asian Development Bank, Various issues.
- Al-Yousif, Yousif Khalifa. 1997. Exports and economic growth: Some empirical evidence from the Arab Gulf Countries. *Applied Economics*, 29, pp. 693-697.
- Arayssi, Mahmoud. 2008. Pegging to the Dollar and the Feasibility of the Proposed Currency Area in the GCC. *International Review of Business Research Papers*, 4(5), October – November 2008, pp. 74-86.
- Asian Economic Monitor, Asian Development Bank, Various issues.
- Awad, Ibrahim. 2009. The Global Economic Crisis and Migrant Workers: Impact and Response, International Labour Office, Geneva.
- Behrendt, Sven. 2009. Gulf Arab SWFs-Managing Wealth in Turbulent Times. *Policy Outlook*, Carnegie Endowment for International Peace.
- Centre for Development Studies. 2008. Global Financial Crisis and Kerala Economy: Impact and Mitigation Measures. Report submitted to the Government of Kerala.
- Das, Dilip. K. 2008. Sovereign-Wealth Funds: Assuaging the Exaggerated Anguish about the new Global Financial Players, *Global Economy Journal*, 8(4/5), pp. 1-17.
- Economic and Social Commission for Western Asia (ESCWA). 2008. *Foreign Direct Investment Report E/Escwa/Edgd/2008/Technical Paper.1* 3 September, UN, New York.
- Economic Intelligence Unit. 2009. Country Report: Bahrain, United Kingdom, September.

- Economic Intelligence Unit. 2009. Country Report: Saudi Arabia, United Kingdom, September.
- Economic Intelligence Unit. 2009. Country Report: Sri Lanka, United Kingdom, October.
- Economic Intelligence Unit. 2009. Country Report: Qatar, United Kingdom, October.
- Economic Intelligence Unit. 2009. Country Report: India, United Kingdom, October.
- Economic Intelligence Unit. 2009. Country Report: Nepal, United Kingdom, August.
- Economic Intelligence Unit. 2009. Country Report: Pakistan, United Kingdom, October.
- Economic Intelligence Unit. 2009. Country Report: Bangladesh, United Kingdom, September.
- Economic Intelligence Unit. 2009. Country Report: Malaysia, United Kingdom, October.
- Economic Intelligence Unit. 2009. Country Report: Oman, United Kingdom, September.
- Economic Intelligence Unit. 2009. Country Report: United Arab Emirates, United Kingdom, September.
- Elekdag, Selim. 2009. Financial Stress. *IMF Research*, 10(2), pp. 1- 3.
- Evenelt, Simon J., ed. 2009. Broken Promises: A G-20 Summit Report by Global Trade Alert, Centre for Economic Policy Research, London.
- Fargues, Philippe. 2008. Emerging Demographic Patterns Across the Mediterranean and their Implications for Migration Through 2030. *Transatlantic Council on Migration: A Project of the Migration Policy Institute*, November.

- Farrell, Diana; Lund, Susan. 2007. The world's new financial power brokers. *Economic Studies*, The McKinsey Quarterly, December.
- Fix, Michael; Papademetriou, Demetrios G.; Batalova, Jeanne; Terrazas, Aaron; Lin, Serena Yi-Ying; Mittelstadt, Michelle. 2009. Migration and the Global Recession - a Report Commissioned by the BBC World Service. *Migration Policy Institute*, September.
- Gaiy, A. H; Worthington A. C. 2007: A Primer on Islamic Finance: Definitions, Sources, Principles and Methods. Faculty of Commerce - Papers, University of Wollongong.
- Gulf Cooperation Council Credit Survey. 2009. How the Region is Weathering the Storm. Standard & Poor's, June.
- Gulftalent.com. 2009. 'Recession and Employment in the Gulf' accessed on 15 November, 2009.
- Hasan, Maher; Alogeel, Hesham. 2008. Understanding the Inflationary Process in the GCC Region: The Case of Saudi Arabia and Kuwait. *International Monetary Fund working Paper*, WP/08/193.
- <http://www.gulfbase.com/site/interface/News Archive Details. aspx?n=110724> accessed on 14 November, 2009.
- <http://www.opec.org/library/worldoiloutlook/pdf/woo2009.pdf> accessed on 26 September, 2009.
- <http://www.opec.org/library/AnnualStatisticalBulletin/PDF/ASB2008.pdf> accessed on 26 September 2009.
- India: A Critical Assessment. 2009. Report submitted to the International Labour Organization, Thailand and Ministry of Overseas Indian Affairs, Government of India, New Delhi
- International Monetary Fund. 2009a. Regional Economic Outlook: Middle East and Central Asia. Washington, D.C.
- International Monetary Fund. 2009b. World Economic and Financial Surveys: World Economic Outlook, Crisis and Recovery. Washington, D.C.

- International Monetary Fund. 2009 Country and Regional Perspectives. Chapter 2, pp.63-96.
- Irudaya Rajan, S. 2004. From Kerala to the Gulf: Impacts of Labour Migration. *Asia Pacific Migration Journal*, 13(4), pp. 497-509.
- Irudaya Rajan, S. 2006. Remittances. In Lal, Brij V., Ed., *the Encyclopedia of the Indian Diaspora*. Editions Didier Millet. Singapore/Paris, pp. 75-77.
- Irudaya Rajan, S and Nair, Gopinathan P. R. 2006. Saudi Arabia, Oman and the Gulf States. In Lal, Brij V., Ed. *the Encyclopedia of the Indian Diaspora*. Editions Didier Millet. Singapore/Paris, pp. 222-233.
- Irudaya Rajan, S and Prabha, Remya G. 2008. India - *Asia Pacific Migration Journal*. 17(3/4), pp.277-86.
- Irudaya Rajan, S, Varghese, V. J and Jayakumar, M. S. 2009. Overseas Recruitment in India: Structures, Practices and Remedies. *Working Paper No. 421*, Centre for Development Studies, Thiruvananthapuram.
- Irudaya Rajan, S and Prakash B. A. 2009. *Migration and Development Linkages Re-Examined in the Context of the Global Economic Crisis*. Invited paper for the Civil Society Days of the 3<sup>rd</sup> Global Forum on Migration and Development, 2-3 November, Athens.
- Irudaya Rajan, S and Varghese, V.J and Jayakumar, M.S. 2010. Dreaming Mobility and Buying Vulnerability: Overseas Recruitment Practices and its Discontents in India. Routledge India (forthcoming).
- Irudaya Rajan, S and Sunitha Sukendran. 2010. Understanding Female Emigration: Experience of Housemaids. Chapter 8, Pp. 182-195 in S Irudaya Rajan (ed). *Governance and Labour Migration: India Migration Report 2010*. Routledge, New Delhi.
- Irudaya Rajan S and K C Zachariah. 2010a. Kerala Emigrants in the Gulf. Chapter 4, Pp.19-23 in *Migration and the Gulf. View Points of the Middle East Institute*, Washington. USA.

- Irudaya Rajan S and K C Zachariah. 2010b. Remittances to Kerala: Impact on Economy. Chapter 10, Pp.42-45 in Migration and the Gulf. Viewpoints of the Middle East Institute, Washington. USA.
- James, William. E; Park, Donghyun; Jha, Shikha; Jongwanich, Juthathip; Terada-Hagiwara, Akiko; Sumulong, Lea. 2008. The US Financial Crisis, Global Financial Turmoil, and Developing Asia: Is the Era of High Growth at an end? *ADB Economics Working Paper series no.139*.
- Jones, Stephany Griffith; Ocampo, Jose Antonio. 2008. Sovereign Wealth Funds: A Developing Country Perspective. Initiative for Policy Dialogue, Columbia University.
- Kapiszewski, Andrzej. 2006. Arab versus Asian migrant workers In the GCC countries, UN Expert Group Meeting on International Migration and Development in the Arab region, UN/POP/EGM/2006/02.
- Khadria, Binod. 2006. India: Skilled Migration to Developed Countries, Labour Migration to the Gulf. *Asian Research Institute*, Singapore.
- Kuwait: Statistical Appendix. 2008. International Monetary Fund Country Report No. 08/192, June.
- Lal, Brij V., Ed. 2006. The Encyclopedia of the Indian Diaspora. Editions Didier Millet. Singapore/Paris
- Mahmood, Rafel. 2009. Islamic Governance, Capital Structure, and Equity Finance: Examining the Possibilities of American Financial Shari'ah Boards. *Working Paper, Cornell Law School*.
- Maloney, Suzanne. 2009. The Gulf's Renewed Oil Wealth: Getting it Right This Time? *Survival*, 50(6), pp.129- 150.
- Martin, Philip. 2009. The Recession and Migration: Alternative Scenarios. Working Paper no. 13, International Migration Institute.

- Milesi-Ferretti, Gian Maria. 2009. Challenging Fortunes. Finance and Development, pp. 20-22, March.
- Ministry of Overseas Indian Affairs. 2009. Annual Report 2008-09. Government of India, New Delhi.
- Nanto, Dick K. 2009. The Global Financial Crisis: Analysis and Policy Implications. Congressional Research Service 7-5700, RL34742, CRS Report for Congress, July 10.
- Organisation of Petroleum Exporting Countries (OPEC). 2009. *Monthly Oil Price Market Report*, September.
- Papazian, Armen. V. 2009. Introducing Islamic Monetization. 15/02/2009, Work in Progress.
- Pradhan, S. 2009. Economic Recession and the Middle East' World Trade: Recent policy trends and implications. In Evenelt, Simon J., ed., Broken Promises: A G-20.
- Shah, Nasra. M. 2009. Trends and Policies for Contract Worker Mobility of Asian to the Gulf Cooperation Council Countries. Paper for presentation at the 2009 IUSSP conference in Marrakech, Morocco, September 27-October 2, Session 603 on International Migration organized by Ayman Zohry.
- Summit Report by global trade alert. Centre for Economic Policy Research, London. Pp.189-195.
- Qatar: Statistical Appendix. 2009. International Monetary Fund Country Report No. 09/32, January.
- Ratha, Dilip; Mohapatra, Sanket; Xu, Zhimei. 2008. Outlook for Remittance Flows 2008-2010: Growth Expected to Moderate Significantly, but Flows to Remain Resilient. Migration and Development Brief, Migration and Remittances Team, Development Prospects Group, the World Bank, November 11.

- Ratha, Dilip; Mohapatra, Sanket; Silwal, Ani .2009. Outlook for Remittance Flows 2009-2011: Remittances expected to fall by 7-10 per cent in 2009. Migration and Development Brief 10, World Bank. July.
- Rauch, James. E; Kostyshak, Scott. 2009. The Three Arab Worlds. *Journal of Economic Perspectives*, 23(3), pp. 165-188.
- Saudi Arabian Monetary Agency. 2009. Fifth Annual Report-The Latest Economic Developments, 1430H (2009G).
- Setser, Brad; Ziemba Rachel. 2009. GCC Sovereign Funds-Reversal of Fortune. Working paper, Council on Foreign Relations - Centre for Geoeconomic Studies, January.
- Smith, Pamela Ann. 2008. GCC Foreign Wealth Rises to \$2 trillion, *Middle East*. No. 388, p.37, April.
- Taattolo, Givonni. 2006. Arab Labor Migration to The GCC States, Project on Arab Labour Migration.
- Tabutin, Dominique; Schumaker, Bruno. 2005. The Demography of the Arab World and the Middle East from the 1950s to the 2000s. *Population*, 60(5/6), pp. 505-591, 593-615.
- The UAE Business Forecast Report. 2009. Business Monitor International Ltd.
- Tong, Hui. 2009. The Real Effects of the 2007-08 Financial Crisis. *IMF Research*, 10(2), pp. 1, 4- 5, June.
- United Arab Emirates – Dubai International Financial Centre: Financial Sector Assessment Program – Detailed Assessment of Observance of Iosco Objectives and Principles of Securities Regulation. 2007. *International Monetary Fund Country Report No. 07/365*, November.
- United Arab Emirates: Financial System Stability Assessment. 2007. *International Monetary Fund Country Report No. 07/357*, October

- United Arab Emirates Ministry of Economy. 2006. Preliminary Results of Population, Housing and Establishments Census 2005 - United Arab Emirates.
- United Arab Emirates: Statistical Appendix. 2009. *International Monetary Fund Country Report No. 09/120*, April.
- United Nations. 2009. International Migration 2009. Department of Economic and Social Affairs, Population Division, New York.
- United Nations Conference on Trade and Development. 2009. *World Investment Report*. Transnational Corporations, Agricultural Production and Development.
- United Nations Development Programme. 2009. *Human Development Report 2009*. UNDP. New York.
- Weiss, Martin. A. 2008. Sovereign Wealth Funds: Background and Policy Issues for Congress. *CRS Report for Congress*. Updated September 3, 2008.
- Woertz, Eckart; Pradhan, Samir; Biberovic, Nermina; Koch, Christian. 2008. Food Inflation in the GCC Countries. *GRC Report*, May.
- Woertz, Eckart. 2008. Impact of the Us Financial Crisis on GCC Countries. *GRC Report*.
- World Bank. 2008. Migration and Development Brief 8. Outlook for Remittance Flows 2008-2010: Growth expected to moderate significantly, but flows to remain resilient. Washington.
- World Bank. 2009. Doing Business 2010 – Overview.
- World Bank. 2009a. Migration and Development Brief 9. Revised Outlook for Remittance Flows 2009-2011: Remittances expected to fall by 5 to 8 percent in 2009. Washington.
- World Bank. 2009b. Migration and Development Brief 11. Migration and Remittance Trends 2009: A better-than-expected outcome so far, but significant risks ahead. Washington.



World Economic Outlook database.

Yatim, Mohd Nasir bin Mohd. 2009. Sukuk (Islamic Bond): A Crucial Financial Instrument for Securitisation of Debt for the Debt-holders in Shari'ah-Complaint Capital Market. *International Journal of Business and Management*, 4(10), pp. 166-172.

Zachariah, K.C; Kannan, K. P; S Irudaya Rajan S 2002. Kerala's Gulf Connection: CDS Studies on International Labour Migration from Kerala State in India. *Monograph Series*, Centre for Development Studies, Thiruvananthapuram.

Zachariah, K.C; Mathew, E. T; S Irudaya Rajan. 2003. Dynamics of migration in Kerala. Dimensions, Determinants and Consequences, Orient Longman Pvt Limited, Hyderabad.

Zachariah, K.C. B.A. Praksh and Irudaya Rajan. S. 2003. The Impact of Immigration Policy on Indian Contract Migrants: The Case of the United Arab Emirates. *International Migration*, 41(4), pp. 161-172.

Zachariah, K. C; Prakash, B. A; S Irudaya Rajan. 2004. Indian Workers in UAE: Employment, Wages and Working Conditions. *Economic and Political Weekly*, 39(22), pp.2227-2234.

Zachariah, K.C; Nair, Gopinathan P. R; S Irudaya Rajan. 2006. Return Emigrants in Kerala: Welfare, Rehabilitation and Development. Manohar Publishers and Distributors, New Delhi.

Zachariah, K. C; S Irudaya Rajan. S. 2009. Migration and Development: The Kerala Experience. Daanish Publishers, New Delhi.

Zachariah, K.C; S Irudaya Rajan. 2009. Migration as a New Demographic Transition in Kerala's Development. Chapter 12, Page 221-238 in Gopal K Kadekodi and Brinda Viswanathan., eds., Agricultural Development. Rural Institutions and Economic Policy. Oxford University Press, New Delhi.

Zachariah, K C and S Irudaya Rajan. 2010. Stability in Kerala Migration: Results from the Kerala Migration Survey 2007. Chapter 4, Pp

- 85-112 in S Irudaya Rajan (ed). Governance and Labour Migration: India Migration Report 2010. Routledge, New Delhi.
- Zachariah, K.C; S Irudaya Rajan. 2010a. Migration Monitoring Study, 2008: Emigration and Remittances in the Context of Surge in Oil Prices. *Working Paper No. 424*, Centre for Development Studies, Thiruvananthapuram.
- Zachariah, K.C; S Irudaya Rajan. 2010b. Impact of the Global Recession on Migration and Remittances in Kerala: New Evidences from the Return Migration Survey (RMS) 2009. *Working Paper No. 432*, Centre for Development Studies, Thiruvananthapuram.
- Zakir Hussain. 2010. Immigration Policies of the GCC Countries: Implications and Responses. Chapter 5 in S Irudaya Rajan and Marie Percot (eds). 2010. Dynamics of Indian Migration: Historical and Current Perspectives. Routledge (forthcoming).

## PUBLICATIONS

For information on all publications, please visit the CDS Website: [www.cds.edu](http://www.cds.edu). The Working Paper Series was initiated in 1971. Working Papers from 279 can be downloaded from the site.

The Working Papers published after April 2007 are listed below:

- W.P. 435 ANUP KUMAR BHANDARI**, *Total Factor Productivity Growth and its Decomposition: An Assessment of the Indian Banking Sector in the True Liberalised Era*. August 2010
- W.P. 434 BEENA SARASWATHY**, *Cross-Border Mergers and Acquisitions in India: Extent, Nature and Structure*. July 2010
- W.P. 433 VIJAY KORRA**, *Nature and Characteristics of Seasonal Labour Migration: A Case Study in Mahabubnagar District of Andhra Pradesh*. July 2010
- W.P. 432 K.C. ZACHARIAH S. IRUDAYA RAJAN**, *Impact of the Global Recession on Migration and Remittances in Kerala: New Evidences from the Return Migration Survey (RMS) 2009*. June 2010.
- W.P. 431 GARGI SANATI**, *Integration of India's Financial Markets on the Domestic and International Fronts: An Empirical Analysis of the Post-Liberalisation Period*, June 2010.
- W.P. 430 SUNIL MANI**, *Has China and India Become more Innovative Since the onset of Reforms in the Two Countries?* May 2010.
- W.P. 429 T. R. DILIP**, *School Educational Attainment in Kerala: Trends And Differentials*. April 2010.
- W.P. 428 SUNIL MANI**, *The Flight from Defence to Civilian Space: Evolution of the Sectoral System of Innovation of India's Aerospace Industry*. April 2010.
- W.P. 427 J. DEVIKA, V. J. VARGHESE**, *To Survive or to Flourish? Minority Rights and Syrian Christian Community Assertions in 20<sup>th</sup> Century Travancore/Kerala*. April 2010.

- W.P. 426 ANUP KUMAR BHANDARI**, *Global Crisis, Environmental Volatility and Expansion of the Indian Leather Industry*. March 2010.
- W.P. 425 P L. BEENA, HRUSHIKESH MALLICK**, *Exchange Rate and Export Behaviour of Indian Textiles & Clothing Sector: An Enquiry for Major Destination Countries*. March 2010.
- W.P. 424 K. C. ZACHARIAH, S. IRUDAYA RAJAN**, *Migration Monitoring Study, 2008 Emigration and Remittances in the Context of Surge in Oil Prices*. March 2010.
- W.P. 423 VIJAYAMOHANAN PILLAI N**, *Loss of Load Probability of a Power System: Kerala*. February 2010.
- W.P. 422 JAYASEKHAR S, C. NALIN KUMAR**, *Compliance, Competitiveness and Market Access: A Study on Indian Seafood Industry*. February 2010.
- W.P. 421 S. IRUDAYA RAJAN, V.J. VARGHESE, M.S. JAYAKUMAR** *Overseas Recruitment in India: Structures, Practices and Remedies*. December 2009.
- W.P. 420 V.J. VARGHESE**, *Land, Labour and Migrations: Understanding Kerala's Economic Modernity*, December 2009.
- W.P. 419 R. MOHAN, D. SHYJAN** *Tax Devolution and Grant Distribution to States in India Analysis and Roadmap for Alternatives*, December 2009.
- W.P. 418 WILLIAM JOE & U. S. MISHRA** *Household Out-of-Pocket Healthcare Expenditure in India Levels, Patterns and Policy Concerns*, October 2009.
- W.P. 417 NEETHI P** *Globalisation Lived Locally: New Forms of Control, Conflict and Response Among Labour in Kerala, Examined Through a Labour Geography Lens*. October 2009.
- W.P. 416 SUNIL MANI** *High skilled migration from India, An analysis of its economic implications*, September 2009.
- W.P. 415 SUNIL MANI** *Has India Become more Innovative Since 1991? Analysis of the Evidence and Some Disquieting Features*, September 2009.

- W.P. 414 WILLIAM JOE, PRIYAJIT SAMAIYAR, U. S. MISHRA** *Migration and Urban Poverty in India Some Preliminary Observations*, September 2009.
- W.P. 413 K. N. NAIR, T.P. SREEDHARAN, M. ANOOPKUMAR,** *A Study of National Rural Employment Guarantee Programme in Three Grama Panchayats of Kasaragod District*, August 2009
- W.P. 412 B.S. SURAN, D. NARAYANA,** *The Deluge of Debt: Understanding the Financial Needs of Poor Households*. July 2009
- W.P. 411 K. NAVANEETHAM, M. KABIR, C.S. KRISHNAKUMAR** *Morbidity Patterns in Kerala: Levels and Determinants*. April 2009.
- W.P. 410 ARINDAM BANERJEE,** *Peasant Classes, Farm Incomes and Rural Indebtedness: An Analysis of Household Production Data from two States*. March 2009.
- W.P. 409 SUNIL MANI,** *The Growth of Knowledge-intensive Entrepreneurship in India, 1991-2007 Analysis of its Evidence and the Facilitating Factors*. February, 2009
- W.P. 408 M. S. HARILAL,** *Home to Market: Responses, Resurgence and Transformation of Ayurveda from 1830s to 1920*. November 2008
- W.P. 407 HRUSHIKESH MALLICK,** *Do Remittances Impact the Economy ? Some Empirical Evidences from a Developing Economy*. October 2008.
- W.P. 406 K.C.ZACHARIAH, S.IRUDAYA RAJAN,** *Costs of Basic Services in Kerala, 2007, Education, Health, Childbirth and Finance (Loans)* September 2008.
- W.P. 405 SUNIL MANI** *Financing of industrial innovations in India How effective are tax incentives for R&D?* August 2008.
- W.P. 404 VINOJ ABRAHAM** *Employment Growth in Rural India: Distress Driven?* August 2008.
- W.P. 403 HRUSHIKESH MALLICK,** *Government Spending, Trade Openness and Economic Growth in India: A Time Series Analysis*. July 2008.

- W.P. 402 K. PUSHPANGADAN, G. MURUGAN,** *Dynamics of Rural Water Supply in Coastal Kerala: A Sustainable Development View*, June 2008
- W.P. 401 K. K. SUBRAHMANIAN, SYAMPRASAD,** *Rising Inequality With High Growth Isn't this Trend Worrisome? Analysis of Kerala Experience*, June 2008
- W.P. 400 T.R. DILIP,** *Role of Private Hospitals in Kerala: An Exploration*, June 2008
- W.P. 399 V. DHANYA,** *Liberalisation of Tropical Commodity Market and Adding-up Problem: A Bound Test Approach*, March 2008
- W.P. 398 P. MOHANAN PILLAI, N. SHANTA,** *ICT and Employment Promotion Among Poor Women: How can we Make it Happen? Some Reflections on Kerala's Experience*. February 2008.
- W.P. 397 K.N. NAIR, VINEETHA MENON,** *Distress Debt and Suicides among Agrarian Households: Findings from three Village Studies in Kerala*. December 2007
- W.P. 396 K.N. NAIR, C.P. VINOD, VINEETHA MENON,** *Agrarian Distress and Livelihood Strategies: A Study in Pulpalli Panchayat, Wayanad District, Kerala* December 2007
- W.P. 395 K.C. ZACHARIAH, S. IRUDAYA RAJAN,** *Migration, Remittances And Employment Short-term Trends and Long-term Implications*. December 2007
- W.P. 394 K.N. NAIR, ANTONY TO PAUL, VINEETHA MENON,** *Livelihood Risks and Coping strategies: A Case Study in the Agrarian Village of Cherumad, Kerala*. November 2007
- W.P. 393 S. IRUDAYA RAJAN, U.S. MISHRA,** *Managing Migration in the Philippines: Lessons for India*. November 2007.
- W.P. 392 K.N. NAIR, R. RAMAKUMAR** *Agrarian Distress and Rural Livelihoods, a Study in Upputhara Panchayat Idukki District, Kerala*. November 2007.

- W.P. 391 PULAPRE BALAKRISHNAN**, *Visible hand: Public policy and economic growth in the Nehru era*. November 2007.
- W.P. 390 SUNIL MANI**, *The Growth Performance of India's Telecommunications Services Industry, 1991-2006 Can it Lead to the Emergence of a Domestic Manufacturing Hub?* September 2007.
- W.P. 389 K. J. JOSEPH, VINOJ ABRAHAM**, *Information Technology and Productivity: Evidence from India's Manufacturing Sector*. September 2007.
- W.P. 388 HRUSHIKESH MALLICK**, *Does Energy Consumption Fuel Economic Growth In India?* September 2007.
- W.P. 387 D. SHYJAN**, *Public Investment and Agricultural Productivity: A State-wise Analysis of Foodgrains in India*. July 2007.
- W.P. 386 J. DEVIKA**, *'A People United in Development': Developmentalism in Modern Malayalee Identity*. June 2007.
- W.P. 385 M. PARAMESWARAN**, *International Trade, R&D Spillovers and Productivity: Evidence from Indian Manufacturing Industry*. June 2007.
- W.P. 384 K. C. ZACHARIAH, S. IRUDAYA RAJAN** *Economic and Social Dynamics of Migration in Kerala, 1999-2004 Analysis of Panel Data*. May 2007.
- W.P. 383 SAIKAT SINHA ROY** *Demand and Supply Factors in the Determination of India's Disaggregated Manufactured Exports : A Simultaneous Error-Correction Approach*. May 2007.