

## **The reverse migration opportunity**

The return of migrant labour to their homes need not be a disaster

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Every crisis presents an opportunity. The reverse migration of large numbers of semi-skilled and unskilled labour is an apparently unfortunate fallout of the current lockdown. This includes the abandoning of Indian labour in the Gulf states and elsewhere outside the country and, equally, the neglect of domestic migrant labour in the prosperous agricultural and manufacturing regions of northern and western India. The mystery of an impulsive government first ordering an abrupt lockdown and then forgetting about its most vulnerable citizens will be one for future debate by political analysts and historians. For now, a reverse migration has happened and continues with or without government support, mainly to the eastern belt of the country. The purpose of this article is to suggest that this reverse migration does not need to become an unmitigated disaster; indeed, it can be turned into an opportunity for the successful transformation of the countryside in the least developed parts of the country.

There are two key propositions in this idea. First, lakhs of migrants left home due to the high levels of landlessness and low returns to agriculture in their regions. They have returned home, many empty handed and overwhelmingly with shattered dreams. The pukka house with toilets, boundary walls and domestic water supply, improved grain storage facilities or better cattle sheds, desilted fish ponds, access to superior (private) health and education facilities for parents and children respectively, the taxi vehicle or tractor that would provide employment to siblings or offspring, capital for a grocery store or mechanic's workshop all of these have apparently vanished into the disastrous cloud of Covid-19 that envelops the earth. Significant levels of income have, at least for a few months if not years, disappeared with the lockdown in an attempt to save lives. If the economy is not to implode in a disastrous deflationary vortex, with its own cost in terms of lives, those incomes must be temporarily replaced by substantial public support; not the crumbs of poverty reduction funds promised so far, but rather large sums of money that will enable millions of low income families to feed and clothe themselves as the economy adjusts to the new reality.

Second, and following from the unemployment unleashed by the great reverse migration, work must be found for those who will not want to return to the prosperous cohort of employers who failed to support them in their time of need. Equally important, the government's concern that increased money supply will lead to runaway inflation and an outflow of international investor money due to a decline in the country's rating, needs to be addressed.

The answer is two-fold. In those parts of the country from where labour has drained out, particularly in agriculture, increased mechanisation and an increase in local wages leading to greater prosperity; but others have written about this. In the less productive eastern and central parts of the country we need a great mobilisation to employ the large labour force that has returned home. Programmes such as the Farmer Producer Organisations (FPOs),

MNREGA and other devices such as the Universal Services Obligation Fund (USOF) of the telecom sector can be brought together to undertake substantial rural investment. Thereby, low income families would be able to exchange labour – both unskilled and skilled labour of masons, carpenters, plumbers, electricians and so on – for wages to tide over the collapse in family incomes. The money could be poured into enhancing rural infrastructure – both public and private – through the improvement and enhancement of rural roads, school buildings, health centres, establishing drinking water supply units. This would be a great investment in the future.

More directly, agricultural infrastructure can be provided a substantial boost by supporting FPOs through NREGA and a combination of support programmes. FPOs could identify productive assets needed in their areas, including the building of warehouses, supporting the improvement of fish tanks for aquaculture – an important activity in the eastern parts of the country – investing in processing and transport to enable not only value addition to the production of foodgrains, vegetables, fruit and spices but also transport to markets. Another investment in the future would be the deployment of the unused amount in the USOF (currently in excess of ₹55,000 crore) for enabling the establishment of a fibre optic network to enable rural connectivity that would create a bright future for the next generation.

Needless to say all of this infrastructure would have its own multiplier effects, both short and long term, resulting in substantial employment and income generation in rural areas through an increase in retail outlets for agricultural input supply, for household needs and through the establishment of myriad service sector enterprises. These effects would also be felt in other parts of the country through an increased demand for inputs ranging from cement and steel, to long distance transport, to agricultural inputs and even consumer goods.

No doubt, an institutional mechanism needs to be in place for managing this new infrastructure. The existing FPOs already represent a kernel of such a framework for agricultural investments. Undoubtedly, village panchayats and SHGs created over the years under various programmes will also become more active once this last mile infrastructure starts to come on stream. Despite the cynicism of the sceptics a supreme effort in centre-state cooperation is called for to make a start in generating economic dynamism in eastern India. While the massive fiscal support necessary to revive the economy at this time represents an opportunity to inject energy into the rural economy in the east, a similar effort in pockets of other parts of the country where there is a particular need can also spread the benefits of the fiscal response to the current economic disruption.

India is known to make revolutionary changes in response to events of crisis; let this one too be such an event. A farsighted effort now to provide productive employment can turn the reverse migration disaster into an economic opportunity that creates a more prosperous rural economy for the country as a whole.

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