

## **The Rural-Urban Migration and Poverty Nexus: Informal Economy and Mobility of Labor and Overall Well-being of Migrants**

**Dr. Shahana Afrose Chowdhury, Center for Sustainable Development (CSD), University of Liberal Arts Bangladesh**

### **Introduction**

The relationship between poverty and development is a vital policy discourse, especially in South Asia. The goal of “The Migration-Poverty Nexus: Informal Economy, Mobility of Labor and Overall Well-being of Migrants in the Megalopolises” session is to explore the relationship between increasing rural-urban mobility of labor, accelerated expansion of informal sector activities in urban cities of growing economies and how that is associated with poverty and development of the country. With the advent and acceleration of the market economy and trade liberalization, the private sector along with the informal economy is rapidly expanding. The informal sector employs a large accelerated expansion of activities in urban cities of growing economies that is associated with poverty and development of the country. The migrant workers’ livelihoods and wellbeing in the megalopolises are crucial to sustainable urban development. The number of unskilled and semi-skilled workers and it has been increasing over the years and contributing to a rapid unplanned urbanization. Similar pattern is observed in most South Asian Countries. Rural-urban migration is considered to be an important and viable livelihood option or coping strategy to different kinds of income shocks for the poor people. Although the migrants are absorbed in the informal economy in the megalopolises, the mobility from rural areas to urban cities implies significant changes in their socio-economic conditions, occupational choices, skill sets, and overall wellbeing. Given that rural-urban mobility of labor is an integral part of the development process in the growing economies, it is imperative that we have a clear understanding of the causes and consequences of rapid urban growth so that effective policies can be devised to make it efficient, inclusive, and sustainable.

This policy brief summarizes the research papers presented at the session on “The Migration-Poverty Nexus: Informal Economy, Mobility of Labor and Overall Well-being of Migrants in the Megalopolises” held during the [5th CSD Annual Conference 2022](#) (13-15 October) at the University of Liberal Arts Bangladesh (ULAB), Dhaka. In the session, informal sector labor market, the role of existing labor regulation and social protection policies, living conditions of the migrant workers, and the scenario of the migrants and their livelihoods during the COVID-19 pandemic were discussed.

### **Key Messages**

- 1. The majority of the workforce, which is found largely in the unorganized, informal sections of the country's economy, is made up of migrant laborers from South Asia, notably from Bangladesh and India.**
- 2. Migrant workers who are unskilled or semi-skilled make up the largest group in our economy, but they are also the most easily replaceable.**
- 3. A vicious cycle of precarious work has been created by the synergy between informality and mobility.**
- 4. The social network structure of migrants is weaker than that of non-migrants, which makes it more difficult for them to integrate into the job market.**
- 5. It is necessary to re-evaluate the part played by current social protection, labor law, and policy in defending the workers' rights of rural-urban migrants.**

### **Informal economy and livelihood of migrants**

In urban centers, poor migrants from rural areas to cities frequently end up in slums.

- ❖ In 2018, the World Bank's collection of development indicators indicated that 47.2% of Bangladesh's urban population lived in slums.
- ❖ The majority of people moving into urban areas lack the education and skills necessary to work in a formal job in the city. Out of the 60.83 million employed workers nationwide, 85.1% are working in the unorganized sector, according to the Labor Force Survey (LFS) 2016–17. Compared to men (82.1%), women (91.8%) participate in more informal activities.
- ❖ The majority of economic migrants are young men, however this has recently altered substantially as more women are needed in Dhaka and other major cities to work in the ready-to-wear sectors.



Being ineligible for any social safety net programs, having fewer guarantees of long-term work and regular income than formal occupations.

- ❖ Migrants frequently experience issues with physical insecurity, poor housing, negative discrimination, and development. As a result, they are in worse health and more vulnerable than the general urban population. They are also constantly in danger of being evicted due to incidents of fire, unemployment, underemployment, hunger, malnutrition, and diseases. They are also subject to harassment from the local power structure.

#### Changing dynamics of migrant domestic worker rights

In Bangladeshi society over the past few decades, there has been a noticeable move toward nuclear family arrangements, and as a result, domestic help has become an increasingly important necessity.

- ❖ The need for domestic workers has increased by manifolds as more and more households consist of working women. Alongside domestic help, the need for caregivers for infants and senior citizens has also escalated, as the demographic of the aging population has gradually indicated a steep rise over the years.
- ❖ The introduction of automation in the garments sector has limited employment opportunities for unskilled workers to opt for taking up domestic work for a living.
- ❖ During the COVID-19 pandemic, domestic workers were among the worst hit, as many of them who were heavily dependent on multiple jobs to survive suffered from unemployment due to the lockdown.
- ❖ Despite existing labor policy frameworks, there is increasing pressure on the government from civil society organizations, including right-based and/or labor rights advocates to formalize the domestic worker sector, the repeated failure of which has led to many cases of violence and abuse over the years.

- ❖ According to a 2021 study by the Bangladesh Institute of Labor Studies (BILS), over the past 15 years, 578 domestic workers had died in Bangladesh and 442 were injured in their workplaces.
- ❖ The Domestic Workers Protection and Welfare Policy of Bangladesh 2015, needs to be re-examined considering the inclusion of domestic workers in the Labor Law 2006, the determination of their working hours, and the opportunity for workers to rest and the right to organize. As, the domestic workers do not have a union or an association, despite the fact that garment workers, transportation workers, and other professional bodies do. Moreover, most of them are not aware of their legal rights.

#### Construction sector and migration in Delhi

India is aggressively following privatization of public sector units, which has resulted in the amendment to the existing labor law in 2020, where the labor working hours have been increased. They are entirely at the mercy of their employers, and retrenchment would be decided by the employer. This would ultimately disempower informal labor, especially the women workforce, who are easily dispensable.

- ❖ The migration is circular and seasonal in nature, and workers live in socially isolated settings. In large-scale projects, the percentage of workers recruited from distant rural areas tends to be relatively high.
- ❖ The migrants belong to the most underprivileged sections of society and they are also landless. Because of the dipping employment opportunity at the village level, the laborers are compelled to come to Delhi for extra income.
- ❖ An elaborate social and internal professional network governs the recruitment system where rural workers are mobilized for employment.
- ❖ The system lends itself to various abuses - working hours are not fixed and workers have to work on all days in a

week under extremely harsh conditions. The COVID-19 situation revealed the precariousness of migrants' condition in Delhi that resulted in reverse migration from urban to rural areas.

### **Mobility, rights, and the citizen-migrant: the pandemic story**

Beyond the dichotomy of citizens and non-citizens, the focus of introspection is on how citizenship and the rights developing from a large segment of population like internal migrants, who are legally within the boundary of citizenship are ineffective in claiming their rights.

- ❖ As the migrants do not cross the boundaries of the nation-state, they are out of the international framework of protection provided to transnational migrants or refugees. For the internal migrants, the 'mobility' that conditions their livelihood have also essentially precluded them from claiming the rights and entitlements at their place of domicile, thereby subjecting them at once both to the inclusion of a citizen and exclusion of a migrant- conjuring the category of 'citizen-migrant'.
- ❖ The vulnerability of the migratory population as a result of their loss of source of income, housing, or food is not just a result of the pandemic, but also a greater structural exclusion that has forced them to live on the periphery of the nation.
- ❖ Since the migrants are structurally unable to assert their rights and entitlements, their compounded exclusion shows as their being invisible and unable to access resources.

### **Conclusion**

Lack of job security in informal employment, a shock to the industry, economy, or individual may lead to long term joblessness. Informal employment allows many to keep up their standards of living and serves as an easy way to sustain livelihoods in the absence of in-demand skills. The struggles migrant workers experience are not just a result of the pandemic; they are also a result of their compounded structural exclusion, which has forced them to perform in the sociopolitical modules of the stage.

The role of existing labor regulation and social protection policies and programs in protecting labor rights of the rural-urban migrants need to be made more effective to promote the inclusivity of rural-urban migrants in development policies and labor regulation.

At this critical juncture, from the presentations and the open discussion of the participants who were from various fields - policymakers, NGO, academia, and social scientists had suggested the following **policy interventions**:

1. More emphasis on generating rural employment schemes and redistribution of landholdings to prevent large-scale migration to the cities.
2. In addition to the labor registration, the principal employers, contractors, and sub-contractors should also be registered.
3. The policy could have ensured the provision of social justice and dignity for domestic workers by recognizing their rights to earn a dignified livelihood.
4. Strict enforcement of labor laws is needed. The government should regulate laborers' work conditions, provision of basic amenities, and safety and health.
5. At the work sites, the laborers should have better work environment where they should be provided with safety equipment to prevent any life loss.
6. The contractors and the employers should cover the laborers under the insurance schemes.
7. Gender-friendly working condition is essential.

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#### **Participants:**

Prof. Dr. Meherun Ahmed, Dean School of Business and Entrepreneurship, Independent University, Bangladesh  
Prof. Dr. Taiabur Rahman, Dean, School of Liberal Arts and Social Sciences, Independent University, Bangladesh  
Dr. Biswajit Mohanty, Desbandhu College, University of Delhi, India  
Dr. Nasreen Chowdhory, Department of Political Science, University of Delhi, India

For further queries, please email at: [shahana.chowdhury@ulab.edu.bd](mailto:shahana.chowdhury@ulab.edu.bd)