

# Rethinking labor migration in Asia

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Recently, I did a consultancy on labor migration in one of the ASEAN countries. This particular country is one of the fastest growing economies in the region, averaging a 5-6 % growth per annum over the last five years. It is a leading exporter of rice and it now wishes to join the ranks of major labor exporters as well. In 1999, it had an annual deployment of about 20000 workers as against the Philippines' 870000. It feels it has a contribution to make in the field of overseas employment which can in turn help in its transition to a more economically developed state. As consultant to this government, part of my duty was to get a sense of how the donor community would react to a possible program of technical assistance to build internal capability in the field of contract migration. Everywhere I went—whether bilateral or multilateral donor—the answer was the same: we are willing to help but labor migration is not a preferred area for foreign assistance. When I ask why, I was told that labor migration has so many unwanted social consequences and that their resources would be better used for more productive strategies for growth and development.

### The Bias Against Overseas Employment

The bias against overseas employment is not limited to this one country. Anywhere one goes in the developing world, there seems to be disdain for overseas employment as an employment strategy by donors and funders. Let us quickly examine this bias for its underlying reasons.

The first reason is that overseas employment separates families thus causing a breakdown in family cohesion and unity. As a result of this, we see the emergence of dysfunctions like marital infidelity, dropping out of school, abuse of drugs and other substances, sexual abuse and incest. It goes without saying that even among those who are locally employed, families separate, marital infidelities occur, children drop out of school, do drugs and become the subject of abuse. There is also no scientific evidence that the incidence of these dysfunctions is higher among OCW families.

Another reason that is often cited is the exposure of nationals to demanding, dirty and dangerous jobs such as domestic work, entertaining and serving in hospitals. But then again, such jobs are also done locally, the only difference being that overseas, one is paid better for doing the same kind of work.

A third reason is the possibility of exploitation including low wages, long hours of work and cruelty or maltreatment. Again, these possibilities obtain locally, the only difference being that the issue of low wages is relative to whatever the host country's nationals are getting. Ranged against salaries in the sending countries, OCW get better pay for the same position outside of their home countries..

A fourth reason is culture shock, often due to language or cultural differences. This, we are told accounts for the suicides and the mental illnesses that afflict some OCWS. This can happen, of course, even to non-workers such as students or tourists but no stigma attaches to the latter. Further, successful adaptation can happen even to average, ordinary citizens who leave as OCWs and can, in fact, even create opportunities for learning and the broadening of individual horizons.



There is, of course, the argument that says overseas employment is a creaming-off process where the best and the brightest of a country's workers leave, thereby constituting a brain drain on economies that can least afford it. In some cases, the argument is that workers often leave for jobs for which they are overqualified, thus resulting in a deskilling process. Often cited here are graduates of teaching institutions who take on jobs as domestic helpers. The inevitable question, of course, is why? Why would people want to go to strange places to take on jobs that they can do locally? Why, in fact, should they take on jobs that are lower than what they were prepared for? The only answer can be the dearth of local opportunities, the better salaries or both.

Finally, there is the argument that overseas employment subsidizes the development of other countries and represents loss of internal human capital. This is true, of course, but what if that human capital was not being used within country, or if it was, in a manner not commensurate with individual expectations?

These reasons are all valid, my side remarks notwithstanding. If these are so, then why haven't we expunged overseas employment from the policy books? Why aren't we preventing the thousands of people who are leaving for contract work from taking that plane ride that will take them to far-away places with strange-sounding names? The reasons are even more compelling. From the Philippine perspective, it is unconstitutional. The pursuit of life, liberty and happiness is constitutionally guaranteed. So is the freedom to travel subject to limitations imposed by law. On the other hand, if we limited the categories of who may leave for contract work, this may be discriminatory. For instance, how can we justify keeping workers from laboring in diamond mines in Africa when we send peace-keeping soldiers to countries like where they may be at higher risk? To some extent, disallowing an overseas employment policy may even seem irrational since developing countries need to supplement their local job generation capacity in the short and medium-term. And, as I have noted earlier, such policies can be short-sighted and counter productive: short-sighted in that many of the reasons cited can and do happen while citizens are pursuing local jobs and counter-productive because when people cannot find jobs locally and are prevented from leaving, they will resort to extra-legal means to leave and by that token, open themselves to even greater possibilities of exploitation.

In the end, of course, preventing people from leaving goes against the trend of freer movement of people, services and capital across national boundaries, a trend that seems inevitable in the light of globalization.

At this point, I wish to share with you some of the findings of a study I did two years ago when I attempted to evaluate the Philippine overseas employment program. In addition to the more obvious objectives of job generation and foreign exchange remittance, I identified a number of objectives that any self-respecting sending country must pursue. These are: that labor migration is orderly; that it is fair and efficient; that nationals are employed in good jobs abroad and that nationals can easily transfer their earnings. We asked policy-makers, functionaries and workers to rank these objectives in terms of their importance and to rate these in terms of how effectively they perceived that these objectives were pursued relative to the other objectives. Using administrative and objective indicators, we then set out to compute what would be a composite rating for the program.



This study sought to answer three questions.

Are there enough policies / protective mechanisms for low skill Filipino workers who are seeking or have embarked on an overseas job?

Can these policies be prioritized and evaluated on an objective and quantified basis?

Would this objective quantification correspond to the perception of various client groups—policy makers, implementors (reference group) and workers - about their effectiveness and adequacy?

Despite what seems to be a negative public perception of overseas employment in the Philippines, the indicators chosen for this particular experiment indicate that, on the whole, the protective mechanisms work, they are quantifiable and are adequate and effective for the most part.

While governments do not make public choices about the primacy of certain policy objectives over others, this study sought judgments about which objectives are more important than others from the point of view of interested groups: workers, implementors and policy-makers. This study would have been made more interesting if we had included relevant non-government agencies such as OCW advocacy groups as well as recruiters and government agencies other than those directly involved in overseas employment. But time and resource constraints did not permit exploration of the richer possibilities offered by a wider range of respondents.

Among the chosen groups of policy makers, implementors and workers, it is evident that there are differences in their perception of what is important and what is effective. On the whole however, the judgment is clear: Philippine policies and programs allow for the efficient transfer of remittances, the availability of good jobs, the fairness and efficiency of overseas employment processes and the orderliness of the process, in that order. While there is unanimity among the groups surveyed that the government does best in facilitating transfer of remittances and is least effective in ensuring fairness and efficiency, the objective indicators indicate a different sequence. Government is least effective in ensuring orderliness (21.5 points out of 30 or .71), is a little more effective in ensuring fairness and efficiency (20 out of 25 or .80), does fairly well in getting good jobs (29 out of 35 or .82) and does best in ensuring that nationals can easily transfer their earnings (8.5 out of 10 or .85). It would seem that the respondents underestimated the program's capacity for fairness and efficiency and overestimated its capacity for ensuring orderliness. The over-all composite rating of 79 does not demonstrate a measure of success that one can gloat about. In a field that is fraught with factors that even the most efficient of governments have no control over, it is a rating however that should not be a source of shame.

These point to a number of possible interventions. In one of the earlier tables, it was pointed out that more resources were allocated for the search for good jobs and the least resources were allocated for the fairness and efficiency objectives. Perhaps, it is time that resources were reallocated according to a government's hierarchy of objectives. Then again, orderliness might not have so much to do with the availability of relevant rules and regulations or the adequacy of processes. It might have to do with having too much or too many regulations impinging on the overseas employment processes. Perhaps, this is as good a time as any to review existing processes and possibly to deregulate. In the case of remittances, inward flows grew spectacularly after the lifting of the mandatory remittances imposed by the Marcos regime. Indeed, government seems to work best when it intervenes the least. The availability of good jobs, while mainly market-driven, may be influenced by massive retooling even if some of this does already occur within the job, as evidenced by the response of workers that they learn more skills overseas. This seems contrary to earlier results and reports that deskilling often occurs as



a result of overseas employment. This finding is also re-enforced by the fact that rehired workers inevitably got better pay on their second or third assignments.

Government policies can be identified, prioritized, quantified and evaluated according to indicators that are less subject to the more emotional subtexts which characterize social movements such as contract migration. There are methodological difficulties and many of them are highlighted in this study: the choices of indicators that are awkward, to say the least; the difficulty of finding continuing statistical series that will allow testing for significance or correlation; the need to set up reference groups whose stakes in the program may color their judgments. What this study really underscored is the need for developing even more sensitive indicators and over time, fine-tuning the process of evaluating important government policies. Where resources are scarce, governments and civil societies, wherever they might be, must insist on cost-effective social policies.

These findings gain more importance in the light of the economic crisis now sweeping most economies in Asia. Overseas employment remains a key strategy in the Philippine Development Plan and a review of its policies and programs to ensure the welfare and protection of workers becomes necessary as it repositions itself in a landscape of retreating tigers.

### **Media and Overseas Employment**

In the Philippines, overseas employment is an emotional subject. Since one out of every six households would have an OCW as member, overseas employment is virtually wired to the national nervous system. A suicide or a beheading has the effect of a major disaster and triggers a debate that is usually reserved for issues of national importance. And rightly so because it is estimated that there are now about five million Filipino contract workers all over the world, bringing in between \$7-8 billion dollars in foreign exchange.

In all of these, what role do media play?

It is essentially a chronicler of events, particularly the negative ones. In all fairness, media does not even have to accentuate the positive. The good that overseas employment does is transferred by word of mouth and becomes the stuff of which the uninitiated's dreams are made of. The houses built or the businesses put up or the children sent to school are manifestations of the possibilities that overseas employment can present. Even the negative stories that usually make the front pages of the newspapers or are carried by radio and TV fail to dampen the enthusiasm of those who see in contract migration their deliverance from poverty and deprivation.

But media do more than report. They use their reach and influence to pressure for instant solutions and to hammer at the institutions that are perceived to be responsible for the policy and program lapses that create overseas employment problems. What this creates, to my mind, are quick fixes that sometimes do not work in the long run. In the wake of the Flor Contemplacion problem in 1995, a Migrant Workers Act was crafted that has created more difficulties for its target beneficiaries. Would that these difficulties were similarly written about.

I think the time has come for us to rethink labor migration as a natural phenomenon that will take place whether we like it or not. As we get to be more interconnected electronically, the use of intermediaries such as recruiters may even be a thing of the past, although I do not see this happening in the immediate future. But some things we must keep in mind. Unemployment, not overseas employment is the greatest exploiter of labor. We cannot allow consultants, who by the way are OCWs in disguise, to come and go unfettered by too many regulations and yet impose all sorts of requirements on the poor carpenter or domestic helper on the assumption that the former can take care of himself while the latter must be protected from himself. There is also scientific literature that indicates that contract workers generally form the cadre for change and development in their respective communities. Until governments—and media—see things in this

perspective, we will continue to see regulations that exploit rather than help. Remember when they raised the age of performers and domestic helpers? Soon after, there was a thriving industry in fake birth certificates.

I can remember a time when only the rich and the bureaucrats traveled. Now, at least in this country, going abroad is no longer the prerogative of the rich and famous. The middle class and yes, the poor are able to travel too courtesy of overseas employment. Everytime I land at the Ninoy Aquino International Airport and I come from a place which is a destination or transit point for Filipino OCWs, I wait for the customary whoop of joy or the spontaneous clapping of the hands that only a returning native manifests, particularly around Christmastime. I know that many are embarrassed by that behavior or for that matter the cartons upon cartons of goods that OCWs lug as they come from their foreign assignments. But I can only see a new generation of Filipinos who are more assertive, more enlightened and more aware of the bigger world because they have had the benefit of an overseas assignment. I have always seen contract migration as an embodiment of democratization and education and I had always hoped that media would occasionally see it that way.

Let me end by taking off from my opening about that consultancy in another ASEAN country. As FES is here and representatives of media are here, it is my hope that the bias against overseas employment will somehow be instigated by the fact that we have developed a body of literature that tell us where gaps can be narrowed and problems can be minimized. I can only hope that this body of research will be put to good use so that those who wish to get into overseas employment may be made aware of pitfalls & problems and how they have been addressed in the past so that they do not commit the same mistakes. Let the learnings of those who came before guide those who would walk in the same path.

Thank you.