

**PAKISTAN:
INTERNAL MIGRATION AND POVERTY REDUCTION**

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1. MIGRATION AND POVERTY: SETTING THE CONTEXT FOR PAKISTAN

The linkages between migration and poverty reduction appear at first sight to be straightforward. That the migration of one or more members of a household significantly improves the economic and social status of the entire household is a well-established idea in the policy and popular discourses in Pakistan.¹ This is particularly true in respect of international migration to the Middle East. During the 1980s, remittances from the oil-rich countries constituted the largest source of foreign exchange for Pakistan and were a major contributor to a dramatic decline in poverty.

Yet, internal migration has not received the analytical or policy attention that it deserves. While there are authoritative studies that have looked at the empirics of mobility within Pakistan, the economic and social enhancement of welfare induced by such mobility has largely remained unidentified. This is partly because there is a dearth of purpose-designed household data on migration. Nevertheless, these studies have shown that **internal migration is a fundamental demographic, social and economic feature** of Pakistan, affecting **up to half the population of the country**.²

Given the frequency of mobility, it is tempting to draw an automatic link between migration and poverty reduction. However, labour market changes and conditions are generally implicit in most accounts of the migration-poverty reduction linkage. Workers are indeed assumed to move from low-wage and low-productivity rural labour markets to higher wage and productivity urban labour markets.

One aim of this paper is to document the magnitude of internal migration in Pakistan and draw attention to some of its salient characteristics. A second objective is to provide a nuanced account of the migration-poverty reduction linkage by attempting a more careful analysis of labour migration. Beyond the assumption of smoothly functioning labour markets, we will also explore the possibility of frictions in the operation of these markets.

The second section provides **a brief literature review**. **Available sources of data on migration** are presented in the third section. The fourth section describes quantitative data and provides an econometric treatment of the **determinants** of migration. The fifth section looks at **institutional challenges to internal migration**. The **conclusions** follow in the sixth section.

2. POVERTY AND MIGRATION: LITERATURE REVIEW

The historical literature on migration is rooted in models of development that postulate that all countries, at some stage of their development, have experienced the movement of their labour force from the agricultural sector into the non-agriculture sector. More often than not, this inter-

sectoral allocation of labour has implied geographical movement of workers from rural (agricultural) areas to urban (industrialized) areas.³

The main determinant of inter-sectoral movements is the wage or income differential across sectors. Micro-economic studies based on the utility theory postulate that rational economic agents decide the nature and geographical location of their potential job, based on the different wages in different sectors and locations, weighted according to the probability of actually finding a job. Migration can then be perceived as a route to economic opportunity. However, individuals with better education, skills and access to information are more likely to migrate, and migration is then seen as a selective rather than a random process.

The economic advantage gained through migration is not necessarily restricted to the individual migrant. In fact, the financial links individual migrants maintain with their families in areas of origin are well documented, and remittances are considered to be instrumental in increasing the welfare of geographically separated households.⁴

Another strand of literature, focusing on migrant-sending households in addition to migrants themselves, suggests that households allocate labour in order to diversify the risk of the overall household. Migration is perceived as a response to the absence of insurance markets, and by placing household members in sectors where risks are not covariate.⁵ Migration contributes to raising welfare levels and insulating them from exogenous shocks. This risk diversification is not relevant only in regard to labour migration, but also to inter-village marital migration.⁶

The benign impacts of migration are not exclusively limited to migrants and their households. Theoretically, as labour migrates to the non-agricultural sector, the consequent increase in the physical stock and mechanization increases the productivity of the agricultural labour sector, and wages increase. Empirical evidence is, however, mixed.

Ideas of migration and increasing household/individual welfare are also consistent with the notion that workers will move from sectors of low marginal productivity to those with higher marginal productivity, based on the assumption of well functioning market wages. This efficient allocation of factors of production should increase the productivity of the economy and raise the overall welfare level of the population.

Individual/household rationality regarding migration does not always translate into socially optimal levels of migration at the macro level. This is particularly perceived to be true in the case of rural to urban migration. Interestingly, while policy and popular discourse do not define the optimal level of rural to urban migration, migration per se, irrespective of its magnitude, is almost invariably correlated to urban congestion.⁷ Other studies affirm that the increasing size of urban areas implies an increase in the proportion of people with access to modern amenities and, hence, translates into social development.

3. DATA SOURCES/DEFINITION OF MIGRATION

While there is no database specifically designed to study internal migration in Pakistan, three data sets nevertheless contain some information on the same. These are **The Pakistan Inte-**

grated Household Survey (PIHS) 1998-99, the **Labour Force Survey (LFS) 1997-98** and the **Pakistan Census 1998**. The three data sets can be compared on the basis of four parameters: (1) coverage, (2) definition of migration, (3) the type of regional (rural/urban) movements they contain information on and (4) demographic and economic indicators on which data are available. Since neither data set was collected to study migration in particular, all data sets have their own limitations and need to be used in conjunction.

PIHS 1998: The Pakistan Integrated Household survey is based on a sample of 16,305 households that constitute 115,171 individual household members. A migrant is defined as a person who has not been living in the same **city/town/village** since birth. A person who has moved from one village to another within the same district is, therefore, also classified as a migrant. The place of previous residence is identified only by the urban-rural classification and not by district, province or any other geographical location. The PIHS is therefore useful for the analysis of migration by rural-urban-origin.

The significant advantage PIHS has over other data sets is that it contains data on asset holdings and household expenditure that is not available in any other data set. Since all these characteristics can be correlated with migration status, the PIHS can allow a much more nuanced analysis of the migration process. The ability to link migration with land ownership is a particularly important relationship that the PIHS allows to be studied. A major drawback of the data set is that the province of origin is not specified for migrants and inter and intra-provincial migration cannot be studied.

LFS 1998: The sample size of the Labour Force Survey is comparable to the PIHS and it enumerates approximately 18,000 households and 113,000 individuals. The LFS defines a migrant as one who has not been living in the same **district** since birth. Intra-district movements are, however, ignored. This said, the LFS allows for mapping intra- and inter-provincial movements, and that constitutes its advantage over the PIHS.

Population Census 1998: The Pakistan Population Census defines a migrant as one who is not born in the district of residence. It also provides information on the entire population rather than on a randomly drawn sample. The Census also provides data on inter- and intra-provincial migration and rural-urban migration. The latter is, however, limited to the extent that, whereas the destination region is known, the source region is not, i.e. it is possible to study migration into rural or urban areas, but not from rural or urban areas.

A major drawback of the Census is that only aggregated data at the level of an administrative unit (district) are available. This implies that one cannot directly link different characteristics of the basic unit (individual or household), and cross-tabulations are limited to those provided by the Census reports.

4. MIGRATION AT A GLANCE

This section presents some summary statistics from all three data sources to provide an overview of the entire migrant population. Most studies on migration have made use of either the

census or older versions of the LFS data,⁸ and the figures contained therein are consistent with those presented in Table 1.1. The PIHS, however, has not been used for such an analysis, and we find that it suggests a much higher ratio of migration. There is reason to believe that this difference emanates from the fact that the PIHS looks at **intra-district migration**, while the other data sets do not. Within the PIHS, however, one cannot distinguish between inter-district and intra-district migrants, so the actual magnitude of intra-district migration cannot be accurately determined.

Interestingly, the incorporation of intra-district migration also shifts the rural-urban distribution of migrants. Indeed, the percentage of migrants moving towards rural areas (from rural or urban areas) in the PIHS is much higher than that suggested by other data sets. This is consistent with the a priori expectation that intra-district movement would be more prevalent in rural areas, and perhaps associated with marital movements and seasonal migration. Note also, that this might be partly responsible for the higher share of women migrants in the PIHS. As we shall show more substantively later, women migrate usually because of marital and familial movements.

TABLE 1.1
NUMBER AND RURAL-URBAN DISTRIBUTION OF POPULATION AND MIGRANTS

Variable	PIHS	LFS	Census
Number of migrants	15,645	9,976	10,829,264
Migrants as percentage of population	21.5%	13.5%	8.2%
Percentage of women	63.0%	54.2%	49.0
Percentage moving from rural to rural	45.8	12.3	-
Percentage moving from rural to urban	26.2	33.2	-
Percentage moving from urban to rural	9.8	28.5	-
Percentage moving from urban to urban	18.2	26.0	-

Source: PIHS 1998, LFS 1998, Pakistan Population Census 1998.

The suggestion that intra-district migration is correlated with marital movements is to some extent borne out by the data presented in Table 1.2. A caveat that merits mention is that reasons are reported by survey respondents. There seems to be concern in the literature⁹ as well as in policy circles that these may not represent actual motives, particularly in the case of women. In the case of the aforementioned data sets, there does seem to be evidence that, at least in the case of economic migrants, migrant characteristics do appear consistent with the human capital theory of migration,¹⁰ which suggests that younger, unmarried migrants with at least some education are more likely to migrate.

Moving on with this caveat, two features of the data stand out. First, **economic migration constitutes less than one-fifth of the total migration stream**. Since a lot of policy discourse has based itself in the Harris-Todaro¹¹ framework of economic migration, this finding casts a shadow on the applicability of economic (dis)incentives on the migration process.

Second, the **overarching category of marital and family movements hides a lot of nuance**. We know, for example, that this stream is mainly constituted of women, and we also know that movement due to marriage and family movements does not preclude labour force participation

TABLE 1.2
REPORTED REASONS FOR MIGRATION

Reasons for Migration	PIHS	LFS	Census
	Percentage of Migrants		
Economic	18.1	18.8	20.9
Education	1.1	0.5	1.2
Health	0.3	0.2	0.01
Marital and family movements	63.5	49.8	59.8
Return home	3.1	9.3	1.1
Independence (1947)*	8.4	N.A	N.A
Other	5.7	21.4	16.9
Percentage of economic migrants in full sample	4.7	1.7	1.7

* These migrants moved to Pakistan from India at the time of and after Independence in 1947.

Source: PIHS 1998, LFS 1998, Pakistan Population Census 1998.

after having migrated. But since there is no information on pre-migration labour availability, it is difficult to construct a scenario where women's post-migration wages, or the change in labour force participation status form part of the incentive structure to migrate.¹²

Finally, an interesting feature of the PIHS and the LFS is that both these data sets allow a look at migration at the household level. A migrant household can then be defined either as one where the household head is a migrant, or as one where at least one member of the household is a migrant. Table 1.3 presents data for both definitions.

TABLE 1.3
MIGRANT HOUSEHOLDS

	PIHS	LFS
Percentage of households with a migrant household head	26.2	17.6
Percentage of households with at least one migrant	46.5	25.5

Source: PIHS 1998, LFS 1998.

In both data sets the percentage of migrant households with at least one migrant is much higher than households headed by migrants. This implies that a typical household head usually has a migrant spouse, or other relative. The percentage of migrant households is an interesting indicator of the extent of migration since it implies that **migration is a norm rather than an exception**. It also hints at the importance of social institutions such as marriage, and kinship networks in enhancing human mobility, and also at the inter-spatial integration of the population.

4.1 Trends of general migration over time

Theoretically it is possible to use different rounds of the LFS and the PIHS to analyse time trends. However, as the definition of migration has evolved over time, different rounds of data

might express different realities. Therefore, here we construct trends from available cross-sectional data. In all data sets, there is some, albeit limited information, regarding the time period when a migrant made the actual move. Across data sets, migrants are classified into four categories; those who moved in 1997-98, those who moved between 1994-97 and those who migrated between 1989-93; the rest of the migrants are lumped into the fourth category “prior to 1989”. This latter category can be thought of as representing the stock of migrants in 1989, and the other categories representing flows within respective time brackets. These periodic flows can be further converted into annual flows through dividing by the number of years in the time period. Percentage change is then calculated by expressing the increase in the number of migrants in the ten years as a proportion of the migrant stock in 1988.

TABLE 1.4
CHANGES IN THE STOCK OF MIGRANTS, 1988-1998

Time Period	Annual Increment to the 1989 Stock (%)		
	PIHS	LFS	Census
Prior to 1989	Base	Base	Base
1989-93	4.9	4.4	3.8
1994-97	5.3	5.2	7.0
1997-98	10.4	7.4	12.4

Source: PIHS 1998, LFS 1998, Pakistan Population Census 1998.

There are three caveats to bear in mind before analysing data thus constructed. First, such a representation of data imposes stable annual flows within a time bracket. However, given the socio-economic conditions of the last ten years, one may not expect any individual year to be particularly conducive to migration. Second, the actual trend in migration needs to account for “survival rates”, i.e. those migrants who have died in the meantime. The available data precludes such an exercise.

Third, and perhaps most importantly, one needs to assume that migration is a one-off process. The lower the representation of seasonal or transitory migrants, the higher the accuracy of the trend. A significant presence of migrants who migrate more than once would manifest itself through a clustering of data points in the most recent time period of migration. Indeed, note that the flow of migrants in 1997-98, the latest year in which migration could have taken place, is extremely high. Since there was no significant exogenous shock in 1997-98 that could have motivated mass migration, and the trend of increasing migration is conspicuous even if one were to scale down the 1997-98 flows by 40 per cent for motivating mass migration; one can only suggest that this particular stream is composed of a significant number of transitory/seasonal migrants.

4.2 Trends in rural-urban migration

An analysis of trends in movements between rural and urban areas is permitted only by the LFS and the PIHS (see Figures 1.1 and 1.2). The 1988 column provides the composition of the mi-

grant stock, i.e. of those who migrated before 1989. The columns for other time periods suggest trends. For example, given the 1988 composition, Figure 1.1 shows that rural to urban migration has increased over the years.

This said, the two data sources do not provide trends that are consistent with each other. The only trends agreed upon by both sources involve the increasing urban to urban movement and the decreasing rural to rural movement.

FIGURE 1.1
PERIOD OF MIGRATION

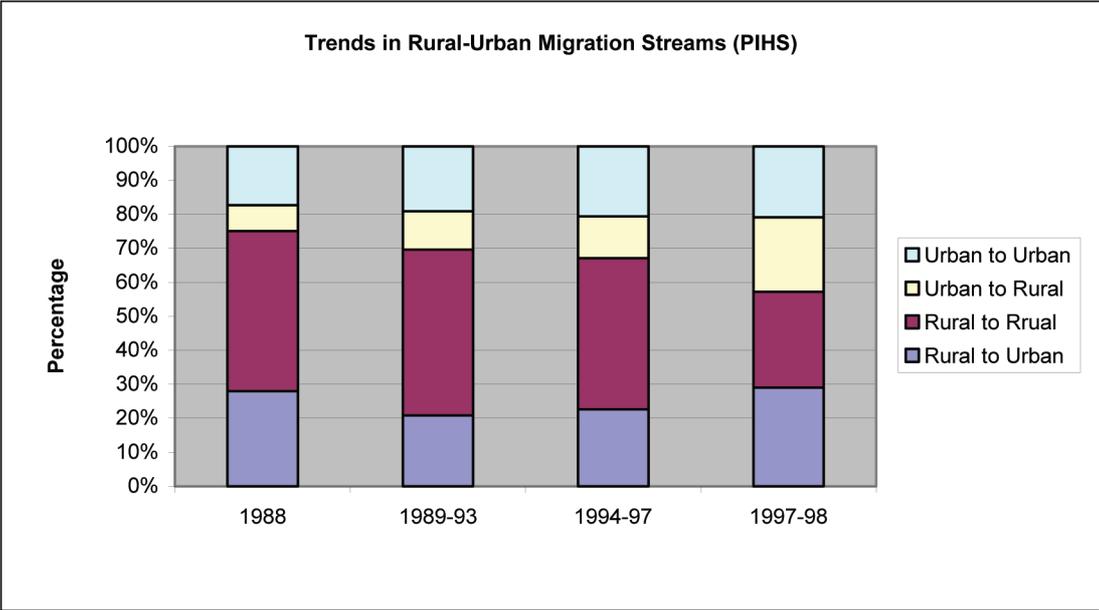
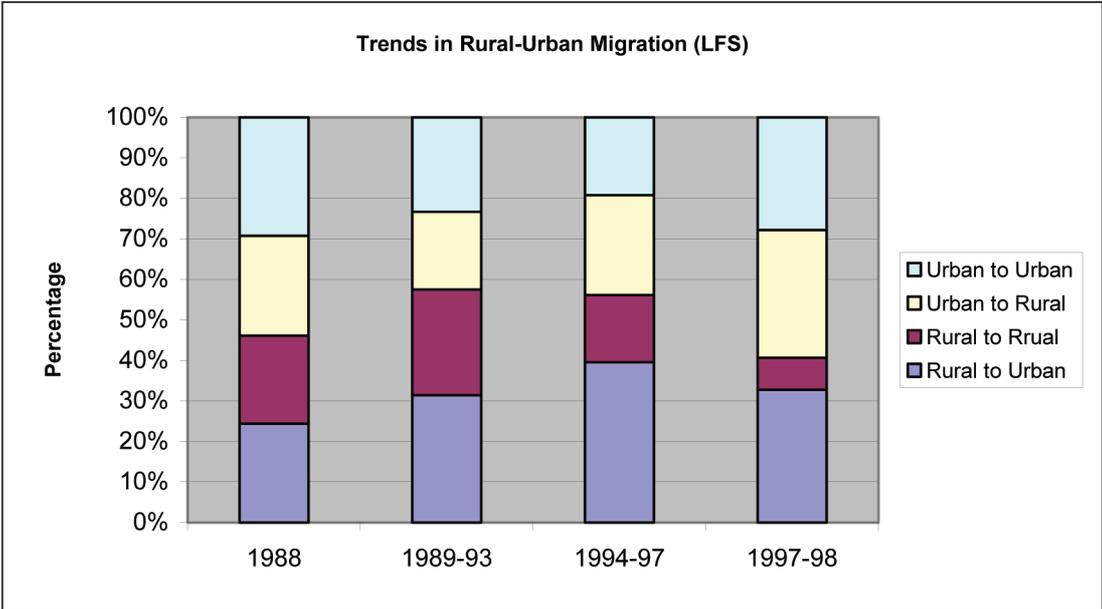


FIGURE 1.2
PERIOD OF MIGRATION



Other than that, the PIHS gives, for example, a clear increasing trend in the rural to urban movement, while the LFS gives an equivocal trend. This said, trends suggested by the PIHS seem to be more logical and also consistent with literature: rural to urban movements are increasing, and rural to rural movements are decreasing. Given that the PIHS is looking at intra-district migration, it is interesting to note that this does not diminish the importance of rural to urban movements, suggesting that a good proportion of intra-district movement involves movement from rural suburbs to urban towns/cities.

4.3 Migration of labour

The preceding discussion focused on all migrants. We now turn to a sub-sample of migrants, i.e. those who report to have migrated for economic reasons. While economic migrants constitute up to 20 per cent of total migrants, depending on the source of data used, they only form a very small proportion of the total population and observations are limited, thus precluding a disaggregated analysis. It is not possible, for example, to check for any time trends, since all data sets provide information on four time zones. The bulk of the migrants is situated pre-1988, and the number of remaining migrants spread across three time zones do not allow authoritative statistical determination of any underlying trend. Technically, the issue of sample size can be evaded by using the census, but this cannot be used since the census provides aggregated data and one cannot separate labour migrants from the apparently non-economic migrants for a closer analysis. The data presented in this section are, therefore, gleaned from the PIHS and the LFS.

TABLE 1.5
DEMOGRAPHICS

Variable	PIHS	LFS
Number of economic migrants	3,342	2,095
Economic migrants as percentage of total sample	4.7	2.9
Percentage of women in economic migrants	15.7	13.1
Percentage of women in the non-economic migrant stream	63	54.2
Percentage of women among non-migrants	46.4	47.0

Source: PIHS 1998, LFS 1998.

A very significant issue highlighted in Table 1.5 is the proportion of women in the economic migration stream. The **very low proportion of female economic migrants** suggests that, while to some extent the female population may not possess the requisite credentials to find a job as a migrant, labour markets in Pakistan may also be segmented along gender lines. It would follow that women migrate primarily because of marital and family reasons. However, though the majority of women “themselves” may migrate less for economic reasons and more as “tied-migrants”, this does not preclude ex-post participation in the labour market. In fact, their expected participation in the informal sector and the resulting addition to household income may well be part of the pre-migration calculus. It is not illogical to assume that for tied migrants the underlying cause of migration could be a change in the labour participation status, though the reported reason for migration may be family or marital. Indeed this is borne out by Table 1.6, and the

TABLE 1.6
OCCUPATIONS OF MIGRANTS AND NON-MIGRANTS BY GENDER (%)

	Non-migrant Men	Migrant Men	Non-migrant Women	Migrant Women
Percentage of adults earning a wage*	61.2	85.8	17.0	30.7
Personal and protective	5.8	11.0	5.53	25.3
Models/salespersons	9.0	10.19	0.78	3.3
Market-oriented skilled agriculture	26.6	14.28	31.0	19.5
Subsistence agriculture	10.7	4.6	18.6	3.1
Agriculture, fishery	4.5	3.9	12.4	22.6
Mining and construction	13.1	15.0	4.0	4.1
Sales and services, elementary	5.2	8.0	1.42	4.8
Precision, handicraft	2.7	2.7	11.8	7.7
Drivers and mobile plant operators	4.1	5.6	0.0	0

* These percentages correspond to those above 18 years of age.

Totals do not add up to 100. Occupations with less than 3 per cent incidence are not reported.

Source: Pakistan Integrated Household Survey, 1998.

percentage of migrant women working for wages is almost double the percentage of non-migrant women working for wages.

Another engaging finding is the difference in the rural-urban distribution of economic and general migrants. Table 1.7 presents the proportions contributed by the four different movements. Note that the distributions for general and economic migrants are structurally different. For non-economic migrants, the PIHS suggests that the rural-rural stream is the most dominant, followed by the rural-urban stream. For economic migrants, this is reversed, though rural-rural migration is still very much prominent.

The LFS also provides structurally different distributions for economic and non-economic migrants, but the distinguishing feature here is that the proportion of urban to urban migrants

TABLE 1.7
MOVEMENTS OF LABOUR
BY RURAL-URBAN CLASSIFICATION OF SOURCE AND DESTINATION (%)

Movement	PIHS		LFS	
	Economic Migrants	Non-economic Migrants	Economic Migrants	Non-economic Migrants
Rural to urban	41.7	22.7	32.2	33.4
Rural to rural	31.0	49.1	6.2	13.8
Urban to rural	7.3	10.3	27.1	28.8
Urban to urban	20.0	17.9	34.5	24.0
Rural-urban distribution of migrants	38 (R)		33 (R)	

Source: PIHS 1998, LFS 1998.

increases. While it is logical for urban to urban migration to increase in the economic migration stream, rural to rural migration is oddly low, especially in comparison to the PIHS. Since it is possible that intra-district migration reduces the proportion of urban to urban and urban to rural migration,¹³ both rural-urban and rural-rural streams increase much more, and it is this perhaps that drives the difference between the two data sets. This being said, it merits noting that the number of observations on rural-rural and urban-urban migration are very small in the LFS, 23 and 53, respectively, and should therefore be read carefully.

4.4 Determinants of economic migration

To provide an econometric treatment to economic migration, we followed the tradition of models motivated by Harris (1979) and Todaro (1978).¹⁴ The structural form has been rendered by Nakosteen and Zimmer (1980) and Agesa (2001).¹⁵ Due to the issue of migrant self-selection, the Heckman (1979) selection procedure was applied.

Table 1.8 presents the results of the Probit model,¹⁶ the earnings equation for rural non-migrants and urban migrants. All the regressors are well behaved and consistent with theory and empirical literature. We discuss the results of the main equation of interest, the Probit below.¹⁷

TABLE 1.8
ESTIMATES OF PROBIT MODEL AND THE EARNINGS EQUATIONS CORRECTED
FOR SAMPLE SELECTION BIAS*

	Probit Model		Urban Earnings (migrants)		Rural Earnings (non-migrants)	
	Coefficient	P-values	Coefficient	P-values	Coefficient	P-values
Constant	-3.5	0.000	8.2	0.000	8.5	0.000
Age	0.8	0.000	0.04	0.000	0.06	0.000
Age square	-0.001	0.000	-0.0005	0.000	-0.0007	0.001
Married	-0.23	0.000	0.29	0.000	0.30	0.000
Literacy	0.19	0.000	0.17	0.000	0.1	0.167
Years of education	0.03	0.000	0.03	0.000	0.05	0.000
Agricultural land	-1.2	0.000	...	...	0.1	0.024
Wage difference	0.9	0.000	...	...	...	...
Inv. Mills	...	...	0.19	0.819	-0.9	0.123
F-value	415.1		22.8		136.7	
	0.31		0.25		0.13	
	10,092		906		9,186	

* What needs to be underlined here is the sign of the coefficients. A positive sign implies that the probability of migration is increasing in that variable. For example an increase in the rural to urban wage differential will increase the likelihood of migration *given* other characteristics. In the Probit Model, the magnitude of the coefficients is not important.

The P values indicate whether a coefficient is statistically significant. A P value of less than 100 implies that the coefficient is significant; otherwise, it is not important.

Perhaps the most important policy variable in the equation was the rural and urban earnings differential and, as the results show, this is positive and significant. This supports the hypothesis that, given other characteristics, workers respond to positive anticipated earnings in the urban, viz. their earnings in rural areas. A very significant finding of the study is that **ownership of agricultural land significantly reduces the probability of migration**. In the case of agricultural land, this result is consistent with theory and empirical evidence, and can have two explanations. First, the presence of agricultural land can be a potential source of employment and can provide a certain level of guaranteed earnings in rural origins, which may be preferred to **expected** earnings in the urban destination. Second, sociological literature posits that agricultural land serves as a bond between rural communities and their geographical origins. In that sense, ownership of agricultural land may increase the social cost of migration.

Current research in migration is moving on from neo-classical perspectives to a more structural approach relating to wider processes, kinship networks, issues of power and the interaction between spatial mobility and the structuring of labour markets.

5. INSTITUTIONAL INSIGHTS¹⁹

This section highlights the social and political challenges confronting internal migration. From a poverty point of view, for example, it is as important to know who does and who does not migrate, and what determines the pace of migration.

The preceding discussion has suggested that in the case of Pakistan, migrants self-select on the basis of **human capital and assets**. But there is also increasing evidence that segmented **labour markets**²⁰ and **politico-ethnic issues** also determine who migrates, and at what pace.

5.1 Segmented labour markets and the importance of social networks

We can make a few preliminary observations that relate the functioning of labour markets as one determinant for internal migration.

First, it has been argued that the labour market is highly gender segmented. The female participation rate, no matter how it is measured and what data are used, is among the lowest in the world. It is, of course, true that much of women's work remains informal, unremunerated or unrecognized. Female-led entrepreneurial autonomous activities are increasing, but remain limited. While we generally agree with this view, it has been pointed out earlier, that **the percentage of migrant women earning a wage is much higher than that for non-migrant women**. In fact, this rate is higher than the percentage of women reporting economic migration as a reason of migration. We may suggest then, that although independent economic mobility is still not the norm, women's employment may still be an important part of the incentive structure for migration.

Second, at another level of organization, it is useful to distinguish between formal public sector jobs, formal private sector jobs and the informal sector. Qualitative work on the labour market suggests that jobs in all three sectors, and particularly the public sector, are rationed on the basis of parochial patronage.

5.2 Segmented labour markets: some evidence from south Punjab

Empirical verification of the issues discussed above is far from straightforward. Nevertheless, some light can be shed by a careful mix of qualitative and quantitative data. Table 1.9 presents migration data for selected districts of southern Punjab. These districts form perhaps the poorest region of the country,²¹ and there is evidence that daily wages in these districts are the lowest in the country.²² Wage differentials in these districts and some urban districts in Punjab and Sindh can be significant. It is interesting then that, as of 1998, migratory flows from these districts constitute only 1.5 per cent of the total migratory movement from Punjab.²³ This should be read in conjunction with the fact that migrants from Punjab constitute almost two-thirds of all Pakistani migrants.

TABLE 1.9
INCIDENCE OF MIGRATION FROM SELECTED DISTRICTS OF SOUTHERN PUNJAB

District of Previous Residence	Bahawalpur	Bahawalnagar	Rahim Yar Khan	Rajanpur
Total migrants	46,500	71,044	26,443	1,914
Total migrants as percentage of intra-provincial migrants in Punjab	1.5 %	2.4 %	0.9 %	0.06 %

Source: Population Census 1998, District Reports.

TABLE 1.10
PATTERNS OF INTERDISTRICT MIGRATION (% OF OUTMIGRANTS)

Previous Residence	Bahawalpur		Bahawalnagar		Rahim Yar Khan	
	Male	Female	Male	Female	Male	Female
Sialkot	9.6	3.8	0.9	0.9	1.8	2.2
Lahore	22.3	11.0	18.6	10.8	27.2	15.9
Rawal Pindi	2.3	0.3	7.8	3.4	7.5	6.1
Faisalabad	18.0	10.9	10.6	6.1	18.8	16.6
Multan	4.6	13.9	3.6	8.2	2.7	4.3
Total	56.8	39.9	41.5	29.4	58.0	45.1

Source: Population Census 1998, District Reports.

It is difficult to say a priori why the incidence of migration from these districts is so low. However, it is interesting to note that migration streams seem to follow discernable patterns. Table 1.10 shows that, while there are many similarities in the flows from different districts, there are some very comprehensible differences. For example, migrants to Sialkot are mainly from Bahawalpur (from within south Punjab) rather than any other district. Similarly, migrants to Rawalpindi are mainly from Bahawalnagar and Rahim Yar Khan, but not Bahawalpur. Also, while Multan is perhaps as urban/industrialized as Sialkot and Lahore and much nearer to the southern districts, migrants chose to move to districts that are farther away. Also, there are many other industrialized urban centres around Lahore and Sialkot, but these do not seem to be receiving any significant migrant flows from southern Punjab.

These findings suggest that the poor are fairly heterogeneous in terms of their access to various types of capital, including **social capital** and this endowment set determines the incidence, pace and direction of migration. While to suggest that the incidence and patterns of migration are determined solely by social networks may be over deductive, it would be fair to say that **wage differentials are only part of the incentive structures for migrants**, and that the migratory process is much more nuanced than it appears.

5.3 Ethnicity and political sustainability of migration

Closely linked with the issue of segmentation and social network is the question of ethnic identity. In fact, more often than not, the social capital in question has been highly correlated with ethnic identity.

The link between ethnic preferences and migration is in fact rooted in the history of the Indian sub-continent. In nineteenth century British India, for example, certain communities of east Punjab received preferential access to land in west Punjab at the expense of local communities, because of their perceived efficiency at farming.²⁴ The British had similar ideas about the communities best suited for military service, and these perceptions are to some extent still entrenched in the functioning of the state.²⁵ It is widely perceived, for example, that access to public sector jobs, particularly in the military, is segmented along ethnic lines. The implication for migration is that public sector employees often have preferential access to agricultural and residential land all over the country, irrespective of provincial boundaries. Such allocation of resources and the notion of ethnic ownership of a geographical territory have led to the perception that migration is tantamount to the marginalization of native communities.

This perception has subsequently led to the genesis of ethnicity-based politics and is common in provinces such as Punjab, Sindh and Balochistan, which have received large numbers of migrants. Slogans such as “Sindh belongs to Sindhis” and “Gawadar is being taken over by Punjabis” are, therefore, part of the regular political discourse. It follows that the issue of political representation assumes supreme significance; the ability of migrants to vote in areas of destination rather than of origin are then considered acts of changing the ethnic demography of an area.

5.4 Urbanization: urban infrastructure and housing

Given the political and social constraints to migration, the issue of urban planning is also instrumental to controlling migration, though only that headed towards urban areas. Policy makers have traditionally vilified rural-urban migration owing to the implied strain on urban infrastructure and housing. In Pakistan, although the need for urban planning is recognized at all levels of discourse, this has not translated into any cogent policy. In fact, a *laissez-faire* policy has been adopted and access to services, such as residential land and water, is through an unregulated private sector. The issue of housing, in particular, is of prime importance since migration has given rise to a large number of irregular settlements known as *katchi abadis*.

Katchi abadis are basically illegal squatter settlements constructed by migrants on public property. Usually, once a *katchi abadi* has existed for a few years, the provincial government regular-

izes it. Interestingly, while services such as electricity and gas cannot be legally provided to houses without registered addresses, state-run utility providers have been known to provide services to *katchi abadis* based on their own allocation of house identification numbers.

The issue of *katchi abadis* has been looked at from various angles. Some argue that given the financial and technical capabilities of the local government, a laissez-faire policy is an optimal one. Proponents of migration, for example, correlate this policy with a reduction in the cost of migration. Others, however, argue that such a policy actually increases the implicit cost of migration; there are concerns that there are economic as well as political rents to be had from encouraging, or turning a blind eye to illegal settlements. It is well documented that ambiguous property rights can significantly increase the vulnerability of migrants. Protection can often be bought with certain political affiliations. Indeed, there are some who are concerned that the non-policy of “settle now, regularize later” is essentially a policy to change the ethnic demography of an area, and take political control.

6. CURRENT POLICY ENVIRONMENT

The official poverty reduction policy of the government of Pakistan is laid out in the Poverty Reduction Strategy Paper (PRSP). The PRSP envisages poverty to be multidimensional, and its targets and indicators are correspondingly diverse. Migration, however, does not feature in this policy as a substantive issue; rather there are only fleeting references to migration as a response to regional income and infrastructure disparities.

From the viewpoint of migration, it is useful to evaluate existing (non-)policy from three angles: restrictions on mobility, restrictions on jobs and restrictions on housing and associated facilities. At a policy level there are absolutely no restrictions on geographical movement. This is to some extent evident from the sheer magnitude and direction of mobility.

As far as jobs are concerned, there is some rationing in the public sector, but none in the private sector, be it formal or informal. Public sector jobs in the provincial government usually require that the incumbent possess a domicile certificate that, in turn, is issued if the applicant can establish to be a long-term resident of the province. Usually an applicants’ father has to be domiciled in that area. Some jobs, however, are reserved for residents of other provinces.

This system is less stringent than it appears to be. First, domicile certificates are easily available on (illegal) payment and, second, irrespective of the place of birth and ethnicity, certificates can be legally had if a person has resided in an area for three years or more.

Concerning housing and associated facilities, internal migration, in particularly rural to urban migration, is closely associated with the incidence of irregular squatter settlements commonly known as *katchi abadis*, already referred to above. The PRSP does recognize *katchi abadis* as a poverty issue, and recommends policies in the line with the 1947 policy of “settle now and regularize later.” There is a need to ensure that these policies are made more proactive.

Besides the *katchi abadi* Authority, which rubber-stamps the transition from a squatter settlement to a regularized one, there is no other governmental body to manage migration-related urban housing. A number of non-governmental organizations, though, are paying considerable attention to irregular settlements. Prominent among them are the Orangi Pilot Project and the Urban Resource Centre. The former, in particular, is based around community-based organization, and assists residents to construct their own small infrastructure, such as sewage and street soling.

7. CONCLUSIONS

Internal migration in Pakistan is characterized by a **very open, laissez-faire policy**. There are no restrictions on mobility, and very limited ones on job acquisition, housing and associated facilities. In short, there are no insurmountable policy hurdles for potential migrants, and the costs of migration are apparently very low.

On the econometric side, our findings are that income differentials between rural and urban areas are indeed driving economic migration. Furthermore, lack of access to land also provides a significant impetus. While wage differentials are not only limited to the poorer segments of the population, landlessness (in the rural areas) certainly is. Putting together these facts seems to imply that internal migrants are following the route of economic opportunity, and that migration is probably an effective tool for poverty alleviation.

On the other hand, there is also evidence that human capital variables, such as literacy and years of education, are also significant, and this not only at the migration decision level but also through their effect on wage expectations. It is not unreasonable to expect this selection process to be negatively correlated to one's poverty status, i.e. it would be less viable for the poor to migrate. To sum up, while there is quantitative evidence supporting the hypothesis that, in general, it is the poor who migrate, this needs to be qualified with the observation that education also plays an important part in the probability of labour migration.²⁶

Furthermore, our exposition of the issue of **labour market segmentation** implies that migration could be as much a function of group identity as it is of economic deprivation. It is widely perceived that patronage of social groups that have prior access to economic and political resources is often necessary to secure economic opportunities.

Segmentation along the lines of gender is also apparent. While taken as a whole the migration stream is highly feminized, migrants reporting economic reasons as the motive for movement are predominantly male. Even when migrant women are participating in the labour market, movement itself is essentially tied to male relatives. This suggests that independent economic movement of women is not the norm, and that migration may not always be a tool of poverty alleviation accessible to women.

Our analysis has also highlighted that **population mobility goes far beyond economic migration**, which occurs over a variety of spatial, temporal and socio-economic contexts. From a research perspective, it is important to note that, contrary to the received view, rural areas rather

than urban are the dominant recipients of migration. We also find evidence suggesting a large “floating” population consisting of people who migrate more than once. There is an a priori concern that both the rural to rural stream and this floating population may constitute the most vulnerable and the least endowed groups.

Finally, there is a **long-term political concern** that follows migration as a corollary. In Pakistan the notion of ethnic demographic majorities, in particular geographic regions, is an active one. Given this notion, inter-provincial migration, the consequent acquisition of jobs by migrants and, most importantly, the ability of migrants to vote in provincial elections are often seen as attempts to affect the ethnic demography of an area.

These concerns are in essence an upshot of the laissez-faire policy of the government regarding migration. And, while the benign impacts of migration are welcome, it must be ensured that they do not translate into potentially violent scenarios.

ENDNOTES

1. See G.M. Arif, 2004 and F. Azam, 1991.
2. Precise estimates are discussed further below.
3. See A. Lewis, 1954.
4. See J. Hoddinott, 1994.
5. Non-covariate risks imply that returns in two sectors are independently distributed, i.e. if earnings in one sector go down, chances are that earnings will not be affected in the other sector. People working in non-covariate sectors are then usually able to help each other out in times of crisis.
6. See M. Rosenzweig and O. Stark, 1997.
7. Urban congestion, defined as an overload on infrastructure in particular housing can occur when urbanization occurs at a pace where urban planning cannot keep up with it.
8. See Khan and Shehnaz, 2000.
9. See Mullainathan, 2004.
10. See Memon, 2005.
11. The Harris and Todaro framework suggests that rural to urban migration is mainly driven by rural-urban wage differentials weighted by the probability of getting a job. This implies that migration can be controlled by economic (dis)incentives by either removing the wage differential, or by decreasing the probability of getting a job.
12. It can be argued that pre-migration information is not available for male migrants either. This is true, but there is ample information on the wages of male non-migrants from which to construct hypothetical wages for migrants had they not migrated.
13. It would be unlikely to find more than one urban centre within the same district.
14. As explained earlier, the Harris and Todaro framework emphasizes the role of wage differentials in rural-urban migration.
15. Theoretical models need to be translated into “equation form” for a regression to be estimated. This equation form is known as the “structural form”. In the case of our example, our equation is specified as:
Probability of Migration = constant + a(age) + b(age square) + c(marital status) + ... + w(log wage difference). The values of the coefficients a, b, c, ... w are estimated using Probit and presented in Table 1.8.
16. The Probit is an internationally accepted methodology of isolating the individual effects of different causative factors on the decision to migrate (in the case of migration). The Probit is used in a myriad of problems and many fields of study.
17. The results of the wage equations are available on request. These estimates suggest that there is some underlying self-selection mechanism (though not very significant) through which workers who expect higher earnings migrate, and others do not.
18. What needs to be underlined here is the sign of the coefficients. A positive sign implies that the probability of migration is increasing in that variable. For example an increase in the rural to urban wage differential will increase the likelihood of migration *given* other characteristics. In the Probit Model, the magnitude of the coefficients is not important.
The P values indicate whether a coefficient is statistically significant. A P value of less than 100 implies that the coefficient is significant; otherwise, it is not important.
19. This section follows the analytical framework set out by Gazdar, 2003.
20. Gazdar, 2004.
21. See Social Policy Development Center, 2003.
22. See Sayeed et al., and Gazdar, 2003.
23. It is not possible to monitor flows from south Punjab into other provinces.
24. See Ali, 1988.
25. This is not to suggest that the British created these divisions, but to provide a historical example.
26. This is analogous to the brain drain view with regard to international migration.

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