

# Mobility and Migration

## *Policy implications of COVID-19*

July 2020

### Summary

Remittance earnings from international migration is integral to Bangladesh's growth prospects. Remittances were the second largest source of foreign currency in 2019, totaling USD 18 billion. Migration also contributes to household consumption, education, it mitigates poverty and food insecurity, and the savings it generates facilitates entrepreneurial activities in that family.

COVID-19 has had a disproportionate impact on this sector. Remittance receipts declined 25 percent (y-o-y) in April 2020. 200,000 migrants have already returned and many more expected in the coming months. These returns are sudden and unplanned due to early termination of contracts or extended vacation induced by economic shutdown at the destination countries.

We have conducted surveys all over Bangladesh and rural Nepal since April 2020 on families with an international migrant, internal (domestic) migrant, or without any migrant members. Migrant households report much larger income drops compared to non-migrant households. This is primarily because of the sharp decrease in remittance income. There is a lot of stigma around the disease risk posed by migrant returnees, which compounds the problem. Our data show much greater prevalence of COVID symptoms in households and communities with a recent returnee, which will make it difficult to re-integrate into the local labor markets. These households and this sector need greater policy attention to ensure repatriation to destination countries, or reintegration.

### Key Insights

- While all households saw sharp declines in income and food security after COVID-19, households with migrants are worse off, earning 36% less compared to non-migrant households during COVID-19. Their relative income ranking has reversed. (**Figure 2**)
- Strong correlation between returning migrants and self-reported common COVID-19 symptoms (**Figure 3**) suggests that migration and mobility pose a genuine trade-off between public health and economic concerns
- Difficulty in remigration opportunities due to economic lockdowns at destination countries
- Continue data collection using surveys and administrative data (**Table 1**) to inform policy for directing resources

### Implications

- Repatriation of migrants will require policy mapping of the travel and work restrictions in place at various destination countries, and meeting testing/quarantining requirements.
- Create employment and entrepreneurial opportunities for migrants who cannot return.
- Provide counselling for returnees to deal with stigma of COVID-19 and encourage testing
- Ensure adequate quarantine support at regional level for those who test positive
- Widespread campaigns (especially in migrant-exposed areas) for reducing stigma towards migrants and their household members

## Recommendations for Specific Ministries

### ***Ministry of Expatriates' Welfare and Overseas Employment, Bureau of Manpower, Employment and Training, Wage Earners' Welfare Fund, District Employment and Manpower Office (DEMO)***

- Targeted benefit transfers for returnees from USD 85 million allocation for migrants – e.g. targeting can be done based on early contract termination
- Systematic quarantine procedures implemented through local DEMO offices
- Community messaging campaigns and counselling services to mitigate stigma
- Economic reintegration process (from USD 85 million allocation) – create skills training and facilitate SME loans for starting business

### ***Ministry of Foreign Affairs***

- Mapping new skills needs in existing major destination countries and identifying new destinations
- Negotiation new BLAs that address impact of COVID-19 with updated safety net for workers

### ***Ministry of Labour (Labour Wing located at respective High Commissions)***

- Provide support to workers affected by lay-offs and early work terminations at destination countries impacted by COVID. in particular, ensure appropriate support for vulnerable migrant populations such as women who maybe at greater risk due to COVID

## Contact Details

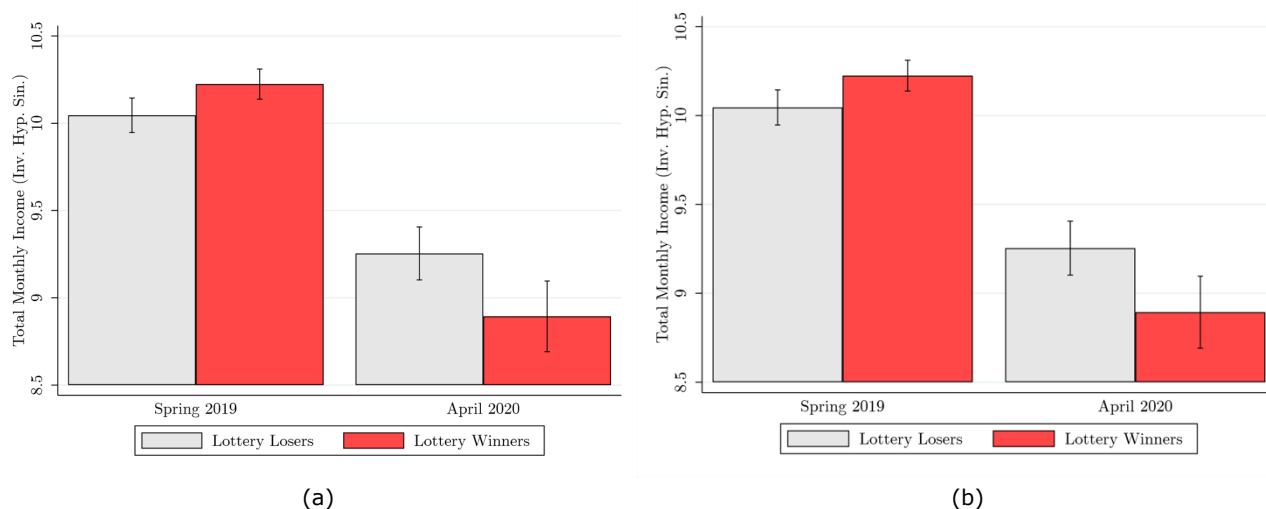
Please contact Dr. Ahmed Mushfiq Mobarak ([ahmed.mobarak@yale.edu](mailto:ahmed.mobarak@yale.edu)), Professor of Economics at Yale University (<http://som.yale.edu/mobarak>) and Director of the Yale Research Initiative on Innovation and Scale ([Y-RISE](http://yrise.yale.edu)) for facilitating further research, data tracking or questions. Full paper to be placed here: <http://yrise.yale.edu/covid-19/policy-briefs/>.

## Figures and Tables

***Figure 1: Samples Studied***

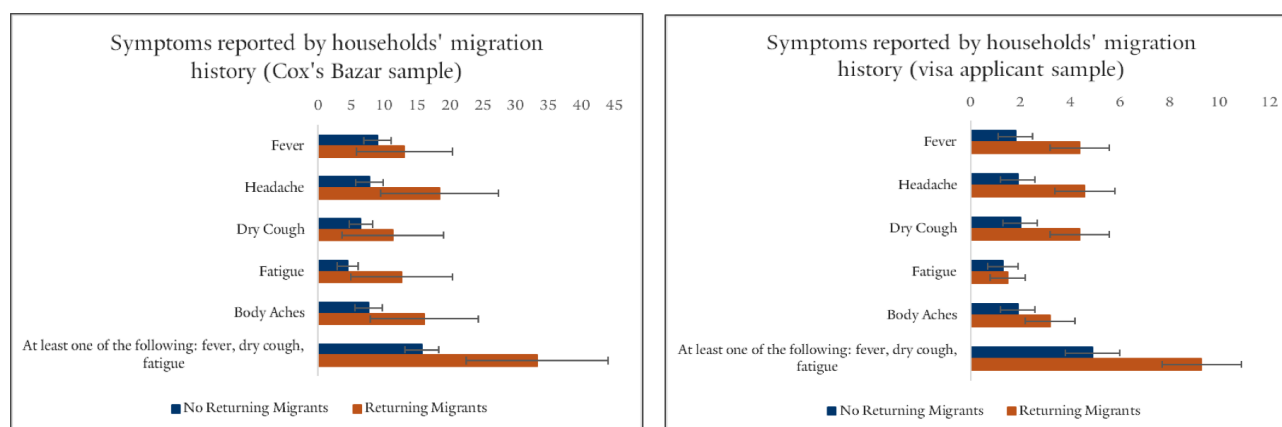
<b>Government to Government (G2G) Visa Lottery</b>	<input type="checkbox"/> Sample of households that participated in a visa lottery which awarded visas for Bangladeshis to work in Malaysia
<b>Cox's Bazar Panel Survey</b>	<input type="checkbox"/> Representative sample of both refugees and Bangladeshis living in the refugee affected Cox's Bazar district of southern Bangladesh.
<b>No Lean Season</b>	<input type="checkbox"/> Sample of rural, landless households in agricultural communities in Northern Bangladesh
<b>Nepal Seasonal Migration</b>	<input type="checkbox"/> Sample of rural, poor low-income households from two of the poorer districts in Nepal

**Figure 2: Effect of COVID-19 on Migrants**



*Note: The vertical axis displays the inverse hyperbolic sine of household income. This is a standard adjustment that has two purposes: i) to account for the statistical properties of household income and ii) to facilitate interpretation. Vertical distances approximate percentage changes, i.e. a vertical difference of 0.5 is approximately equal to a change of 50%. Panel (a) shows the income differences between migrant and non-migrant households from Malaysia's G2G program and panel (b) shows the change in food security for the same sample households.*

**Figure 3: Returnee Presence is associated with COVID-19 symptoms**



**Table 1: Further Data Collection and Tracking**

Govt Ministry/Agency	Data
BMET / DEMO	Smart card registrations, quarantines at local level
Airport Authority / Immigration	Migrant re-entry data
Bangladesh Bank	Migration remittance data
Surveys (High Frequency Mobile surveys)	Health, Employment, Income, Consumption
Telecom Companies	Mobility and Movement, Money Transfers, Hotline Calls