

Abstract

Economic Consequences of Gulf Migration in South Asia: Case Study of Kerala, India and Sri Lanka

This research is aimed at assessing the economic consequences of Gulf migration on South Asian countries. Limitation of funds makes it necessary to confine the study to two populations, namely, Kerala State in India (population about 31 million) and Sri Lanka (population about 20 million).

Earlier study, conducted five years ago in Kerala, has shown that migration has provided the single-most dynamic factor in the otherwise dismal development scenario of Kerala in the last quarter of the twentieth century. The annual remittances from the workers from Gulf countries to Kerala were more than the state's annual budget - 3 times more than the central government's budgetary support. It was about four times than the export earnings of the state's sea food industries or about seven times export earnings of the spices from Kerala. Currently, remittances account for 23 per cent of the Net State Domestic Product (NSDP). Gulf migration has had a very significant impact on unemployment rate and income distribution. As per the latest National Sample Survey, Kerala is listed at the top in terms of per capita consumer expenditure.

The proposed study will make use of secondary as well as primary data. The secondary will be collected from work permits issued by respective Governments; Non-Resident Indian deposits received by commercial banks, airport embarkation and disembarkation data, among other things. Primary data on economic impact of migration will be collected from about 3000 households in Kerala and 2000 households in Sri Lanka selected at random from predominant emigration pockets. The survey will collect information on: remittances, housing and land development, household consumer durables, employment and unemployment, health seeking behavior, education and skill development of children.