



### Poverty reduction through Migration –A study in Visakhapatnam city

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#### **ABSTRACT:**

Migration from rural to urban has been historically connected with industrialization, urbanization and economic growth. Rural-urban migration eases inter-sect oral factor mobility and plays a vital role for structural changes. Moreover, migration has also been a key livelihood and survival strategy for many poor groups across the developing world, particularly in India. This paper analyzes the Poverty reduction through rural to urban migration in the study area- primary data of this paper was collected from Visakhapatnam city, Visakhapatnam district, AP. Here the present study is an attempt to analyze the economic impact of migration on the selected(500 sample) migrant households of Visakhapatnam city, with specific objective s of finding out the impact of migration on the income earned by the migrants and the changes in the expenditure, savings, and debt burden of the migrant households., here the researcher find that 95 percent of the households are migrated because of seasonal unemployment, 98.2 percent households revealed that poverty is the reason to migrate and most of the migrants belongs to the marginalized group of the society. The expenditure of every migrant increased whereas 92 percent of household's savings have also increased. And the volume of debt has decreased due to increase in their income. The analysis reflected that migration has reduced the percentage of households living below poverty line.

**Key words: Migration, Factor mobility, Survival strategy, Marginalized, Poverty.**

**Introduction:** Urbanization is a global phenomenon that is transforming human settlements. In India for the first time in 2011, the absolute increase in population is more in urban areas than that in rural areas. Level of urbanization in increased from 27.81 percent in 2001 to 31.16 percent in 2011. There are 468 cities/towns as per 2011 census with population more than 1 lakh in India. Rapid, pace of urbanization provides both opportunities and challenges. In the third world countries urban development is a major objective. In India, labor migration is an important livelihood system. So the present study is an attempt to analyze the economic impact of migration on selected immigrants of Visakhapatnam city, Andhra Pradesh.

Migration from rural to urban has been historically connected with industrialization, urbanization and economic growth. Rural-urban migration eases inter-sect oral factor mobility and plays a vital role for structural changes. Moreover, migration has also been a key livelihood and survival strategy for many poor groups across the developing world, particularly in India. In India, migration has been considered as a way of life where the people migrate from place to place due to political, socio-economic and demographic reasons. In many development research publications, it is argued that rural-urban migration leads to industrialization and economic growth taking into account the experiences of the developed world in the 19<sup>th</sup> and early 20<sup>th</sup> centuries.

#### **Review of Literature:**

**Y. Haberfeld et al (1999)**, examine both the determinants and impact of seasonal migration. Detailed information was gathered from all members of 624 households, thus enabling analyses at both individual and household levels. The findings indicate that seasonal migration among rural laborers is wide-spread. Rural households in India use migrant labor offered by their members to improve their well-being by both reducing the impacts of inferior conditions and by raising household's income levels.

**J. R. Rele (2002)** the trends in the extent of internal migration and urbanization in India are analyzed in this paper in the context of the development process within the country. The economic significance of these population movements is discussed.

**Mariapia Mendola (2006)** Labour migration is a pervasive feature of economic development. People mobility for temporary or permanent labour purposes is a routine part of agricultural activity. There are very significant migration flows in some developing areas, with considerable impacts on individuals, households and regions at origin.

**Arjan De Haan (2011)** this paper discusses the relationship between labour migration and poverty in India. The paper focuses on the migration patterns of deprived social groups, analyze whether migration form a route out of poverty, and what specific policies for these groups exist or should be recommended. The paper first discusses general findings on the links between poverty and internal labour migration. This paper also discusses the implications of these insights for a notion of Inclusive Growth, concluding there is a need to address the invisibility of migrants and to review common policy aspirations to reduce migration. The conclusion reflects on the analysis of migration and policies to enhance migrants' well-being and ability to participate in India's desexualizing growth.

**Objectives:** The main objectives of the study;

1. To study the impact of migration on the income earned by the migrants,
2. to analyzing the changes of the per capita expenditure of the migrant households

**Methodology:** The study depends on primary and secondary data. The primary data collected through survey with the structured questionnaire. In this the sample size is 500 samples of migrant households in the Visakhapatnam city. The sample collected from four areas (North, South, East and West). In this study, informal sector workers are only considered. The migrants should have been in the place of city at least for a period of one year.

**Hypothesis:** The hypothesis tested in the study was migration enhances the income of the migrants and leads to a decline in the poverty level.

**Data presentation and Analysis;** The analysis was carried out based on the occupation in which the migrants were placed in the place of city. The occupation wise distribution of the migrants was as follows: Home maids-95, daily wage earners-42, street vendors-14, Godowns coolies-115 and Quarry workers-234.

**I. Incomes of the sample migrants of the study;** Migration is main source for survival. The main reason for migration is to increase the incomes and improve their standard of living. The following table shows the income earned by the migrant before and after migration.

1.  $H_0$  = There was no significant difference in income of the migrant households after migration
2.  $H_1$  = there was significant difference

Table-1 Incomes of the selected migrants

Occupation	N	Average Income(Rs)		
		Before Migration	After migration	"t"
Quarry workers	234	144	4406	39.88**
Godown coolies	115	1543	4328	23.61**
Home maids	95	1357	4344	28.67**
Daily wage earners	42	1457	3958	12.69**
Street vendors	14	1844	3971	7.00**
Total	500	1467	4336	54.82**

Source: Primary data

The above table show that an average monthly income of the migrants in Visakhapatnam city was Rs 1467/- before migration. The migrants who Quarry workers, godown coolies, home maids, daily

wage earners, and street vendors, incomes increased after migration. The amount was highest among quarry workers due to increase of constructions in the city and the lowest among the Daily wage earners. The table shows that the incomes of the migrants in all occupation have shown significant increase.

The table shows that the incomes of the migrant households in all categories of occupation have shown significant increase. So, the null hypothesis was rejected. To find out whether this increase was statistically significant paired 't' test was applied. The calculated 't' values are shown in the above table. From the t values it is inferred that there is significant increase in the income of the migrants after migration. The analysis thus reveals that migration has made a positive impact on the migrants.

**II. Family Income of the sample migrant households:** Family income includes the income from all sources and the income contributed by all the members of the family.

$H_0$ = There was no significant difference in the average family income of the sample migrant households after migration

$H_1$ = There was significant difference.

Table-2 shows the average family income of the migrants before and after migration.

Table-2

Occupation	Number	Average family income (Rs)		
		Before migration	After migration	"t"
Quarry workers	234	2538	4536	23.084
Godown coolies	115	2516	4616	13.306
Home maids	95	2417	4489	12.467
Daily wage earners	42	2761	4101	4.251
Street vendors	14	2515	4507	3.778
Total	500	2528	4508	28.282

Source- Primary data

The above table shows that shows that the average family income of the migrants was Rs.2528/- before migration. This has considerably increased to Rs.4508/- after migration. For migrants in all the occupations, there is a perceptible increase in the average family income after migration. To find out whether there was a significant increase in the average family income of the migrants, 'paired t test' was applied. The null hypothesis tested. From the above table-2 it is inferred that migration has

made a significant impact on the family income. This is a significant increase in the family income of migrants. The analysis has shows a positive impact on the family income, irrespective of the occupation in which the migrants were hold.

**III. Expenditure of Sample Migrant households:** The monthly per capita expenditure is key parameter for measuring the poverty. People migrate to overcome from poverty and to improve their living standards. The average per capita expenditure of the households of the migrants before and after migration is depicted in table-3.

$H_0$ = There is no significant difference in the average per capita monthly expenditure through migration

$H_1$ = There is significant difference

Table-3 Monthly per capita Income of the sample households

Average per capita expenditure	Average per capita expenditure (Rs)			Significance level
	Before migration	After migration	"t"	
Quarry workers	754.4	1753	24.561	0.00
Godown coolies	675.3	1682	14.746	0.00
Home maids	688.3	1925	17.192	0.00
Daily wage earners	634.9	1671	9.216	0.00
Street vendors	549.4	1458	2.941	0.011
Total	707.8	1754	33.67	0.00

Source-Primary data

The above table-3 shows that on an average, the monthly per capita expenditure was around Rs 700/- before migration. This increased to about Rs 1750/- after migration. The average per capita expenditure was the lowest among the street vendors before as well as after migration. To find out whether the per capita expenditure has significantly increased after migration "paired t test" was applied. The null hypothesis tested and the calculated' value being significant at 1 percent level implies that the null hypothesis is rejected. The per capita monthly expenditure has significantly increased among the sample migrants in the city in different occupations.

Based on the qualitative and quantitative primary data, an attempt was made to find out the real economic impact on total 500 migrant households to reduce poverty. The following table depicts the real economic impact of sampled migrant households in the city with reference to income, expenditure, savings, and Debt position.

**Table-4 Real Economic Impact of sampled migrated households**

Impact	Income	Expenditure	Savings	Debt position
No change	0.4(02)	0.0 (0)	2.8 (14)	11.0 (55)
Decreased	0.0 (0)	0.0 (0)	0.0 (0)	73.4 (367)
Increased	99.6 (498)	100.00 (500)	92.0 (460)	0.0 (0)
Nil	0.0 (0)	0.0 (0)	5.2 (26)	15.6 (78)
Total	100.00 (500)	100.00 (500)	100.00 (500)	100.00 (500)

Source: Primary data

The above table-4 depicts that the real economic impact of migration on income, expenditure, savings and debt position of migrant households in the city. Migration helped to increase the income of 99.6 percent respondents whereas expenditure of every migrant household has increased. Migration also helped households in repayment of debts. Therefore 73.3 percent of migrants said that their volume of debt has decreased.

After analyzing the data, the main hypothesis of the study, was migration enhances the income of the migrants and leads to a decline in the poverty level was proved.

**Conclusion;** Migration has been a long livelihood strategy in India, has considerable impact on individual households. Research survey in the city findings show that migration has significantly raised the income, savings and decline the debt burden. In brief, migration has benefited the households in terms of improving their income and standard of living and facilitated a significant decline in poverty of households in the city. Rural-urban migration reduces the pressure of population in the rural areas and thereby should improve economic conditions and reduce rural poverty. It is evident that the incidence of poverty is higher in the rural areas than that of the urban areas. Moreover, the rate of reduction in the rural areas of poverty is also higher in the rural areas than the urban areas. This might be occurred due to the accelerated pace of rural urban migration.

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