

Welfare of migrant workers



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REMITTANCES from Bangladeshi migrants have been growing rapidly over the past decade and a half, contributing significantly to economic growth and substantially improving the nation's balance of payments position. However, the recent global recession has caused dramatic losses in employment opportunities for Bangladeshi migrants, not only in the form of reduced job availability but also in the form of massive layoffs among the current labour force. While remittances increased until 2009, the drastically lower numbers of new migrants has already resulted in reduced remittances during the first months of 2010.

Not only does this have a negative impact on the economy, it also severely endangers the livelihoods and well-being of those who depend on remittances. The issue of International Labour Migration was studied for The State of Governance in Bangladesh, 2009, the annual report of Institute of Governance Studies, Brac University.

This research also finds that the prospect of fewer departures and lower remittances are not the only areas which are problematic.

Context and governance gaps in labour migration

Government data shows that between 1976 and 2009 an estimated 7.5 million Bangladeshis migrated, while other sources claim that currently there are 5.4 or even 6 million migrants, highlighting a paucity of accurate figures.

A migration process overseen by a weak and inadequate regulatory framework and institutions severely lacking in capacity, transparency and accountability all contribute to the poor state of governance in the migration arena. The extremely long and complicated migration process, high costs of migration, resulting debts incurred by migrants prior to departure and unscrupulous migration agencies are glaring examples of this.

Reports of inhumane working conditions, unfair employment practices and breaches of migrants' human rights are common in the local media. Above all, their lack of protection by the

Bangladesh government is a cause for severe concern. The core problematic feature of the labour migration process, in the current governance context, is that the private-government nexus reaps all the profits, whereas workers bear the direct costs and the risks. Above all, there are no incentives for any of the parties who reap the benefits in changing this arrangement in favour of the workers.

Malpractices by local migration service providers

The most common offences faced by Bangladeshi migrant workers are related to collecting far higher service charges than permitted under law. Bangladeshi migrants often pay double what migrant workers pay in neighbouring countries, due to the severe lack of implementation and monitoring of policies and legislation. In some cases, ruthless agents even send workers without proper work permissions, who are stranded upon arrival.

What makes it difficult to track these manipulations is that often transactions to brokers or agents are made in cash. Thus, there are few or no records, making the process un-auditable. The same applies to recruitment agents who buy visas from an unauthorised middlemen in host countries.

The financial sector in the migration process

Formal credit institutions could play a critical role in the migration process.

Remittances are usually well managed. Formal systems for remittance transfer include banks, postal services, money transfer operators (MTOs), other wire transfer services, and credit unions.

While banks and postal services offer reliable remittance services in almost all host and home countries, difficulties in regard to transferring remittances through formal systems include high costs, transaction delays, unfriendly customer service and complex paperwork. As a result, informal transfer systems (hundi) have remained vital.

Mobilising much needed credit support has remained critical. Migrants are often forced to take drastic measures that endanger their families' livelihood and entrench their future because they are often denied access to formal credits from the financial sector. They are not perceived as either a priority or a good credit risk by the very banking and credit institutions that are more than happy to handle their remittances. Usually, migrant families need to spend the remittances from the first months (or even year) to repay these loans.

Migrant maltreatment in destination countries

Even though there are legislations to safeguard the interests of the migrant workers, the respective host governments are often rather negligent in implementing these. There are often complications regarding entry due to inappropriate visas, invalid paperwork and dubious job contracts issued by corrupt recruiting agents. Once in service, the main difficulties reported by migrant workers are low, delayed, partial or prolonged non-payment of salaries, as well as mistreatment by employers, extremely poor working conditions and lack of welfare provisions or help from Bangladeshi missions.

In some cases wages are lower than specified in the working contract, and sometimes even lower than the minimum wage of the respective country. Contract substitution by employers is a widespread phenomenon. In many instances, workers try to leave their "new" jobs and seek alternate employment through networks of other Bangladeshi migrant workers. However, by doing so, they risk becoming "undocumented" workers.

A further critical issue is the wage differentials according to the workers' nationalities, with Bangladeshi migrant workers often ending up at the bottom of the scale. Two reasons are generally given for this: the first is that they are comparatively low skilled. The second one is due to the Bangladesh government's failure in effectively bargaining with destination

country governments.

In addition there are serious concerns regarding the safety of migrant workers. Most of the jobs taken up by Bangladeshi migrants are classified as "3D," i.e. dirty, difficult and dangerous. Thus, there have been many casualties, as reported by the local media. Female migrant workers may face additional abuse.

Strengthening governance -- some recommendations

The Global Commission on International Migration (GCIM 2005) has identified four major challenges in establishing governance in migration at the national level: firstly, the lack of coherence in national policymaking on migration; secondly, the lack of coordination between policy making and policy implementation; thirdly, the lack of capacity, defined as the lack of information, knowledge, institution and resources to process migration, and fourthly, the lack of communication between countries. The recommendations below take into account these requirements and would be initial steps towards the governance overhaul that the sector needs.

- **Negotiate terms with receiving countries that ensure worker welfare:** Given that most countries "hosting" Bangladeshi migrant workers have not ratified international instruments of worker protection such as United Nations or International Labour Organisation conventions, bilateral agreements or memoranda of understanding (MoU) are important instruments to ensure the protection of the rights of migrants. Successive Bangladeshi governments have sent high-level delegations to various labour receiving states to negotiate such agreements. However, there is a general reticence on part of labour destination countries to sign any agreements that are legally binding. As Bangladesh cannot dictate terms, the government should at least develop a minimum set of standards of working and living conditions.
- **Enshrine migrant rights as the core of the governance framework:** Migrant rights should be made the central premise of the governance framework in order to make policies, institutions and processes more relevant. From an international perspective, good governance needs to safeguard the interests of the labour force vis-à-vis the host state and employers. If the latter are reluctant to adhere to the regulatory framework, there need to be mechanisms from the side of both sending

and receiving countries to penalise these companies. Counselling and legal services need to be provided to migrants both at home and abroad.

- **Ensure proper functioning of monitoring mechanisms to create a transparent and efficient migration process:** Proper monitoring mechanisms need to be set up to regulate license agencies and shut down operations of illegal agencies and middlemen. Migration fees need to be reasonable, with an imposed, and implemented, ceiling. For negotiating labour opportunities there should be healthy competition between the public and private sector. The provision of passports for migrant workers needs to be simplified, made less costly and less time consuming.
- **The recent introduction of smart cards may contribute substantially to improving monitoring.** The media and civil society organisations can also disseminate this information. Manpower agencies themselves should also set up internal mechanisms for monitoring. BAIRA, as their umbrella organisation, could be a focus point, establishing a code of conduct. Best practices should be published, as well as names of "blacklisted" agencies.
- **Secure access to credit and efficient means of remittance transfer for migrants:** Low-interest loans could be provided to prospective migrants and their families for a period of 6 to 12 months, considerably minimising the propensity to take informal loans at high rates of interest and mortgage property to moneylenders. The migrants also need efficient, user-friendly legitimate means of sending remittances.

Given the presence of deep governance gaps in facilitating and managing international labour migration in Bangladesh, the role of reform and regulation is critical, especially in safeguarding worker rights and welfare. While there is a pressing need for a plethora of institutional and governance reform processes, the most urgent governance issue is lack of implementation of already existing legislation that seeks to make the process more transparent. If the migrants' essential contributions to the economy are to keep growing, the state needs to re-emphasise its role as a watchdog, strongly putting migrant rights and welfare in the forefront.

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The Korean miracle

For in a nutshell, that is what the country, Korea, is: inspirational. It reeks of ability and attainment, and still aspires, to do more, to go further, reach higher. That underlying ethic can be the guiding light for many a nation on the road to development today, and quite a few developed ones too.

ENAYETULLAH KHAN

AS far as miracle stories of growth go, few can elicit as much wonder and admiration as the Korean one. More specifically, the story of the rise and fall, over the last three decades, of South Korea, a country of rare beauty and absolute sophistication nestled on the southern tip of the Korean Peninsula.

I count myself as extremely fortunate to have had the opportunity to witness the miracle as it unfolded over the decades, starting from 1985 when I first went there, and capped off by my most recent visit to the peninsula last autumn, when a week-long visit courtesy of the Korea Foundation (on whom more later) served to confirm to me Korea's assured place at the head-table of the 21st century's family of nations.

I was there for the first time in almost fifteen years, and in this time how spectacularly this country of 50 million people had continued its journey through time to emerge so far ahead of the game was a real eye-opener to me. It is a common misconception, when talking of Korea, to focus merely on its economic success. That certainly has been remarkable, and with good reason too. With a per capita GDP of nearly \$30,000, Korea is easily one of the richest countries in the world today, easily outdoing some countries in Western Europe even.

GDP is second only to Japan amongst Asian nations, for only the attention India and China may be drawing, Korea is, without any shadow of a doubt, a developed country on the cusp of greatness in the world stage. It is only the innate humility of its people that may have prevented you from knowing so. Here I set

forth some particular highlights, some of which I believe planners in Bangladesh will do well to take note of.

KIST

My impression of Korea as a country that had evolved beyond being just one of the Asian Tigers, or a particularly industrious country riding a very large crest of a very big wave of development, was confirmed beyond suspicion during a visit to the Korea Institute of Science and Technology, or KIST, in Seoul, the very first multidisciplinary scientific research institute in the country.

Established in 1966 under the leadership of late Dr. Hyung-Sup Choi, who I had the opportunity to meet few times in Dhaka and Korea, this sprawling institution through its six research divisions is said to have made an enormous contribution to the development of Korea. More importantly, it is symbolic of the seamless transition Korea is going through towards establishing itself as a knowledge economy.

It is perhaps not surprising then that it operates under the auspices of the Ministry of Knowledge Economy, a quite unique innovation in governance that has signalled Korea's commitment to a massive contribution to the world's store of knowledge, through cutting-edge research and development initiatives.

The Korean budget for the last fiscal devoted a mind-boggling \$10 billion to research and development.

Incheon

The Korean city that brought me under its spell was Incheon, the country's third-largest metropolis, the largest seaport on its west coast, as well as home to its largest

airport, the swanky, barely a decade-old Incheon International, its major transport hub.

You can imagine what a great centre of commerce the major transport hub of a country like Korea would be. But Incheon has taken this a step further. Falling under the control of one of the two free economic zones in the country, aimed at attracting foreign direct investment, Incheon has galloped on to the stage as one of Asia's brightest financial and corporate hubs.

Home to 2.5 million people, Incheon has already hosted a G20 finance ministers meeting and won the bid to host the 2014 Asian Games.

Its determination to compete with other centres of commerce in Asia, such as Hong Kong and Singapore, is reflected in the fact that in 2007 Incheon declared itself an "English City," whereby it has undertaken a programme to make itself as much an English-speaking city as those other two. Clearly, they see much to be gained by way of adopting what is the undisputed lingua franca of international trade and commerce today.

At more than 21 kilometres (13.3 miles) long, the sea-crossing Incheon Bridge is a marvel of human engineering. It connects the mainland of Incheon with Yeongjong Island, which falls under the free economic zone. Built by the pioneering Samsung Corporation after an extensive bidding process (to eliminate any graft), the bridge has a cable stayed section over the main sea-route to Incheon port, which is an especially impressive feat. It is still very new, having opened in late 2009, but don't be surprised if in the years to come, it establishes itself as one of Asia's most famous landmarks, albeit over the sea.

An evening with Park Seo-Bo

In amongst all these monuments to the modern, sophisticated nation that Korea now is, I was lucky to come across ample evidence of its ancient heritage and unique culture, so delicately preserved even now in its customs, ranging from its temple-style cooking to its numerous museums (including a very impressive



Press Museum documenting the history of the media) and galleries, which I immersed myself in. But there was one encounter I will cherish above all the others.

Park Seo-Bo has stood at the forefront of Korean contemporary art for over five decades now. Acknowledged as the founder of Asia's first sustained contemporary-art movement, the monochrome art movement, he is now, at the age of 80, Professor Emeritus at the College of Fine Arts, Hong-Ik University.

I spent an evening with him this time around at his studio in the heart of Seoul, and his tales of hardship through the bloody years of the Korean War and beyond, as he tried to make it as an artist, enthralled me beyond words. Even now, as I write this, I find myself transported to this child-like state where I lost myself in the power of his narrative, where I got a sense of the real-life experiences that must drive such a formidable imagination. In one, unjust word, it was memorable.

Korea Foundation

I should not forget, of course, that almost all that I experienced on my trip owes a good debt of gratitude to the Korea

Foundation, another unique institution that is looking to promote the image of Korea around the world through some smart initiatives in various domains, including cultural and academic. Their modus operandi also consists of giving thought-leaders and opinion-makers from other countries key insights into the Korean model, and

I must mention former Korean ambassador to Bangladesh Suk-Bum Park for facilitating this trip and making it a most enlightening one for me.

There is a sizeable Bangladeshi community in Korea, and although I did not get to spend much time in their midst, the Korean president of the Korea-Bangladesh Friendship Association, Congressman Choong Whan Kim, Ambassador Sun Joun-yung, Korea's former ambassador to the United Nations and our own ambassador in Seoul, Shahidul Alam, briefed me on their condition with much patience.

Speaking of Bangladeshi-Korean friendship, it would be remiss to not mention the man who perhaps encapsulates the bond most wholly. I came to know the venerable Kihak Sung through his involvement in the Korean Export

Processing Zone in Chittagong, where the company he presides over, Youngone Corporation, is one of the largest investors. Meeting this "Bangladeshi-Korean" in Seoul, I gained some valuable insights into the role of the private sector in Korea's emergence and his passionate plans for Bangladesh.

Given my role at UNB, in addition to Dhaka Courier, I was naturally pleased to have the chance to visit the offices of the Korea Times, the country's largest-selling English newspaper, where I met its president-publisher, Park Moo-jong, and witnessed a modern newsroom at work. Similarly, my visit to offices of the Yonhap news wire, accompanied by its managing director Chang-Hoe Kim, opened my eyes to standards that UNB can, indeed must, eventually aspire to.

For in a nutshell, that is what the country, Korea, is: inspirational. It reeks of ability and attainment, and still aspires, to do more, to go further, reach higher. That underlying ethic can be the guiding light for many a nation on the road to development today, and quite a few developed ones too.

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