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SPECIAL ARTICLE

Internal and External Migration in India Socio-Ethnic and Economic Frictions

Aruni Mitra

St. Xavier's College (Autonomous),
Kolkata⁵

1. Analysis of the Nature and Causes of Rural-Urban Migration

With the stabilization programs and structural adjustments in the Indian economy since 1991 there has been an increasing disparity between rural and urban development within India,

⁵aruni.mitra@yahoo.com

which has contributed to significant internal urban involution. The share of work force in agricultural activities has fallen sharply even when the backbone of Indian macro-economy continues to be agriculture in terms of share in total employment. The fact that the landless poor who mostly belong to lower castes, indigenous communities and economically backward regions constitute the major portion of migrants, point out to the logic of uneven development as the principal determinant of migration. The predominantly tribal regions of India, being recently encroached upon by the corporate giants, the so-called pioneers of development, migration may have risen due to displacement of the local tribals.

Now, I present a statistical overview of the nature and trends of internal migration in India. The data is disaggregated along the lines of gender and reason for migration.

Trends of Urban Involution in India

The total numbers of migrants as per census data were 167 million in 1971, 213 million in 1981 and 232 million in 1991. In 2001, 309 (or 315) million people (30% of the total population of India) were migrants based on place of last residence. Estimates show that the present strength of inter-state migrants is around 80 million persons. It is a common belief that the internal migration in India is mostly from the rural sector to the urban centres. However, statistics show that migration from one rural area to another rural centre records the most number of migration cases: 53.3 million, followed by rural-urban migration, 20.5 million cases. Nevertheless, the rural-rural migration has been declining since 1971, while rural-urban migration has gradually increased

from 16.5% in 1971 to 21.1% in 2001.

The following table shows the splitting of migratory population according to the reasons for migration.

Table No.: 1

Reasons of Migration	Percentage of Migrants (%)
Marriage	43.8
Moved with Household	21
Work/ Employment	14.7
Moved after Birth	6.7
Education	3
Business	1.2

Since, females have dominated internal migration (66.5% of total migration flows of duration 0-9 years) in India, so it is expected that the top two reasons for migration will come out to be marital obligations and movement with households (as shown in the above figure). However, when we consider exclusively inter-state migration, employment emerges as the most significant reason for migration because in that case male migration becomes predominant. The longer the distance of migration is, the higher the share of male migration becomes. This is due to the custom of marrying off women within the close circle, not involving long distance migration. Household Survey Data of NSSO 55th round reiterates our finding that while males dominate females in inter-state migration rates, the trend is just the reverse in case of intra-state migration.

We now concentrate on various other aspects of urban immigration, e.g., educational and skill status of the migrants, nature of clustered movement of a group with active social networking, like the Scheduled Castes and

particularly the Scheduled Tribes, etc.

SC/ST Social Network

The fact that there is a large concentration of migrants belonging to SC and ST status, especially in the informal sector (Basu, Basu and Ray, 1987; Kasturi, 1990; Neeta, 2004) suggests the positive effects of SC/STs presence in urban destinations on inducing further rural-urban migration. Bhattacharya (2002) in his regression analysis of intra-state rural-urban migration models based on 1981 census data, finds that the presence of SC population in urban areas gives positive effect on the migration of SCs from rural areas while SC incidence in rural regions is seen to reduce out-migration rates.

Education and Skill Level of Migrants

ShekharMukherji in his August 2001 paper, presented at the 24th IUSSP Conference, Salvador, Brazil, noted after a statistical analysis covering 22 metropolitan cities the following facts.

- (a) Majority of the migrants are illiterate and unskilled.
- (b) The migrants are absorbed in poor quality unorganized or informal sectors.

2. Socio-ethnic and Economic Frictions in the Indian Economy

We now consider the impacts of oppressive situations of proliferation of low quality urbanization in this section.

Incidence of migration to urban areas in India has shown an increase in 2001 as compared to the consistent decline during 1961 to 1991. Since urban involution can be of two

types, namely, urban-urban migration and rural-urban migration, there are significant characteristic differences between the impacts of these two types of migrants on the urban destination. For example, the more successful group of migrants is urban to urban migrants in terms of their occupational type and income levels due to better education and skills than their rural to urban counterparts. In this section, we are going to see the impacts of rural to urban migration, which is characteristically of a low quality.

In the last decade or so, there has been an unprecedented distressed migration of people from villages to metropolises and problems of unbalanced urbanization and extreme urban decay have cropped up. The India Urban Poverty Report 2009 highlights the fact that there has been an "urbanization of poverty", that is, many Indian states are reported to have much higher poverty figures in the urban areas than in their rural areas. Although at the national level rural poverty is higher than poverty in urban areas, the gap between the two has decreased over the last couple of decades, because urban poverty has not declined with acceleration in GDP growth. This apparently confusing phenomenon can be explained through migration of poor rural people into the cities. Now, some of the key features of the adversities faced by the Indian urban poor, most of whom are the impoverished migrants from the rural areas, are enumerated below.

- (1) Given the fact that the prevalent model of urbanization has constricted space and resources for the urban poor, they are mainly employed in the informal sectors of production. Naturally, they face a constant threat of

eviction, removal, confiscation of goods and an almost non-existent social security cover. Capital intensity of formal urban productive sectors renders the unskilled rural migrants inefficient in production.

(2) The poor rural migrants are often forced to dwell in slums with no access to basic civic amenities. 13% of Indian slums located on public land owned by the Indian Railways and 53% of the urban slums are located on municipality owned land. So, lack of entitlement to proper housing and land ownership leads to more social vulnerability of the urban poor. A shocking piece of evidence is that 54.71% of urban slums in India do not have any toilet facility and 20% of the urban slums do not have any method of sewage disposal.

(3) Many of the migrated families are female-headed households in the urban centres because of disrupted and abandoned marital relationships. Now, due to the stereotyping of work assigned to women and low wages paid to them, the female-headed households are typically poorer than the comparable male-headed migrant households are. In addition, the credit worthiness and asset ownership rights are heavily skewed against women. Thus, the women and children require security from oppressive forms of employment, violence, protection from sexual harassment, etc.

Economic Impacts

Having discussed about the socio-ethnic impacts of rural-urban migration, we now turn our attention towards the economic impacts of urban involution of mostly unskilled labour. I have used the specific factor model to show that migration to the cities can not only

adversely affect the unskilled labour force of the cities, but also those migrating from the villages.

Consider an urban centre producing two goods and in two endogenous sectors of production 1 and 2. We assume full employment whether there is migration or not. The production functions are and where is the capital, is skilled labour and is the unskilled labour. Capital is intersectorally mobile. The production functions exhibit constant returns to scale in the long run and diminishing returns to the variable factor in the short run. Let , , and .

When there is migration of unskilled labour into the urban centre, that is increases, then the unskilled wage rate falls; producers of will substitute capital by unskilled labour. This means now each unit of capital is worked upon by more unskilled labour. Hence, the real rental rate on physical capital rises since the marginal productivity of capital rises. As falls and rises, rises that is, the marginal productivity of capital in sector 2 rises. Eventually, a new higher equilibrium rental rate is achieved. As real rental rate rises, given product prices, rises that is, every unit of skilled labour has more capital to work with. Therefore, the productivity of skilled labour and consequently their wage increases. Therefore, the skilled labour and capital owners gain, while the unskilled labour loses.

Thus, economic rationality and perfect foresight would have dictated the unskilled rural workers not to immigrate to the cities. However, this logic is not available to the rural masses because they are enticed by the higher urban wage structure. However, one may argue, that in reality, this irrational rural-urban

migration cannot continue for a long time because of information flow. If the unskilled rural workers were actually exposed to the information that acquiring of skills would have solved their problem of welfare reduction then they would have simply obtained the required skills after they have migrated to the cities. However, not all of them get a chance to acquire the skills. Therefore, we have to attach a positive probability to the event of the rural unskilled workers getting a chance to get skilled in the cities. Even if a handful of the rural migrants end up getting the opportunity of acquiring skills in the urban centres and earn more, then also the rest are always ready to take a chance and migrate to the urban centre.

3. Planning Strategies for Restricting Rural-Urban Migration

Policies for restricting migration must take into consideration that not only is migration undertaken for higher employment returns and opportunities, but also because of seasonal or random shocks and stresses like drought, floods, etc., that is, migration can be "accumulative" or "coping". It is a diverse phenomenon with various non-economic determinants including caste and gender identities.

Having comprehended the nature of rural-urban migration, we can devise several planning strategies to save the Indian cities from imminent degradation. The list is as follows:

(a) **Rural Development:** This can be brought about by increased access to formal rural credits to encourage investments in irrigations, mechanized farming techniques and by promoting Self Help Groups to participate in

cottage industries like weaving, rice milling, textile making, etc. through enhanced micro-financial opportunities.

(b) **Spatial Restructuring:** The hinterland of large metropolises should be restructured with greater capital investment, development of underutilized domestic markets, industrial licenses in rural areas, smaller towns and intermediate cities.

(c) **Balanced Growth:** Decentralization and devolution of developmental decision-making powers should ensure a balanced growth in different regions of the country such that the incentive for migration is lost.

(d) **Employment Generation:** Expansion of better productive linkages between urban formal and informal sectors can increase the work efficiency of the migrants. Moreover, integration between industry and agriculture through creation of agro-based industries and surplus labour transfer to non-agricultural small-scale activities, not requiring much productive skills, can be beneficial to the migrants.

(e) **Metropolitan Management:** Promoting a humane and energizing urban society involves efficient administering of the city's social environment through provision of universal access to housing, sanitation, safe drinking water, sewerage system, proper functional education and healthcare facilities. For this, a humanistic urban planning is required, like dissemination of usage of non-conventional sources of energy under direct government patronage.

4. International Migration

COUNTRY Y	→ Stop illegal infiltration (Cooperate)	Allow illegal infiltration (Cheat)
COUNTRY X		
Stop illegal infiltration (Cooperate)	(46,42)	(26,44)
Allow illegal infiltration (Cheat)	(52,22)	(32,24)

India is a country of contradictions. On one hand, we find international immigrants from relatively underdeveloped neighbouring nations entering the country with hopes of lucrative livelihood and stable political atmosphere (97% of international immigrants are India's neighbours), and on the other hand we can see a large number of skilled or semi-skilled labour and students leaving the country for better economic opportunities in the Gulf countries and other developed regions like the US, UK, Australia, East Asia, etc. This story of both-way traffic of international migration in India can be contrasted to the mostly one-way direction of rural-urban migration. However, the net migration in India is -1000000 (World Bank), the negative sign denoting that more Indians have emigrated out of the country than foreigners coming into its territories have.

For emigration into India's neighbouring countries, the workers in the destination-countries like Nepal, Bangladesh, Bhutan, etc. will lose because of a fall in their wage rates due to even larger workforce. Added to this problem, the capitalists of these neighbouring

countries will also not be willing to employ Indian workers because of a higher reservation wage of the Indian migrants. With more unemployed population, the destination-country faces an increased socio-economic hazard and turns out to be the loser, while the source country ends up being the gainer.

I have tried to use this conclusion in a game theoretic model to show that if a country and one of her neighbours are both keen on sending their own people (mainly surplus unskilled labour) to each other's territories then the illegal migration of a huge population can be solved by only coordinated effort and not through political arm-twisting of the weaker neighbours by that country.

Consider a hypothetical situation where both Country X and her neighbour Country Y suffer from the same problem of illegal infiltration across their shared borders. Then it is beneficial for both the countries to stop illegal infiltration vis-à-vis the situation under both-way trafficking. Suppose a hypothetical pay-off matrix of Country X and Country Y is as follows:

From the above matrix, it is clear that it is always profitable to defect and hence both the countries will settle for allowing illegal infiltration into the other country's territories. The first number in each of the ordered pair of payoffs represents Country X's profit and the second number of the ordered pair represents Country Y's profit. Now suppose Country X cheats for once successfully, while Country Y stays honest. Country X gains 6 ($52-46=6$). When Country Y finds out Country X has cheated, the mutual trust breaks down. The two settle down to a regime of "cheating". Relative to cooperation, Country X now loses 14 ($46-$

32=14). Even if it takes Country Y a while to detect the cheating, Country X loses in the end. For example, if it takes Country Y 30 trials of the game to detect the cheating, Country X's gain is 180. Once cheating is detected, it takes only 13 trials for Country Y to wipe out Country X's gain from cheating. Thus, in this example punishment means strategic non-cooperation.

Extending this understanding to the subcontinent scenario, we understand that a coordinated mutual agreement through constructive dialogues, consistent with the individual sovereignty of the native governments in the subcontinent is necessary along with bilateral commitment to maintain that agreement. All political trust deficits must be overcome to ensure the elimination of illegal migration. Even if migration across the international borders continues, it should be mostly legal and only for the enhancement of socio-economic conditions in both the source and the destiny.

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Environment and Economic Growth: Instruments for Sustainable Development

Divya Singh

'Am I to sign a blank cheque and give away the livelihoods of billions of people without even knowing what the EU roadmap contains?' India's minister of Environment, JayanthiNatarajan asked the world at the Climate Change conference held in Durban in December last year. "Differentiated responsibility" emerged as the new norm. Environmental degradation has been one of the central issues to our goal of sustainable development. Barbier and Markandaya (1989) suggest an essential criterion for sustainable development is: maintaining the net benefits of economic development subject to maintaining the services and the quality of resources over time. The recent rush of higher GDP levels has often been accompanied with higher extraction and exploitation of exhaustible resources. The solution faces debate on two fronts: a) to have a cost effective incentive based approach and b)