



## Internal migration and poverty: Evidence from Ghana and India

This briefing paper examines the links between internal migration, remittances and poverty based on analysis of national data for India and Ghana. Internal migrants outnumber international migrants by an order of magnitude and the total sum of internal remittances exceeds international remittances. People move from relatively poor areas to richer ones. While it is difficult to establish causality, these moves allow poor people to access better opportunities in richer regions.

### The importance of internal migration

There has been major policy focus on international migration in recent years, partly due to the perceived importance of this issue to richer countries. However, internal migration within countries involves substantially larger numbers of people: The 2009 Human Development Report reported that the number of internal migrants globally is approximately 740 million, nearly four times the number of international migrants. Thus the large majority of migration involves internal movements, including rural-urban or rural-rural flows. This briefing uses data for Ghana and India captured in censuses and household surveys in order to explore the relationship between internal migration and poverty. For Ghana the 2000 Population and Housing Census and the 5<sup>th</sup> round of the Ghana Living Standards Survey (GLSS 5) conducted in 2005-2006 are used. For India the data is primarily from the 2001 Population and Housing Census and the 64<sup>th</sup> round of the National Sample Survey (NSS) from 2007-2008.

Census data captures the number of migrants who arrived in the last five years from another place within the country, or from abroad, distinguishing internal migrants and international immigrants. Census data show that 96 per cent of all migrants in Ghana and 99 per cent of all migrants in India moved internally. In Ghana inter-



Most migration involves short distances

regional migration is more important than inter-district migration, while in India the figures for inter-district (as opposed to inter-state) migration are higher. This may reflect larger district size in India than Ghana, but it also reflects the greater importance of migration for marriage in India, much of which is inter-district or intra-district. It is important to note that the data do not effectively capture short-term migration, including seasonal and circular movements, which are significant forms of mobility in both countries.

### Patterns of migration

It has been long assumed by scholars and policymakers that internal migration equals migration from poor rural areas to richer urban areas. However, these data show that patterns of internal migration are more complex than that. In India, census data show that rural-urban flows among inter-state migrants have grown from 28 per cent in 1971 to 39 per cent in 2001, in part due to growing employment opportunities in

**According to census data, a very large majority of migrants, in both Ghana and India, moved internally.**

urban areas. Despite this, rural-rural flows remain predominant amongst other types of internal migrants (intra-state, etc.). In Ghana, too, the data show that rural-urban flows are one of several significant migration streams. In fact, the predominant form of internal migration in Ghana reported in the GLSS 5 is urban-rural, partly due to return migration. Macro-economic and sector-specific policy interventions from 1983, that enhanced domestic terms of trade in support of the rural sector, encouraged return to the farm. However, it is important to bear in mind that the GLSS 5 does not capture less permanent types of migration such as circular migration from rural to urban areas.

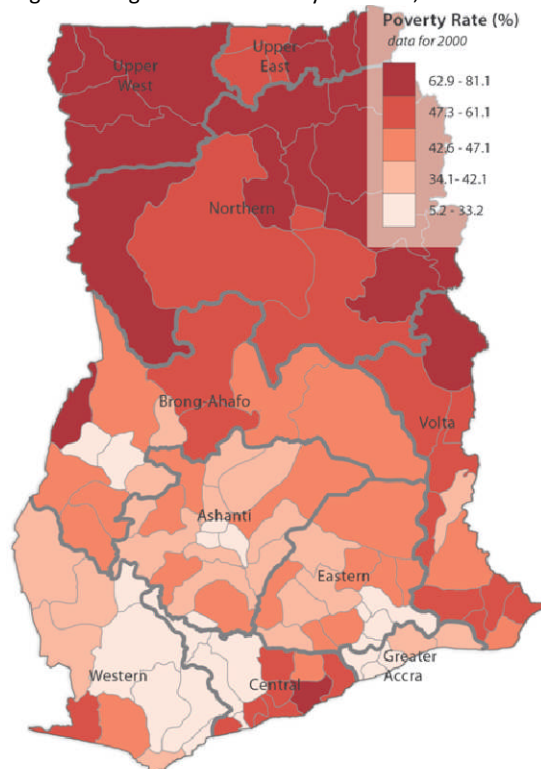
### Migration and poverty interactions

Census data also provide details on the rates of in-migration in different regions of both countries. In

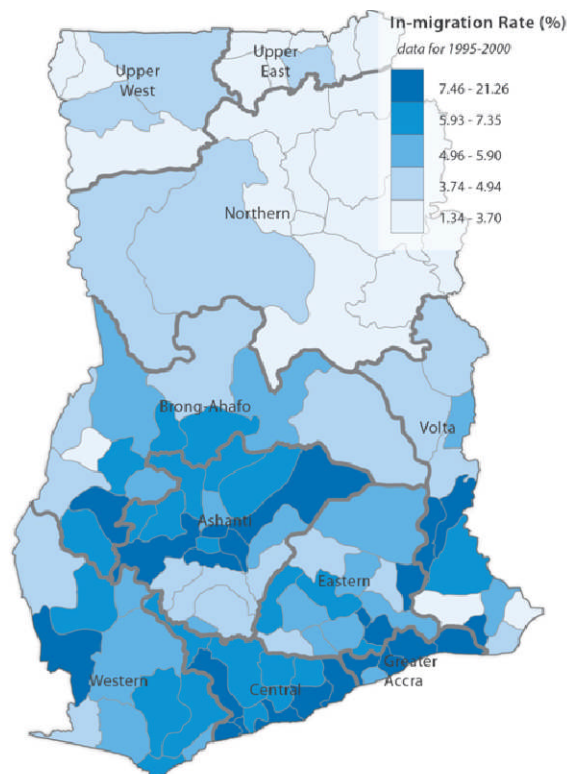
Ghana (see Figure 1), the areas with the highest rates of in-migration include districts around Accra and Kumasi, and in the Central and Western Regions. The lowest levels are in the north. It is clear that districts and regions with higher rates of in-migration, have lower levels of poverty, and vice versa. Poverty levels are higher in the north than in the south and in-migration is much lower in the former than the latter. In the case of India, areas of higher in-migration are states in the west as well as Delhi and the surrounding areas in the north (see Figure 2). Areas of the lowest in-migration are the poorest states in the north and east including Uttar Pradesh, Bihar and Orissa. Again this correlates with the relative wealth of states; Delhi, Maharashtra and Gujarat have significant in-migration and are wealthier. This shows clearly that the broad picture is of movement from poorer to richer areas in both countries.

However, there are key questions that are not answered by the data. They do not indicate whether those who migrate are the poor within the poorer regions or states, nor whether people are better off after they migrate, so it is not possible to draw

Figure 1. Migration and Poverty in Ghana, district-level



Source: 2000 Census of Ghana and GLSS 4 (Coulombe 2005)



Source: 10% sample of 2000 Census of Ghana (IPUMS International)

Cartography by Jacques Enaudeau (polimo studio), 2011

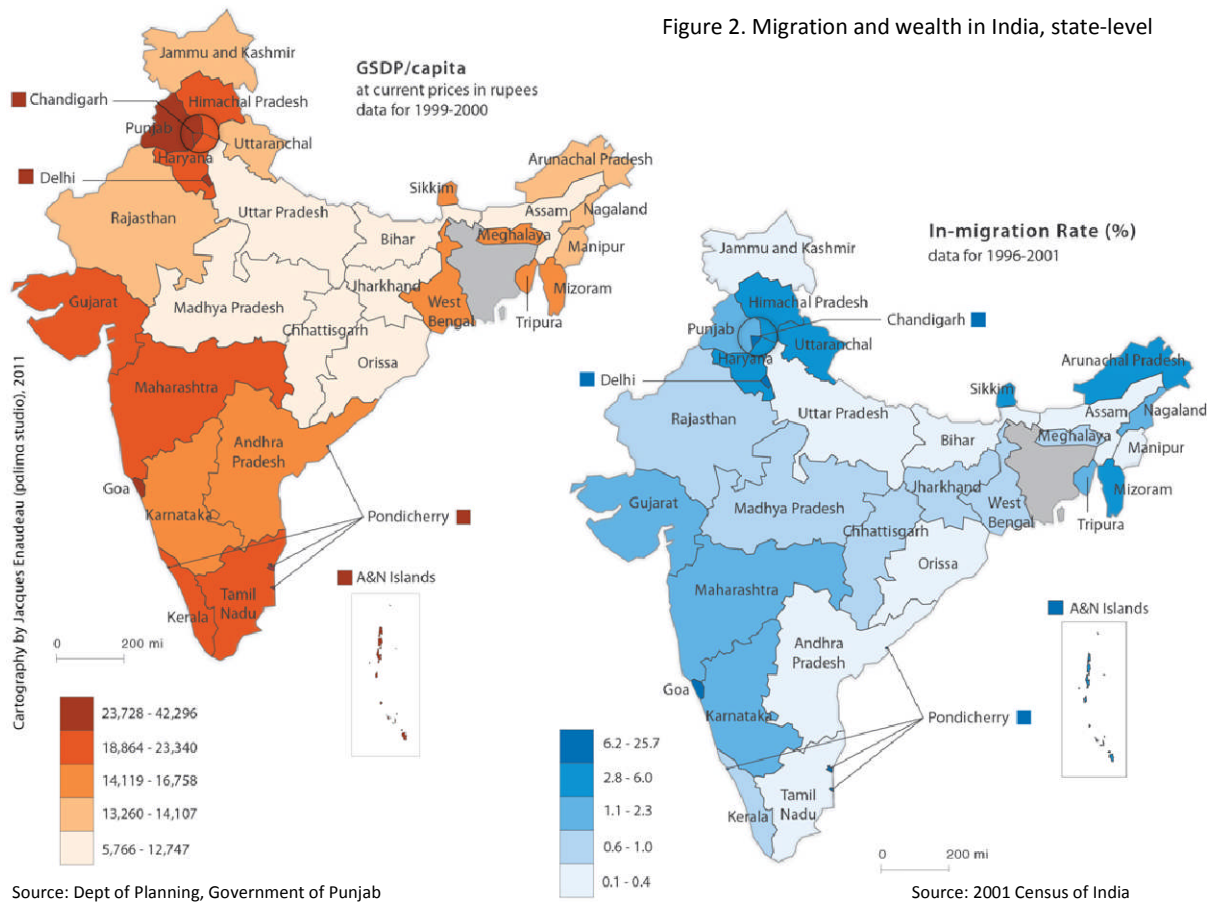


Figure 2. Migration and wealth in India, state-level

conclusions about causality from these data alone. Judging households based on the quintiles in which they are presently found, there are significant levels of internal migration in all quintiles. But migration levels are slightly lower in the poorest fifth of the population in both Ghana and India, probably because the poorest of the poor cannot afford to migrate. By contrast international migration is almost entirely restricted to the richest fifth of both populations.

### The importance of internal remittances

A significant proportion of migrants, both internal and international, send remittances or transfers back to their families at their place of origin. There has, rightly, been much attention paid to the substantial flows of international remittances as these can be of similar magnitudes to, or even exceed, annual overseas development aid (ODA) and foreign direct investment (FDI). Based on survey data estimated annual international remittances totalled US\$283 million for Ghana and over US\$3.8 billion for India

(authors' calculation). However, internal remittances have received far less attention. The data from Ghana and India show that a large proportion of the migrants who send money back are internal migrants, and that while the individual sums of money sent by international migrants are usually larger, the sum total of internal remittances may be higher than international remittances in both Ghana and India. According to the authors' estimations based on survey data, in Ghana annual internal remittances amount to roughly US\$324 million, while in India the sum of intrastate and inter-state remittances amounts to over US\$7.5 billion per year. This suggests that internal remittances are substantial flows that have an important impact on living conditions. And data from Ghana suggests that it is households in the poorest 20 per cent that receive the highest proportion of remittances relative to consumption.

**Household surveys suggest that internal remittances are greater than international remittances.**

## Policy recommendations

There are major policy implications from the findings of this study that relate to both policies on migration and policies related to development:

- For migration policies, the costs and risks associated with internal migration need to be reduced, through the removal of policy distortions, or policies that create barriers to migration.
- Equally, support for migrants needs to be improved, especially in terms of welfare policies and options for sending internal remittances
- For development policies, it is important to recognize that internal migration, leading to urbanisation, can be positive for growth by helping to create economies of scale, but these changes need to be planned for.
- Governments need to take a more inclusive approach to urbanisation, one that incorporates migrants.

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## Key Readings

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The Migrating out of Poverty RPC aims to promote policy approaches that will help to maximise the potential benefits of migration for poor people, whilst minimising its risks and costs. Following on from the Migration DRC, which was established in 2003, Migrating out of Poverty is undertaking a programme of research, capacity-building, training and promotion of dialogue. Migrating out of Poverty is funded by the UK Government's Department for International Development, although the views expressed in this policy briefing do not express DFID's official policy.

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