



AN ANALYSIS OF THE SUSTAINABILITY OF KERALA MODEL OF DEVELOPMENT IN RECENT EMIGRATION TRENDS: A STUDY BASED ON THE KERALA MIGRATION SURVEY, 2018

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ABSTRACT

Migration is necessary and desirable to all society because of unlimited wants and scarce means. Kerala is a small state in southern part of India, but contributes largest number of emigrants. Though there are internal and international migrations, latter is more influential in Kerala's economy and society. This paper analyses how far emigration influenced Kerala Model of Development as well as the sustainability of Kerala Model of Development in the context of recent emigration trends. This study is based on the secondary data. Emigration and Kerala Model of Development are mutually dependent. There are many elements of Kerala Model of Development that contributes to emigration from Kerala. At the same time, emigration has influenced Kerala Model of Development significantly. This article shows that emigration influenced the Kerala Model of Development both positively and negatively. There are many positive impacts like increasing growth rate, reduction of unemployment, reduction of poverty and social developments. At the same time, there are also many negative impacts due to emigration like stagnation in agriculture, low growth of industrial sector and widening inequality. The major concern of this paper is sustainability of Kerala Model of Development in the recent emigration pattern depicted in the Kerala Migration Survey, 2018. In this context, Kerala must think of an alternative development model. Kerala should develop a vibrant economy independent of remittances from abroad. At the same time, state should use the present remittances productively.

Keywords: - Migration, Emigration, Kerala Model of Development, Sustainability, International migration, internal migration.

1. INTRODUCTION

Man has always a tendency to make their life much better than before. This is the root cause of the phenomenon of migration. From time immortal, there is a migration history in all over the world. Migration in its numerous measurement has become an established attribute of contemporary social and economic world (Sijapati and Nair, 2014). According to the World Migration Report of 2018, there were about 244 million migrants all over the world in 2015, which accounted almost 3.3% of global population. It is also reported that nearly half of the international migrants belongs to Asia. Among it, India and China have the largest absolute number of migrants living abroad. Although Indian emigration had started centuries before, history of India witnessed massive movement of people to other countries in nineteenth and twentieth centuries (Irudayarajan, 2003). Kerala contributed about 25% of migrants' population going out of India in the present century (Khadria, 2010).

Kerala has made scholarly attention because of its peculiar socio economic characteristics- ie, high social development with economic stagnation. This is

what is known as Kerala Model of Development. Though there are many factors contributing to this Kerala model of development, emigration is one of its crucial factor. Among out migration and emigration, the latter is more influential in Kerala's economy and society since the remittances are the major reason of high human development in Kerala. As per 2010 Human Development Report of UNDP, Kerala and countries like Costa Rica, Cuba and Srilanka had attained better human development than other countries with similar income.

An important concern of this paper is emigration from Kerala is on ascendance since 1998 and it shows a negative tendency in 2016 and 2018 (Kerala Migration Survey, 2018). This paper discusses the influence of emigration in Kerala model of development and critically analyses the sustainability of Kerala model of development in the context of recent emigration pattern.

1.1 REVIEW OF LITERATURE

Even though emigration is one of the prime factors of Kerala model of development since its contribution to the overall development of Kerala is highly noticeable, it has also made some negative impacts on both the economic and social spheres of Kerala. Although there are many studies conducted regarding migration, there were no studies found based on the sustainability of Kerala Model of Development in the wake of recent emigration trends from Kerala.

Zachariah and Irudayarajan (2009) in their book "Migration and Development: The Kerala Experience" study the dimensions of migration, human resources, disposition of remittances, consumerism and its economic consequences, consequences of migration on employment and unemployment. This study indicates that migration of the twenty first century is likely to be structurally different from those of the twentieth century.

Prakash (1999) in his article "The Economic Impact of Migration to The Gulf" points that migration has helped the migrant households to attain high standard of living compared with non-migrant households. As the volume of remittances received in Kerala was very large, its impact on the regional economy was also very significant.

Prakash, Naurial and Noushad (2017) in their article "Migration and Remittances in Kerala" analyses the impact of remittances on economic growth in Kerala and found that it has limited impact on economic growth of Kerala in the short run. But it has significant impact in the long run.

Zachariah and Irudayarajan (2019) in their working paper "Emigration and Remittances: New Evidences from the Kerala Migration survey, 2018" gives a clear picture of newly emerged migration pattern in Kerala. It gives information about the negative growth rate of Kerala emigration and reasons for this phenomenon.

2. CONCEPTUAL FRAMEWORK

2.1 Objectives

1. To discuss how far emigration influenced Kerala model of development.
2. To analyze the sustainability of Kerala model of development in the context of recent emigration trends

3. Methodology

This study is based on secondary data. Secondary data is collected mainly from government publications, survey reports, various journals, books and online official report. Kerala Migration Survey of 2018, conducted by Centre for Development Studies is used for analyzing the sustainability of Kerala Model of Development.

4.RESULTS AND DISCUSSION

Emigration and Kerala model of development

Kerala model of development is one of the most discussing models of economic growth and development. The main features of this model are high political consciousness, high human capital indices, domination of service sectors, high social development, low industrial growth, growth of foreign remittances and increasing inequality. There are many reasons for this paradoxical economy. They are mainly rooted in the history of Kerala like land reforms and Christian missionaries' activities in education. Migration and Kerala model of development are mutually dependent. Kerala model of development give high contribution to the emigration from Kerala. At the same time, emigration from Kerala also influenced on the Kerala model of development. Some of the elements of Kerala model of development contributed to the emigration from Kerala are rapid decline in mortality, stagnation in agricultural sector, educational expansion and failure to expand employment in primary and secondary sector (Zachariah et.al, 1999). Emigration play an important role in the high human development of Kerala since remittances increased the standard of living of people through easy access of high quality educational and health facilities, nutritional foods, intake of modern consumer goods and improved housing facilities. But this high reliance on remittances threatened the sustainability of Kerala model of development (Kumar, 2013).

4.1 The Impact of Emigration on Kerala Model of Development

Emigration has made many economic, social and demographic consequences in Kerala. It has directly and indirectly affected on the Kerala model of development.

4.1.1 Economic Impact of Emigration on Kerala Model of Development

The economic characteristics of Kerala model of development are low economic growth, low per capita income, high unemployment, high inequality, high consumption pattern, stagnation in agricultural and industrial sector, tertiary sector development, and low poverty. A key factor indebted to these economic features of Kerala is emigration.

4.1.1.1 Impact of Emigration on Economic Growth of Kerala

One of the major problems of Kerala model of development was low economic growth in Kerala. The average annual growth rate of Net State Domestic Product (NSDP) was only 2.82% during the 1971-72 to 1990-91 (Prakash et.al, 2017). Economic growth of Kerala started increasing since 1987-88. Thereafter, average annual growth rate was 6.57% from 1987-88 to 2013-14. This sudden upturn of growth in a low industrialized economy is attributed to the economic reforms initiated by national government in the mid-1980 and also by the subsequent surge in emigration and remittances (Prakash et.al, 2017). After the oil boom, Kerala became a major emigrating state in India. In 1981-91 decade, net external migration was about 555 thousand persons compared with net internal migration of 189 thousand (Zachariah et.al, 1999). This shows that emigration positively affect the economic growth of Kerala. One of the major reasons for rising economic growth in Kerala are nothing other than emigration. This comes to the conclusion that emigration helps to reduce the negative feature of Kerala model of development ie, low economic growth. In Kerala's NSDP, remittances account 20.69% in 2013-14, it is 1.2 times the revenue receipts of Kerala government and 1.5 times the government's annual expenditure (Zachariah and Irudayarajan, 2014).

4.1.1.2 Impact of Emigration on Different Sectors of Kerala Economy

The major concern of Kerala model of development is low growth of primary and secondary sector and high growth in tertiary sector. One of the major factors contributing to this is emigration. Even unskilled labour in Kerala is not ready to work in primary sector since they have the option of migration to Gulf countries very easily. They think it is better to migrate than to stick on the low earning agricultural sector. Though remittances in

Kerala increased considerably, emigrants are not ready to invest in Kerala economy because of many problems associated with investment. Their only investment is in construction sector. This is the reason of increasing the contribution of secondary sector to Gross State Domestic Product (GSDP) in 2011-12. The contribution of construction sector increased dramatically to 15.79% of state GSDP in 2011-12 from 9.48% in 2001-02 (Prakash et.al, 2017). The main reason of tertiary sector development is emigration. Emigration and subsequent rise in remittances increased the consumption expenditure of people. It led to the growth of house financing, banking, trade, hotels and restaurants.

4.1.1.3 Impact of Emigration on Unemployment and Poverty

The important paradoxical situation of Kerala model of development is high unemployment and low poverty. One of the major reasons of this situation is emigration. Flow of remittances reduced the poverty driven situation in Kerala. Though emigration helps to reduce the unemployment in Kerala, still Kerala experienced high unemployment rate. This is because that major contributors of unemployment in state is women. In the case of emigration, women contributed only 16%.

Table. 1

Incidence of Unemployment in Kerala under Usual Principal Status

NSSO Rounds	Rural			Urban		
	Males (%)	Females (%)	Persons (%)	Males (%)	Females (%)	Persons (%)
38 th (1983)	10.6	17	12.6	11.9	25.6	15.6
43 th (1987-88)	12.5	2.5	16.6	14.2	34	19.6
50 th (1993-94)	7.2	15.8	9.4	7.6	24.4	12
55 th (1999-2000)	7.6	19.7	10.9	6.9	26.4	12.5
68 th (2011-12)	3.9	22.7	9.4	3.3	19.2	7.8

Source: NSSO (Various reports)

The above table shows that unemployment situation in Kerala is not depict a continuous decline since women are the major contributors of the unemployment in Kerala.

According to the National Sample Survey Organisation report, poverty in Kerala shows a decreasing tendency. In 1973-74, 59.79% of people were under the below poverty line in Kerala. But it was only 7.05% in 2011-12. Kerala witnessed a tremendous increase in emigration after the oil boom in Gulf countries in 1980s. So, the contribution of remittances to the poverty reduction in Kerala is highly significant. Major factor contributing to the poverty alleviation in Kerala is nothing other than emigration (Zachariah et.al, 1999).

4.1.1.4 Impact of Emigration on Inequality

In general, it is seen that emigration reduces the all various inequalities in Kerala. But the recent Kerala migration survey 2018 shows that there is a tendency of increasing inequality

due to emigration. There exist a wide gap in the case of possession of all consumer durable goods between migrants and non-migrants since Non Resident Keralites have more purchasing power than the ordinary people in Kerala.

Table. 2

Difference between Economic status of Non Resident Keralites (NRKs) and Non-migrants

Economic status	Non-migrants(Rs.)	NRKs(Rs.)	Difference(Rs.)
Average monthly expenditure	13049	17182	4133
Average monthly income	22356	29710	7354
Saving(yearly)	78401	92730	14329
Investment(yearly)	294409	349092	54683
Debt(Total)	323808	474332	150524

Source: Kerala Migration Survey, 2018

This table also exhibit that Non Resident Keralites' saving, investment, income, expenditure and debt are higher compared to Non- migrants. High financial liability of migrants may be the sign of basic tendency of people to borrow more money when their repaying capacity increases (Zachariah & Irudayarajan, 2019). It clearly depicts that there exist a wide range of economic inequality between migrants and non-migrants in Kerala. So, it is evident that emigration has made high contribution to increase the inequality in Kerala.

4.1.2 Social Impacts of Emigration on Kerala Model of Development

4.1.2.1 Impacts of Emigration on Health and Education

According to Census 2011, Kerala has the highest literacy rates in India, registering 94% as compared to 73% for India. At the same time, life expectancy at birth for Kerala is also very high compared with India, which was 71.4 for males and 76.3 for females. All these developments happen due to high investment in the health and educational sector. Remittances from emigrants are the major reason of increased private health and educational institutions. Emigration has an impact on the amount that households spend on education. The average expenditure on education per NRK household was Rs.7731 and that of non- NRK household was Rs.6143 (Zachariah & Irudayarajan, 2004). This shows that emigration impacted positively on the Kerala model of development.

4.1.2.1 Demographic Impacts of Emigration on Kerala Model of Development

Now Kerala is at the beginning of second demographic dividend, where working age group is narrowing and the ageing population is widening (Kerala Migration Survey, 2018). The main reason of this situation is emigration. Emigration reduced the fertility level of people (Zachariah et.al, 2000). There is no doubt that this fertility reduction will affect badly on Kerala model of development since it affects Kerala's economy and society in future.

Another major demographic consequence of emigration is replacement migration. In Kerala, it is evident that emigrants are replaced by migrants from other states in India. There are many positive and negative effects in Kerala economy due to this replacement migration. This also acts as another factor for the changes in the Kerala model of development.

Sustainability of Kerala Model of Development in the Context of Recent Emigration Trends

According to Kerala migration survey report 2018, emigration from Kerala is falling and return migration is on the rise.

Table.3**Emigrants and Inter Survey difference**

YEAR	EMIGRANTS	INTER SURVEY DIFFERENCE	INCREASE/DECREASE (%)
1998	1561919	Nil	Nil
2003	1838478	476559	25.9
2008	2193412	354934	16.2
2011	2280543	87131	3.8
2013	2400375	119832	5.0
2016	2271725	-128650	-5.7
2018	2121887	-149838	-7.1

Source: Kerala Migration Survey, 2018

This table shows that emigration shows a decreasing growth since 2013 and reported negative growth rate during 2016 and 2018. Though the major reason of this is nothing other than the fall of working age population in Kerala, it will affect negatively on the Kerala model of development since one major factor contributing to the Kerala model of development is remittances. Because of falling emigration, remittances flow also decreased considerably. Although there were about 61.1% increase in the household remittances to Kerala during 2011-2013, it decreased drastically to 26% during 2013-2018 (Zachariah & Irudayarajan, 2019). This is an alarming situation while considering Kerala model of development. Because it will affect the Kerala's development in many ways. There is a chance of reducing the growth rate of our economy due to the decline in the consumption expenditure of migrants. This will also contribute some far reaching effects in all other sectors of Kerala economy.

Table.4**Return Emigrants (1998-2018)**

YEAR	RETURN EMIGRANTS	INCREASE (%)
1998	739245	Nil
2003	893942	17.3
2008	1157127	22.7
2011	1150347	Decrease
2013	1252471	7.6
2018	1294796	3.3

Source: Kerala Migration Survey, 2018

As per the above table, return emigration have increased since 2013, though it shows a declining tendency during 2018. The long history of migration to Gulf is in its last phase since major reason of return emigration is loss of job of emigrants in Gulf countries. In 2018, the total number of return emigrants accounted about 60% of total emigrants from Kerala (Zachariah & Irudayarajan, 2019). One major problem of increasing return emigration is accelerating unemployment in Kerala. The opportunity of return emigrants to engage in agriculture and semi-skilled work in Kerala is very low because of replacement migration. Although this replacement migration was the product of large scale emigration from Kerala, it is very difficult for return emigrants to compete with this low wage inter-state migrants in the state. So, this high return emigration will exacerbate the unemployment situation in Kerala. It will affect directly or indirectly on the high human development of Kerala.

Another important concern is women emigration. Kerala Migration Survey, 2018 predicted growth of women emigration in near future. Because according to this survey, women emigrants below the age of 15 years are good in number compared to male emigrants in Kerala and in destination wise, women emigrants are more diversified than their male counterparts. Developed countries are more favorable destination of women emigrants compared to their male counterparts. The main reason of this trend is educational qualification of women emigrants. It is reported that women emigrants from Kerala are more qualified than male emigrants. More than half of the women emigrants are degree holders. This has an important implication in the emigration context of Kerala since unskilled emigrants in Kerala are now replaced with skilled emigrants at the global level (Zachariah & Irudayarajan, 2019).

One of the major concerning points of this growing women emigration is its impacts on the demographic character of Kerala. Although any emigration reduce fertility, its intensity is high in the case of women emigration (Zachariah et.al, 2000). This low fertility will exacerbate the situation of low working age population in Kerala. This will be a serious problem that Kerala has to face in near future. The old age population will increase dramatically. This has the capacity to affect negatively on the economic and social development of Kerala. Women emigration to developed countries will also create serious demographic problems in Kerala. Since most of the developed countries offer permanent residency to their skilled immigrants, women emigrants from Kerala act as the source of family migration to developed countries. So, permanent emigration from Kerala to developed countries are on increasing. This not only affect Kerala's economy but also the social and demographic characters. All these show that sustainability of Kerala model of development is in question in near future. This is the time of thinking an alternative model for Kerala's development in the context of recent emigration pattern.

CONCLUSION

There is a large scale connection between emigration and Kerala model of development. Both are interdependent. Emigration without Kerala model of development and Kerala model of development without emigration is not possible. Emigration influenced Kerala model of development both positively and negatively. The major contributor of high social development in Kerala is remittances from abroad. Emigration increases the investment in education and health. Fastest demographic transition in Kerala is also indebted to emigration. Emigration reduces the poverty and improves the standard of living of people. At the same time, the main reason of the growth of tertiary sector is nothing other than largest outflow of labour from Kerala. Kerala imitated foreign countries in technology, food habits and attitudes. Emigration has reduced Kerala's unemployment rate. But it is still high because of lowest proportion of women emigrants. The major negative effects of emigration are declining growth rate of primary and secondary sector and increasing income inequality in the state.

The major concerns of recent emigration trends that affect Kerala model of development is the falling the growth rate of emigration and remittances, high amount of return emigration and increasing the volume of women emigration. All these made some serious changes in the economic, social and demographic character of Kerala. Falling emigration and high return emigration will reduce Kerala's growth rate as well as exacerbate the situation of unemployment. It will also have made far reaching effects on human development of Kerala. At the same time, prediction of increasing women emigration in near future and women emigration to developed countries will make high impact on the economic, social and demographic peculiarities of Kerala. It will result low fertility rate and thereby exacerbate the situation of low working age population in Kerala. It again leads to more and more replacement migration from other states in India. All these has the

potential to change the peculiar characteristics of what is called Kerala model of development. So this is the right time to develop an alternative model for future development in Kerala. Kerala must think of an economy not depended on remittances.

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