Smeru Policy Brief

Toward Pro-poor Policy through Research

Return Migration and the Importance of Reintegration Policies



Executive Summary

SMERU's study on return migration (2014) has established a comprehensive migrant reintegration framework for Indonesia, enabling the mapping of reintegration programs in Indonesia. Most programs direct return migrants to self-employment, creating a wide gap between existing programs for self-employment and those for wage employment. At the same time, circular migration in Indonesia poses challenges for designing sustainable reintegration programs. Nevertheless, these challenges do not reduce the relevance of having a comprehensive reintegration framework for Indonesia, particularly if the government intends to reduce the number of overseas domestic workers to zero by 2017.

The impacts of migration on development have been strongly recognized and continuously discussed, particularly in terms of the magnitude of remittances, which is seen as a way to reduce poverty. However, they are not the only gain from migration. Return migration also offers positive contributions in human, financial, and social capital. Return migrant workers themselves are, more importantly, the human capital who bring with them increased financial capital, such as savings and social capital in terms of network and diaspora. Return migrants often bring new ideas and business skills and, therefore, are expected to contribute to the modernization of developing countries (de Haas, 2010).

Most of the previous research studies on return migrants focus on the reality found in high-income countries where the return of highly skilled migrants results in 'brain gain' to the origin countries. Other studies cover the voluntary return of permanent migrants. However, the context of Indonesia is different. Our migrants are dominated by low-skilled young women with a two-or three-year work contract whose return is a must. With these differences, the realities of return migration in developing countries like Indonesia should be properly addressed to fill in the knowledge gap.

The Concept of Return Migrants

Velisarova (2009: 154) categorizes return migrants into five types based on the United Nations Statistics Division's definition of migrant workers. They are: (i) people who move from one country to another and back; (ii) people who move from one country to another frequently, such as in the case of circular migration; (iii) people who return to their country of origin after living abroad for more than one generation; (iv) highly qualified people who return after working or studying abroad; and (v) retired people who come back home to spend the rest of their life in their country of origin after working abroad throughout their productive age.

In the context of Indonesia, to differentiate between these five types of return migrants is almost impossible, given the extremely limited data on return migrants. Instead, return migrants can only be categorized

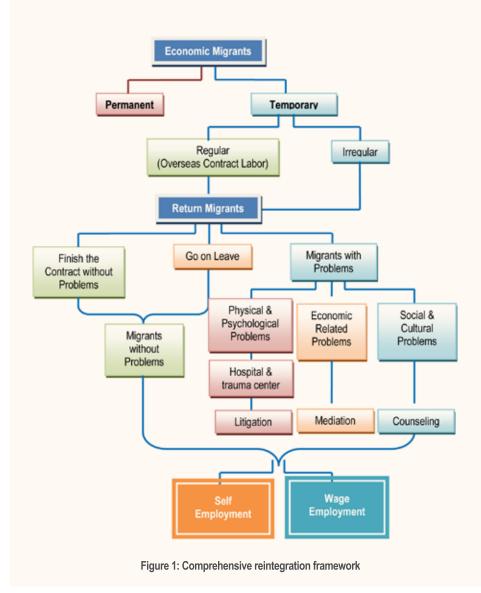
based upon problems which they encounter while working abroad. Those who complete their contract without complaints and are able to come home with their salary on hand are classified as migrants without problems. The remainder may be classified as migrants with problems. Data from BNP2TKI (2014) demonstrated that 83% of return migrants could successfully complete their contracts.2 Many of them, particularly those returning from East Asian countries, come home with more than sufficient savings. Without adequate management; however, those earnings would be spent inefficiently and have little impact on their family's welfare; thus the cycle of poverty can never be broken.

A Comprehensive Reintegration Framework

According to the International Organization for Migration (IOM) (2011: 82), reintegration is the reinclusion or reincorporation of migrants into their country of origin and community. This includes the process of migrants returning to their home country, readopting the values of their home country,

reinserting them into the social structure, and reactivating their social networks so that they can engage in economic activities. Based on the context of Indonesia, this study developed a comprehensive reintegration framework which embraces various realities facing the return migrants. This framework is different from the mainstream reintegration scheme in high-income countries as we include the reintegration of those experiencing problems overseas, such as abuse, sexual harassment, and rape (Figure 1).

Furthermore, we conducted an analysis to map 11 reintegration programs using this framework. We found that the majority of the existing reintegration programs are directed towards self-employment where the return migrants were given financial literacy and technical assistance on entrepreneurship. These programs involve the return migrants, their families, and the community



(including prospective migrants). These programs aim to improve and sustain the livelihood of return migrants by making the best use of the available financial capital or by obtaining financial support from the programs.

Our mapping activities shed light on the fact that programs facilitating return migrants to enter the formal labor market are still very limited. These programs are important for two reasons. First, not all return migrants have interest in and capacity to start self-employment. Second, the return migrants also acquire nonfinancial capital, such as human and social capitals that the market needs. At present, foreign investment in Indonesia is increasing, hence an increase in the demand for employees with foreign language fluency, cultural work ethic, and technical competence. For example, activities to link supply to demand for employees in Korean companies in Indonesia are held by Human Resource Development (HRD) Korea. HRD Korea gives training and assistance to return migrants from Korea who are interested in working for Korean companies in Indonesia.

Furthermore, it was found that support to migrants with physical and psychological problems are far from sufficient. At the national level, the Ministry of Social Affairs has only one shelter/facility for the rehabilitation of migrants with trauma. Other government stakeholders are also involved but in a limited way. Consequently, many return migrants with problems have not been properly assisted since their return to Indonesia. In addition, our findings note that economic-related problems as well as sociocultural-related problems facing the return migrants are not being adequately addressed.

What Should Be Done?

It is important to note that measures for comprehensive reintegration should be present before migrants even leave their home country so that they are well-prepared and have had time to consider their future following migration. This precondition can help migrants to do their best in mobilizing human, financial, and social capitals before, during, and after migration. This comprehensive reintegration strategy has to be incorporated into development planning, particularly for migrant source districts.

Existing reintegration programs across Indonesia are sporadic and irregular rather than systematic. It is urgent that Indonesia has a strategy for rehabilitating return migrants with physical and psychological problems, assisting the economic- and sociocultural-related problems they face, as well as facilitating return migrants who can potentially contribute to development. With quality reintegration programs, the returnees are able to use the skills they have learned abroad for self-or wageemployment. They may potentially employ nonfamily members as well. Moreover, if returnees can secure their own livelihood, the probability for remigration will decrease, and more importantly, the risk of irregular migration will also decrease. In this respect, reintegration efforts should be seen as an important factor of development.

It is high time that the government addresses the issue by providing a legal umbrella for reintegration within Law No. 39/2004 on the Placement and Protection of Indonesian Migrant Workers which is currently being revised.



Finally, the reintegration programs should not take away the right to remigrate. Instead, the programs should provide options for return migrants, whether to choose working abroad or in Indonesia. If they decide on the first, they should remigrate under a safe migration scheme. Reintegration could also be used to disseminate information about safe migration.



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The SMERU Research Institute is an independent research institute that conducts professional and proactive research and public policy assessment, and provides accurate and timely information using an objective analysis of various socioeconomic poverty problems that are considered urgent and important for the people of Indonesia.

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Possible Programs under a Comprehensive Reintegration Framework

Current self-employment programs for return migrants are dominated by financial literacy and technical assistance on entrepreneurship, for example, the development of business centers at the village level in migrant source areas. In general, these programs are given to the community to develop productive activities as alternatives to working abroad and to ensure that remittance is spent on more productive activities in migrant source villages. In contrast, a comprehensive reintegration should also focus on wage employment programs and provide a choice to remigrate or work at home.

However, self-employment and wage employment programs should only be immediately provided for those who return without significant problems. Migrants with problems should get support prior to receiving these economic reintegration programs. Migrants who are victims of abuse and sexual violence must be able to access **treatment** in a hospital and/or trauma center. At the same time, **litigation** must be facilitated so that justice can be upheld for the victims. **Mediation** must also be provided for return migrants whose salaries were not paid by the employers or whose medical claims have not been reimbursed by insurance companies. Meanwhile, the problem of **family cohesion** should also be addressed by providing counselling to the migrant families.

A comprehensive reintegration framework taps the human, financial, and social capitals of the return migrants so that they can contribute to the country's development. Addressing the problems facing the return migrants before giving them the choice of self- employment or wage employment programs would ensure that both return migrants with and without problems can yield from migration experiences.

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According to United Nations Statistics Division (1998: 112) return migrants are "persons returning to their country of citizenship after having been international migrants (whether short-term or long-term) in another country and who are intending to stay in their own country for at least a year."

² Data on return migrants is collected by BNP2TKI from eight major airports in Indonesia.