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**THE FATALISM OF LABOR  
MIGRATION IN CONTEXT TO MSME**

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## THE FATALISM OF LABOR MIGRATION IN CONTEXT TO MSME

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**Abstract:** *MSME, the small troop with bigger shadow, in recent past of economy have emerged with some of the undiscovered issues when the contingency of lockdown fell into the country. The cluelessness of entrepreneurs of MSME have not only lost the graphs of profitability but have simultaneously lost the front foot of production i.e. manpower. In recent times the situation of reverse migration was prevalent in country when production units were put to a sign die halt. No matter we are now in a better phase and re migration have started but yet another challenge to socio economical aspects have emerged that has led the economy in scars of pandemic. The three waves of Covid 19 in four crop cycles have lifted the undiscovered veil from issues like food and malnutrition, accommodation and hygiene, mental health and education, family insecurities, Lack of employment at native place and so on. The whole scenario has turned the productibility of MSME upside down. According to a report presented in parliament by labor and employment minister, around 10 million labors have migrated in past two years as a result of lockdown. Here, the lockdown is taken as a situation and not an ongoing economical barrier in development. But as the traces of it are yet reasonable, the paper will objectify to resolve the issues highlighted by it. The paper will also discuss labor migration, reverse migration and remigration in its capacity and scope of objectives. The study will focus on the labor's perspective towards migration, the issues of workplace and reasons that led reverse migration. The study will also be expanding areas for workable methodology to reduce labor migration that will help policy makers to incorporate the positive aspects of study. The study will be descriptive in nature. Hypothesis will be framed on the basis of secondary data validated by primary data for the period from 2020 to 2024. The study also aims to work for the economic development by adding its contribution towards the labor issues and areas that needs upliftment.*

**Keywords:** *MSME, Labor Migration, Reverse Migration, Growth barriers, Upliftment.*

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## Introduction

One of the important variables in the development and growth of country is the quality of education of personnel appointed in major decision making. This power of deciding and predicting the future profitability must lie in hands who possess the wisdom to invest high amounts of funds involved in projects. The government 5 years plans are the basics for such economical requirements. When it comes to country like India, we see a vast distinction in economic status of mass i.e. to say the rich section is getting richer and the poor section is getting poorer. All this is because people here lack resources to fund education. In a country like India where even the blue-collar job does not guarantee meals every day, education stands way behind in line. This led to low education levels among the labor class of country that is highly responsible for giving rise to unemployment. According to the census of 2018, around 31 million people are still unemployed in country. An unemployed layman is either pushed to work according to his unfinished skills or he is forced to migrate in search of employment that gives rise to labor migration.

## Labor Migration

Labor migration is a situation when a person is capable of working on his own will but is not getting work at his native place, moves to some other place in order to get employment. It is to be noted that in such case both capable to work and willingness to work are simultaneously required along with absence of work at native place to be called the situation as labor migration. Circumstances led the workers to move from one place to another to earn livelihood.

According to a report published in 2019, the no of international migrant workers stood to 169 million which makes 4.9% of total labor force of globe. Out of which 99million are men and 70 million are women. It becomes difficult to get job for a person with low education and he migrates from his family and native place which all the way makes it much more difficult for workers to safeguard their social needs. Even after the bearings caused, often we see there are no security of work. The migrant workers often are appointed on temporary basis or for a stipulated duration or are underpaid which expose them to high risk of insecurity. But their living condition demands them to avail what is available and protect the needs of their family. Therefore, the existence of labor migration is increasing with high demands of society. It is observed that countries with high income generation capacity such as Central Asia and Europe contribute maximum no of migrant workers followed by America and Gulf states.

### **Merits of labor migration**

1. In absence of job at native place, migration helps workers to get jobs to earn livelihood for their families.
2. Theirs skill get channelized where the triangle does not fit in square of native place.
3. Savings in cost of living in cases where the family of migrant worker does not move with him. ( in case of international migration.)

### **Demerits of labor migration**

1. Staying away with family sometimes leads to developments of sense of homesickness resulting in habits not appropriate for family life which often led to depression and exhaustion of life.
2. In case of international migration the native country lose their efficient workers which rather would have work for the country if proper employment was available to them.

### **Reverse Migration**

Once a worker is migrated to another place to get employment there can be several reasons that made him to leave his job and return to his native place. Such situation is termed as Reverse Migration. The unsatisfactory payments, unsuitable working conditions, color discrimination, gender discrimination, closure of unit, natural unavoidable reasons like flood, pandemics, accidents or sometimes homesickness are the reasons that led to the situation of reverse migration. In the times of pandemic, we have seen situation of reverse migration due to lockdown of factories. In absence of work, the workers became penny less to fund the need of their family and shelter. Hence, they were forced by the situation to walk miles back to their native place where at least their basic needs i.e. food, clothing and shelter can be fulfilled with minimum resources.

The government of Uttar Pradesh had started schemes to polish the situation of reverse migration by utilizing the returned workforce at their native place through creation of employment options. Any registered worker can get work through this scheme. But problems walk hand in hand with solutions. The workers provide wrong information to the portal about their work experience for the fear of not getting job and hence half of the scheme goes vein. They filled among what is

available with the options and not what they actually possess in their experience. Therefore, even after the efforts of government the problem could not be fixed.

### **Merits of Reverse Migration**

1. Development of sense of social and economic security to some extent as in the worker can live with family which acts as healing to depression and homesickness.
2. From the aspect of their children, they can now contribute to the social development of their wards by playing a reasonable role in their life.
3. Working at their native place also gives them freedom to contribute in family activities like farming etc.

### **Demerits of Reverse Migration**

1. The factories lose their efficient workers that led to decrease in productivity and in return profitability.
2. The workers on first instance became jobless that worsen their economic conditions.
3. Joblessness leads to compromise on education of their children as among all the basic needs, food, clothing and shelter still tops the list

### **Re-Migration**

Re migration is the third phase of migration which exists when workers return to their workplace or new place of work from their native place in order to get job after reverse migration. There can be many reasons of remigration of workers starting with urge of increasing their earning capacity, Re starting of closed units, absence of work at native place. Although the government has made many efforts to relocate the returned workers but still according to a report of daily publish, a length of workers has not yet returned post pandemic.

### **Merits of Re Migration**

1. The workers get their lost jobs back to improve the standard of living of their families.
2. The factories re earn their efficient labor force to bring back the profitability on track.

### **Demerits of Remigration**

1. In case of re migration the workers often do not get their desired job and are forced to work out of pressure of earning for the family.
2. From the aspect of factories, sometimes special trainings re required to new recruited workers that not only adds to cost of production but also led to decrease in productivity.

### **Review of Literature**

Daffey, et.al (2014) studies short term labor migration in context of India with survey data among labors. The author emphasis on north east India to study short term labor migration from urban areas and the effect of it on living conditions of labors in rural areas. For the purpose of analysis, a survey was conducted on the same and result shows that the traditional approach of theory was sited that says fixed cost of migration remains same and variable cost differs according to the circumstances.

Nayyar, et.al (2018) studies the India's internal labor migration paradox with the use of data given by government agencies in this context. the analysis fonds that there has been a continuous increase in labor migration from past two decades. The findings highlighted many socioeconomic causes behind the situation starting from lack of education, low family income, less networking and nil portability of benefits. The paper concludes giving suggestion to improve living conditions of labors by providing basic facilities in mobility.

Roy (2019) studies seasonal labor migration and masculinities attached with it in rural areas. The author uses the data of 6 villages in western India to examine the discriminations on the basis of gender. The author finds that there is a vast distinction on the basis of gender in labor working seats. The women laborers are suppressed at workplace and migrants are considered less respective in societies. Even at their houses, their income is considered in appropriate for family and children. There has been an era to upgrade the thinking of people but yet another era is required to make people understand the side effects of gender discrimination.

Gaur, et.al (2003) studies the details of labor migration from India to Lebanon with reference to the states of Tamil Nadu and Punjab. To study the reasons to labor migration the author conducted a questionnaire survey on 402 workers from both the states to expand the understanding. The study finds that there has been social and community links of workers with factors like recruitment agreements with better working facilities and payment profiles. Networks like direct hire, recruitment agents, friends/relatives which makes it easier for workers to get employment better than what they are earning in India.

Roy (2020), studies labor intermediaries and labor migration in connection with harvesting sugar cane in relative areas. The author conducted a survey on vertical networks involved in migrating labors for seasonal work of harvesting sugarcane at migrant place of work. The study finds the role of brokers involved in the process is way far dominating the intermediaries involved in the channel to make active money. The intermediaries are often bound with the geographical market of commodity whereas it requires downward transfer of risk involved in funding of such process.

Kaur (2009), studies the labor migration I n south east Asia. The paper is a review based analysis to draw out the problem that it lands somewhere in 1980s where the was a wide economic differences in life of labors of south east Asia. The study is basically a distinction analysis on historic and current situation and problems of labor migration since then. It highlights the wage differences were give to labors on the basis of gender and place and even now, in country like India a vast discrimination is seen all over the world for various reasons that led the rate of labor migration rise with reason.

Kavitha, e.al(2020) studies the causes and impact of labor migration in India. The paper highlights the causes of regional differences and manmade problems behind labor migration. The study is a review base study that finds that there are several factors belonging to economic, geographic and social aspects of life of labors that let them to migrate. The paper also highlights the trends and patterns of migration that seemed to be rising due to rising demand of a better living standard of workers.

Groger, et.al (2015) studies the strategies for dealing with internal labor migration in case of typhoon. Satellite data was used for analysis. It was found that the drop in income was delt with migration. The settled migrants gets more income than the migrants. Non migrants sends the new members away who remit the same amount. The whole process was a success in long route migration.

Shreshtha, et.al (2005) studies the change in labor migration with change in environment security. For the purpose of analysis, regression models were used on data available from Chitwan valley of Nepal. The results showed that in places where household activities are mainly dependent on forest, the bar in access to forest results in migration of local people whether local or international. The study further suggest that migration decision are also effected by requirement of labor for household maintenance.

Jammulakadaka (2013), studies the role of corporate social responsibility in small and medium enterprises. The paper is a review-based analysis highlighting the challenges of labor lights and their working condition. The paper founds that SME are still not capable enough to take the responsibility of having a problem free environment for labors. Government intervention is equally required to deal with issues of having conscious working condition where labor rights is taken as a social responsibility and just not mere factor of investment.

Edoho (2013), studies the socio-economic development of entrepreneurs in Africa to examine the gaps in government policies and factors causes hinderances in development of small, medium and large enterprises. The paper is reviewing based paper identifying the causes, impact and results of public policies in providing social securities to labors of MSME. It also highlights the gaps and workable solutions for improving the working conditions better for internal and external workers. The paper used data from publications from government for the purpose of analysis.

Maheshwari, et.al (2020), the paper studies the concept of sustainability development in context with relation of employees with management. For the purpose of analysis, the author studies the cases of five food processing firms to understand their working statement on HRM

and sustainability development. The study concludes by giving a framework with four levels of action for sustainable development starting with awareness regarding problem, taking appropriate action at the right time, implementation of strategy and excelling in the situation.

Demurger, et.al (2013) studies labor employment and migration patterns in rural areas of China. Using cross sectional data, the author emphasized on analysis of occupation through four different options of work starting from on the basis of wages, farming, household and self-occupation. The impact of migration was evaluated among level of occupation of the given model. It was found that in most of the cases farming is preferred where migration is done on individual level whereas non farming activities is chosen where family migration is preferred.

Chang (2017), studies exploitation of migrant labors under family pressure. The author critically reviews the exercising theories of labor migration by highlighting the struggles that a labor goes through in the processes of migration. The issues of border, documentation, family behind are all hinderances that pulls back a migrant worker. The labors of Hong Kong and China are taken as sample for analysis of their existing working conditions.

Chang (2011), studies the agriculture policies on the basis of existing agriculture situation of Taiwan. For the purpose of analysis, a critical model was prepared to distinguish between labor migration belonging to farm and nonfarm workers. It was found that non-farm workers were facing discrimination in payments. There was an increasing support of government to farm workers and hence, government policies somewhere overlooked the non-farming migrant workers and the movement for which was incomplete in its dimension due to lack of government interventions into their problems.

Panda, et.al (2018) studies short term labor migration due to change in season. The study is based on existing theories and reviews them for dragging the gap in research. The author identifies the factors that led to short term labor migrate for the work and causes and effects of the same on production. The study founds five factors namely economic, social, environmental, psychological and factors related to policies of the place were identified through literature and different dimensions were given to each of the factor for their existence.

Shi (2018), studies the urban rural migration on agriculture production of China. The paper uses two variables i.e. income from non-farming activities and agricultural income to demonstrate two equations for analysis of results. It was found that agriculture productivity reduces with more labor migration towards non farming activities at the same time income from household work increases with increase in available labor.

Wanger, et.al (2016) studies the process, causes and effects of labor migration in Germany. The study focused on the rounds of government of Germany when a halt was imposed on labor migration due to which a lot of economic changes were observed in economy. The analysis is based on the case study mentioned. It was found that due to restrictions on labor migration, a considerable increase was noticed in figures of outsourcing the required workers or hiring them on temporary basis. The paper also highlights the minimum wage program of government of Germany with its merits and demerits.

Shimada (2017), studies labor migration in context with child labor. The study highlights the role of migrant parents in case of child labor. The study identified two mathematical models to evaluate the cost of payment to children to determine the amount that can be replaced otherwise in place of child labor. It was found on the analysis that it is not necessary that migration of parents reduces child labor, but it adds to human capital formation.

Periera, et.al (2015), studies the mobility of immigrants in Europe. The author analysis the immigrant workers of Europe with relation to market segment theories of existing situations. Data was collected through questionnaire method and regression analysis was used to determine the feasibility of migration to workers in this course of action. It was found that migrants who resides for long duration have more chances of upward mobility as compared to seasonal migrants. Given all the facilities, these migrants finally want to settle in the destination country for work.

Phuong, et.al (2019) studies situations of international labor migration in Vietnam. For the purpose of analysis group interviews were conducted to develop the different ways of

migration of workers from native to destination place. It was found that half of the workers migrate abroad and comes back to settle at native place, remaining half return and settles at some other place in the geographical boundaries of their native place. Reason behind such returns are basically the family ties and near contacts with children and parents living at native place. The other reasons for settling elsewhere includes better schooling for children and better living condition for family.

## Research Gap

### 1. Family and Social Pressure

The family pressure for working and earning better leads to the germination of labor migration. A negative impact of this situation is that the worker migrates away from his native place, family and friends that creates a feeling of homesickness that sometime leads to depression and anxiety.

**Workable solution:** In such situation family migration is advisable where both husband and wife can work simultaneously to improve the living conditions. Government should also work in such directions by introducing projects that introduces employment for both members and schooling facilities for their children.

### 2. Lack of local employment

In cases where appropriate employment is not available at native place, migration is the only option a labor is left with. Specially in families that do not own any **other** means of living eg : farming.

**Workable solution:** Special training programs to be encouraged so that self-employment can be another option for labors instead of migration. Any kind of skill set can be trained to labors as per the local products market. Eg: In the state of Rajasthan tie n die work, blue pottery, products of lac including bangles and home décor items etc.

### 3. Future Planning

In remote areas of country still we find non availability of basic facilities like hospitals, educations, markets, electricity. These are the prime requirements for a peaceful life that do not carry any alternative. In absence of them, life becomes difficult and workers are forced to migrate for better future of family.

**Workable solution:** Instead of housing allowance, housing facilities should be given with all basic facilities attached. Cost of which can be adjusted with their salaries partly and partly to be contributed by the employer MSME. Government can ensure the implementation by changes in rules and regulations of MSME.

### 4. Shut down of factory units at native place.

Due to any kind of natural or man-made calamity, or due to order of court or change in government policy, the units at a particular place is required to be closed for a sign die period. In such situation the labors lose their job and increasing family pressure leads them to migrate somewhere else in search of employment.

**Workable solution:** In such situation minimum wage guarantee program for a certain time period or labor of such place to be adjusted in other factories of same place.

### 5. Government projects with attractive perks

Sometimes a new project is launched by government at a different location which attracts labor to migrate for earning better and hence they switch to it from their current jobs.

**Workable solution:** Government can hire local labors and migrated labors can be avoided which in turn demotivate labor migration. The local workers will also be intact with the native place simultaneously it will discourage labor migration at two places.

### Conclusion

The COVID-19 pandemic has had a profound and lasting impact on India's labor market, particularly affecting MSMEs and migrant workers. The reverse migration triggered by the lockdown exposed deep-rooted socio-economic challenges, including food insecurity, lack of employment, poor housing, and mental health issues. Despite the gradual recovery and re-migration trends, the scars of the pandemic are still evident. MSMEs, which are vital to

the nation's economy, continue to struggle with labor shortages, decreased productivity, and disrupted supply chains. The study highlights the urgent need for policies aimed at improving rural employment opportunities, ensuring better labor rights, and enhancing the resilience of MSMEs against future crises. By addressing these issues, the government and stakeholders can not only mitigate the adverse effects of labor migration but also foster long-term economic growth and upliftment of marginalized communities. Strengthening the labor force and MSME sector will be crucial for India's post-pandemic recovery.

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