

Published in Eades, Jeremy *Migrants, Workers and the Social Order*
London: Tavistock, (1987)

2 The political economy of migration: Pakistan, Britain, and the Middle East

Migration has brought about, and continues to be responsible for, some of the most momentous social, economic, and political changes in the contemporary world. Over the years, millions of people have moved from their rural homes in search of better paid work, usually in cities many thousands of miles away. Their movement has precipitated many dramatic changes, no less in the societies they left than in the ones they joined. It has also produced many new structures of inequality and exploitation. This paper explores the character of these developments in the case of one particular body of migrants - peasant farmers from northern Pakistan who have migrated to Britain and the Middle East during the past three decades.

The structural context of migration

International migration is primarily a consequence of global inequalities in the distribution of wealth and power. Sometimes, as in the case of European colonial expansion, the powerful have moved to settle amongst the relatively powerless; but in recent years an even larger number of people have left their rural homes and have gone to live in the metropolitan heartlands - in an effort to exploit, as far as they could, the wage earning opportunities available there. The timing and volume of such movements has been determined primarily by the strength of the demand for industrial labour; and despite periodic slumps, the trend of that demand, at least until very recently, was firmly upwards. But following the introduction of micro-chip technology in the 1980s, the presence of a large manual labour force has ceased to be a prerequisite of industrial production: indeed investment in new technology now tends to *reduce* the demand for labour. Future industrial expansion is unlikely to necessitate either the recruitment or the importation of a large new workforce. In consequence we may well have seen the last of the migratory flows

which have hitherto invariably accompanied industrialization; but even so, the effects of the movements which have already taken place will long be with us.

Migrant workers are always socially, economically, and politically vulnerable. As well as being particularly exposed to the impact of booms and slumps in the international labour market, they themselves embody many contradictions. Doing better, by definition, than they would have done had they stayed at home, they are nevertheless disadvantaged in comparison with members of the indigenous population among whom they live and work, and with whom they are, as newcomers, in unequal competition for jobs and other scarce resources. Should they, or more likely their children, manage to make a secure base for themselves in their new home - a prospect of which the natives are often fearful - then they will, at least on a personal basis, have overcome the worst of the inequalities that led to their migration in the first place; but as long as they remain identifiable, they will always be in danger. In times of adversity, outsiders make ideal scapegoats. So it is that some of the most explosive popular movements in the contemporary world are directed against minorities which can be identified as 'immigrant' - witness recent events in West Africa, Indonesia, Assam, Sri Lanka, and now throughout Western Europe and North America. And such hostility is usually not just directed at immigrants themselves, but also at their locally-born offspring. In contemporary Britain, 'immigrants' are people of non-European physical appearance, wherever they may have been born.

Conflicts between 'immigrants' and 'natives' are nothing new, of course: they are at least as old as industrialization itself. As Marx observed, writing to friends in 1870:

Every industrial and commercial centre in England now possesses a working class divided into two hostile camps, English proletarians and Irish proletarians. The ordinary English worker hates the Irish worker as a competitor who lowers his own standard of life ... and the Irish worker pays him back with interest in his own money ... This antagonism is the secret of the impotence of the English working class, despite their organization. (Marx 1953: 504)

Despite the power of Marx's empirical observations, most Marxist theorists have, of course, since argued that class both would, and should, be the primary social contradiction in all industrialized societies. Nevertheless it is now clear that ethnic conflicts - which usually have their roots in migration - are to be found almost everywhere, and that in many societies they completely override class conflicts. Thus while class may always have been a crucial component of inequality in British society, an ethnic factor has long been present too. The English/Irish divide which was so prominent in the last century may now have become less salient, except in Ulster, but only because it has simply been replaced by parallel tensions surrounding new groups of immigrants - Jews, Eastern Europeans, and most recently South Asians and AfroCaribbeans.

Such conflicts have many dimensions, but the driving force behind racial and ethnic polarization is invariably to be found in competition for scarce resources. Hence tensions between 'natives' and 'immigrants' are invariably most acute during periods of recession; and they are most easily sustained where the newcomers are easily identifiable. It is small wonder that race relations have become such an explosive political issue, not just in Britain, but also in Germany and France, where the Turkish and North African presence is proportionately even larger than that of Asians and Afro-Caribbeans in Britain (Castles, Booth, and Wallace 1984). Not only are such migrants and their offspring readily identifiable by virtue of their physical appearance, but with the sudden collapse of the post-war boom, the labour market in industrial Europe has changed dramatically. As a result of the introduction of new technology, the loss of overseas imperial markets, and the success of newly industrialized countries of the Far East, the labour shortage of the past two decades has been replaced by a huge surplus. Millions of industrial workers have been made redundant, and the chances of their ever finding employment again are now remote. In such circumstances the growth of popular hostility towards an identifiable group of 'immigrant' scapegoats was only to be expected.

But it is important to keep a clear perspective on exactly what is going on here. Precisely because they are in a majority, it is the indigenous majority who have lost most jobs numerically. Hence there is much support for the view that if only the number of 'immigrants' could be reduced, there would be more jobs left to go round for everyone else. But given the *kinds* of jobs to which the newcomers had access - unskilled tasks in the older and undercapitalized industries such as textiles and heavy engineering - it

is they who have been far more vulnerable than anyone else to the impact of the recession. In many communities in the Midlands and Yorkshire more than half the men have lost their jobs in the past five years. And given the existence of routine racial discrimination, their chances of finding alternative employment are far less than those of their white compatriots.

Migration, citizenship, and rights of residence

Even so, migrant workers in Western Europe are more secure than many. Despite increasing popular support for right-wing movements which advocate their repatriation, most migrants have by now acquired permanent rights of residence; in Britain those from the Commonwealth have gone one step further and become full British citizens. This stands in sharp contrast to the position of migrant workers in many other parts of the world, most particularly in the Middle East. There the total volume of migration has been on a scale akin to that to Western Europe (Birks and Sinclair 1980), but almost everyone has been employed on short-term contracts. Such migrants are liable to repatriation as soon as they lose their jobs; the question of permanent rights of residence, let alone of citizenship, has never even arisen. But the Middle Eastern bonanza did not last long. With the collapse in the price of oil, and the completion or cancellation of most of the construction projects on which they were employed, migrants to the Middle East have not only been made redundant; they are being forced, willy-nilly, to return home.

Although the new minorities in Europe may have legal rights which should protect them from straightforward repatriation of this kind, their situation is still far from secure. Given the extent of current unemployment, many indigenous Europeans feel that the new minorities should never have been given rights of residence in the first place, and these doubts are further reinforced by negative judgements of the minorities' behavioural strategies. Now that it is clear that newcomers and their offspring have not, for the most part, assimilated, but are instead sustaining their own distinctive lifestyles, especially in domestic contexts, it is widely asserted that the (supposed) cultural unity of the nation is somehow endangered. Hence the popular feeling that the minorities' chosen lifestyles are incompatible with their claims to citizenship; on these grounds it is often argued that repatriation should be encouraged, whatever the minorities' formal legal rights may be. Of course, members of the new minorities counter this by

insisting just as vigorously that they are 'here to stay', and on their own terms, whatever the majority may say. The issues here are essentially political, rather than moral or legal (Sivanandan 1983). And as dominant groups everywhere gradually discover, minority interests cannot be gratuitously ignored, for their angry reaction is likely to endanger the fabric of the whole social polity.

Migration and ethnicity

Although public arguments about the legitimacy of the minorities' survival strategies, and so about the cultural correlates of citizenship, are becoming increasingly bitter, the tendency for minorities to organize ethnically is neither novel nor unique. Migrants everywhere, including Europeans overseas, as well as earlier Jewish and Irish settlers in Britain, have always closed ranks in defence of their collective interests. It is on this basis that the new non-European settlers have established thriving ethnic colonies in the inner areas of all the European industrial cities in which they have settled.

The reasons why are not hard to identify. The varied sets of skills, assumptions, and understandings that migrants brought with them are the cultural capital out of which they and their children have generated new, and for the most part highly effective, strategies of survival as a means of coping with an alien and largely hostile environment. These strategies may have their roots overseas, but they are essentially a response to their users' Local experience. So however alien the lifestyles of the new minorities may seem to the indigenous majority, they are nevertheless an intrinsically British phenomenon. And if that is not the way in which they are commonly understood, then that is precisely the problem. Not until the lifestyles of locally resident Hindus, Moslems, Sikhs, and Rastas are seen as no less British than those of the Scots, the Irish, the Welsh, and indeed the English themselves, will a significant improvement in majority-minority relations have occurred, and the bogey of repatriation finally be laid.

Yet however politically and analytically vital it may be to insist that the new minorities are an integral part of the societies in which they have settled, it does not necessarily follow that their ties with the societies into which they or their parents were born will have ceased to be significant. Many links remain. Kinship obligations, often sustained by marriages between overseas settlers and those who stayed back home, still bind everyone together into

a single network. And these ties are enhanced by those of sentiment. Migrants (and their children) invariably cherish memories of their historical roots for reasons of psychological security; and the experience of exclusion invariably reinforces that tendency.

Emigrants and their societies of origin

Although migrants invariably seek to preserve a rosy view of life and conditions back home, their status there is usually no less complex and contradictory than in their countries of settlement. Richer, by definition, than those they left behind, emigrants are still expected to fulfil their kinship obligations by extending material support to their families, especially to the very old, the very young, and the destitute. Even those who are most securely settled overseas invariably continue to remit a portion of their earnings back home, and most stay much more involved than this, making regular visits back home. Few fail to buy more land, should it become available, and most important, of all, to build themselves an elaborate new house. This partly reflects a concern for honour and status, and the wish to demonstrate how much success they have achieved overseas; but it also reflects a desire to build up security against the day when they finally return home.

Not only do most migrants come to rely on their home contacts, but those back home also come to rely on them, especially when migration takes place on a large scale. Recipient households tend to become increasingly dependent on the regular arrival of remittances for their continued financial health, as may the local and even the national economy. As ever, dependency is dangerous. Should the flow of remittances decline, either because migrants' priorities have changed, or because changes in the global economy have diminished or eliminated their sources of income, those who have grown used to a regular financial 'fix' can find themselves in desperate straits. It is easy to become addicted to remittance income, because it comes at so little cost. Indeed it is often in the interests of those who have stayed behind to encourage migrants to stay overseas for as long as possible, provided that they can be sure that they will continue to send back remittances: that way they can continue to reap the benefits of migrants' labours elsewhere. Migrants are easily exploitable, and not just by other members of their families. Those who control the national economy can have a similar interest in the foreign exchange component of their remittances. For them a naked policy

of 'manpower export' may make a great deal of sense in the short term, even it, as we shall see, the consequent condition of dependency may court long-term disaster.

In sum, migrants often find themselves socially, politically, and economically vulnerable, no less in the society that they have left than in the one they have joined.

Patterns of emigration from Pakistan

All these contradictions are clearly illustrated in the case of emigration from Pakistan, where over two million people - approximately 10 per cent of the country's adult male labour force - currently work overseas. Of these the great majority are employed in the oil-rich states of the Middle East, especially in Saudi Arabia; but a further 300,000 live and work in Britain. The remittances that they send home have now become a critical component of the national economy: they make up over 50 per cent of Pakistan's foreign exchange income. But with a major recession in Britain and even sharper cutbacks throughout the Arab world, this inflow is shrinking sharply, causing acute problems for the Pakistani economy. Before examining what these might be, we must begin by exploring how it is that so many Pakistanis came to seek their fortunes overseas, what happened to them when they got there, and the changes that have since been precipitated in their villages of origin.

The great majority of emigrants from Pakistan are of rural origin, and come from villages lying in the unirrigated, wheat growing *barani* areas in the north of the country (Gilani, Khan, and Iqbal 1979). Though less prosperous than the irrigated canal colonies further to the south, this area has always been densely populated. Because of the small size of agricultural holdings, and the conventional division of labour between the sexes, many households have long had a surplus of male labour. There is a longstanding local tradition for men from such households to supplement their incomes by working elsewhere.

Soon after the Punjab was incorporated into the British Raj in 1849, local men began to sign up as soldiers, especially after Punjabis were classified as a particularly 'loyal' and 'martial' race following the mutiny of the Bengal Army in 1857. To this day, the majority of soldiers in the Pakistani Army come from this area. But men in more localized areas also began to explore other new opportunities. For our purposes, one of the most significant developments came at around the turn of the century, when men

from a scatter of villages just inside the Maharaja of Kashmir's territories began to take work as stokers on merchant ships operating out of Bombay. Just how it was that villagers living so far from the sea pioneered this niche I have not yet been able to discover, but it was ex-seamen who were the principal pioneers of the contemporary Pakistani settlement in Britain.

As a result at least three quarters of British Pakistanis can trace their origins to an area no more than 20 miles by 30, lying mostly in what is now Azad Kashmir, and particularly focused on Mirpur District. In many Mirpuri villages, especially those lying close to those from which seamen were recruited, half or more of the population now lives in Britain.

Migration to Britain

When the earliest Mirpuri settlers came ashore during the 1930s, industrial jobs were virtually impossible to obtain, so most followed the longstanding tradition (see Salter 1873) of making a living as itinerant pedlars. During the Second World War the number of settlers grew rapidly. Britain's heavy industries were acutely short of labour, so that not only did many former pedlars switch to industrial jobs, but Mirpuri seamen who had had their ships torpedoed beneath them soon found themselves drafted off to work in munitions factories in Yorkshire and the West Midlands (see Dahya 1974: 84). Once transport was available after the close of hostilities some went home with their accumulated savings, but most stayed on to take advantage of the opportunities that became available in the post-war industrial boom. The jobs open to migrants were of a restricted kind - essentially those which the indigenous population were unwilling to undertake, because they were hot, hard, heavy, or low paid. But to Kashmiri peasant farmers they offered the prospect of unparalleled prosperity, especially since their traditional jobs as stokers were disappearing rapidly as coal-fired ships were phased out after the war.

In the late 1940s and early 1950s an increasing number of seamen left their ships to take industrial jobs on shore, and soon afterwards began actively to call kinsmen and fellow villagers over to join them; it was thus that a process of chain migration began (Khan 1977; Anwar 1979). Until 1962, Commonwealth citizens had an unrestricted right of entry into Britain, and the steady inflow of settlers was essentially a response to the almost continual growth in demand for unskilled industrial labour. But in response to popular protests from the indigenous majority, a whole series of measures to control the influx of (non-European) immigrants have since been taken. The first of these, the 1962 Immigration Act, largely failed in its purpose.

Contrary to popular belief, migrants were coming neither to join the dole queue, nor to steal white jobs. The mills and foundries in which they worked were acutely short of labour and employers were only too happy to issue the vouchers which the Act introduced, for that was the only way they could keep production going. Prospective migrants knew that once they had obtained their vouchers from kinsmen in England they were guaranteed entry when they arrived at Heathrow. Far from controlling immigration, the voucher system tended to speed it up - so in the early 1960s virtually every able-bodied man who was not otherwise engaged and who lived in the area surrounding the seamen's villages set off for Britain.

Since 1965, when the issue of vouchers was halted, it has been made progressively more difficult for adult males of non-European origin to enter Britain, even though industrial jobs remained plentiful. These are precisely the conditions in which illegal immigration is to be expected. An unknown number of Pakistanis did enter Britain in this way while jobs were still available, but since the onset of the current recession, this surreptitious inflow has virtually ceased. Nevertheless the total inflow of people arriving from Pakistan to settle in Britain has hardly declined at all over the years: it has simply changed in character.

During the first phase of migration it was men alone who came. Wives and children were left at home with their families, to whom periodic visits were made after intervals of anything between two and five years. At that stage hardly anyone envisaged that their stay in Britain might be permanent: like their predecessors who had worked as soldiers and seamen, they expected eventually to return home to live in comfortable retirement on their accumulated savings. Some have done just that, but many more have ended up staying in Britain for much longer than they intended, particularly those who have been joined by the remainder of their family.

Paradoxically, it was legislation designed to control immigration that played a major role in persuading Pakistani settlers to reunite their families overseas. Once the issue of vouchers ceased, the easiest way to augment the family's wage-earning capacity was to bring over dependent children shortly before they reached the age of sixteen: then they could start work as soon as they had passed school leaving age. But as soon as the immigration authorities realized that this was happening on a substantial scale, they

changed the rules, and began to insist that the whole family - wives and daughters as well as sons - should be reunited at one and the same time. Even so, it was easy enough, although somewhat expensive, to circumvent this restriction. Wives and daughters could be brought over for a few months' visit, and then sent back home again. But the mould had been broken. With the growing complexity and stability of their ethnic colonies, settlers began to grow increasingly confident that they could reunite their families in their new surroundings without compromising their honour. Consequently the number of Pakistani women settled in Britain has risen rapidly from a very low base since 1970, and there is hardly anyone who has not applied for permission for his family to join him.

Almost all Pakistani settlers have obtained British citizenship, so they now have an unchallengeable legal right to reunite their families in Britain. But exercising that right is by no means straightforward. Given ever more insistent demands from the white majority that immigration should be reduced to the lowest possible level, all applications made to the British Embassy in Islamabad are now subjected to severe scrutiny (Commission for Racial Equality 1985). Entry certificate officers have to be convinced that all members of the family are related to the applicant as claimed; but they frequently manage to convince themselves that this is not so. The application is then rejected. Not only does this lead to severe hardship for all those concerned, but it also means that yet another family has been added to the merry-go-round. The settler in Britain has no alternative but to keep up his visits, and either to re-submit his application, or to look for British-based spouses for his children if the immigration authorities are otherwise excluding them.

As a result of processes of this kind, the pressure of work in the immigration section of the Embassy has been growing year by year. So far the majority of applications have been for family reunions, and it has been assumed that the volume of work would be finite - that once all the applications in the pipeline have been processed, immigration would cease. But it is now becoming apparent that this is not so. In addition to the backlog of family reunion cases, there are now a rapidly rising number of applications from young people who have grown up in Britain but who have married in Pakistan, and also from families who have lived in Britain, but who have subsequently returned to Pakistan, and now wish to return to Britain once again. Immigration to Britain, or rather a complex pattern of movement back and forth between Britain and Pakistan, is set to be an on-going process.

The reasons why are worth exploring in some detail.

Marriage rules and their implications

When members of a community within which marriages are customarily arranged migrate, it is only to be expected that in the initial stages of settlement, parents will continue to fix the same marriages as they would have done had they not migrated. But as the overseas colony consolidates itself, it would seem to follow that they will gradually begin to seek partners for their offspring from within their immediate community, so reducing the frequency of matches back home. This has happened quite swiftly in the case of Hindu and Sikh migrants to Britain; but because of the differing impact of their marriage rules, Moslem Pakistanis are behaving quite differently. Not only have they delayed reuniting their families, but the frequency of overseas marriages remains much higher.

While the rules of clan exogamy practised by Hindus and Sikhs lead to virtually all marriages taking place between non-relatives, among Moslems the situation is wholly reversed. The marriage of cousins (both cross and parallel) is not only permitted, but it is preferred: siblings have the right of first refusal with respect to the marriages of each other's children. Thus while Sikh and Hindu migrants have no prior obligations with respect to their children's marriages, and can place them where they choose, Moslem migrants are members of much more closely-knit kinship networks, within which they usually find themselves under intense pressure to accept offers of marriage on behalf of their siblings' children back in Pakistan. And they also know that if they refuse, they are likely to be charged with having become so anglicized that they have forgotten their most fundamental duties towards their kin. These pressures are extremely hard to resist. So as more and more migrants' children reach marriageable age, the frequency of marriage with partners back in Pakistan is rising rapidly.

Residence after marriage was traditionally patri-virilocal, so there is rarely much question but that the Pakistani brides in such matches will come to Britain. But given the poor local employment prospects, the incentive for grooms to do the same' is large; indeed it is now assumed by all concerned that they will almost certainly want to do so. Hence marriages of British-born girls with Pakistani grooms are effectively a means of avoiding the exclusionary effect of immigration legislation - as those who

frame the rules are well aware. All sorts of administrative hurdles have been introduced to make it as difficult as possible for such couples to exercise their right to enter Britain. Just who will be most successful in the midst of all this remains to be seen. But given the logic of their kinship system, the strength of family loyalties, and the large differentials in living standards between Britain and Pakistan, the number of young couples seeking to enter Britain seems likely to continue to increase, however hostile the law may become.

Return migration from Britain to Pakistan

At first few, if any, Pakistani migrants to Britain envisaged that their residence overseas would be anything but temporary. However long they might have worked in Britain, they expected that they would eventually go home to enjoy the fruits of their labour - and now that an increasing number of settlers are reaching retirement age, some are doing just that. A British pension goes a long way in rural Pakistan. But in addition to these pensioners, a further category of returnee has recently become salient - those who have been pushed that way by redundancy and recession in Britain. Until 1979, few settlers were ever unemployed for long. Alternative, if low paid, employment was invariably available: even if it was located in a distant city, migrants would seek out kinsmen who lived nearby and go and stay temporarily with them; they were nothing if not flexible. But with the onset of the current recession almost all these alternatives dried up. Since 1979, there has been no work anywhere.

At first those who had lost their jobs sat it out, hoping that conditions would change. But with no sign whatsoever of an upturn in the demand for industrial labour, an increasing number of middle-aged men have been giving serious consideration to going back and trying their luck in Pakistan. From their perspective it seems to make good sense. All have land and a house there, and very often some other property as well; that is - where the remainder of their *biraderi* or kin group lives, and often where their hearts still lie, despite years of residence overseas. And by selling their house in Britain, returnees can raise the capital to finance the immediate costs of resettlement. As they, grow increasingly disillusioned with life on the dole, so more and more men are setting off back to Pakistan, taking their whole family with them.

Sadly, their experience is rarely happy. Not only is the cost of

living a great deal higher than they expected, but opportunities to make money are few and far between. Most returnees go back hoping to start a business of one kind or another, but soon discover that doing so successfully in rural Pakistan is far from easy. Credit is difficult to raise, personal contacts are essential, and competition within the market place (often from other returnees) is fierce. Profits, let alone a decent income, are hard to make. And although many feel that their land should provide an ultimate backstop, their holdings are generally so small, and productivity is so low, that it rarely provides much beyond the family's basic subsistence needs. In these circumstances, most middle-aged returnees find that their savings gradually but inexorably drain away. After a while almost all reach the conclusion that they have no alternative but to take their whole family back to Britain again, in order to take advantage of the strictly limited luxuries of the supplementary benefit system.

Social networks in the diaspora

in view of the elaborate set of contacts still being maintained between settlers in Britain and their kinsmen back home, as well as the constant physical movement of people back and forth between the two arenas, it is now very clear that it is quite wrong to regard Pakistani migration to Britain as a single time-limited event. Instead it is much better understood as a process whereby a body of people have established a permanent overseas bridgehead, and where, having done so, there is a constant interchange of people and resources between the two ends of the migratory chain. The driving forces behind this process are first kinship, reinforced in this case by close kin marriage, such that all networks are extremely close knit and intuned; second the growing differential in material wealth between the two arenas, which makes those left back in Pakistan ever more concerned to sustain their relationships with kin in Britain; third the uneasiness of Pakistani settlers in Britain, especially in the face of recession and rapidly growing racism, which makes them view their homeland as the safest possible haven in times of trouble; and finally Britain's immigration law, which, despite fundamental injustices in its content and applications, still offers at least a chance for those with kin in Britain to climb out of the Third World and into the First. So despite the introduction of ever more draconian immigration legislation, large numbers of people seem likely to continue moving back and forth between Britain and Pakistan for the foreseeable future.

Migration and the Middle Eastern labour market

Britain is not, however, the principal overseas destination of Pakistani migrants. Following the sharp rise in the price of oil in the early 1970s, all the oil-rich states of the Middle East embarked on massive programmes of infrastructural development, which in turn generated a huge demand for labour. For the most part the indigenous populations of these newly rich states were small, and lacked technical and craft skills; and given access to what seemed at first to be an inexhaustible supply of wealth, it appeared unnecessary for the local population to take work seriously. Replacement manpower could be imported instead. So it was that a huge expatriate labour force was drawn into these underpopulated but suddenly capital rich countries.

Recruited world wide, the migrant workers were clearly stratified in racial terms. Those recruited for the better paid skilled and professional tasks were predominantly of European origin, while manual workers were recruited initially from Egypt and Palestine, later from the Indian sub-continent, and most recently from a wide range of countries in South-East Asia (Birks and Sinclair 1980).

But in little more than a decade, the Middle Eastern labour market has changed with unparalleled swiftness. At first conditions were relatively good. The employers were for the most part major multinational construction companies, and even manual workers were paid at European and North American rates. So the Middle East was an attractive prospect for everyone who could find their way there. But this did not last long. By the early 1980s the heady days were over, and even the Saudis began to seek value for money. Contractors were heavily squeezed, and they began to economize, particularly on their wages bills. Rates of pay dropped sharply. Today, in the mid-1980s, the situation is even more critical. With the real price of oil back to the level at which it stood in the early 1970s, most oil states have large budget deficits. Many construction projects are being abandoned, and none are being started. The demand for labour is plummeting. Competition for jobs is intense, and wages have fallen to unprecedentedly low levels. Large numbers of people, especially from countries such as Pakistan where migrants have come to expect a relatively high level of wages, are being sent back home. Their sudden swift return is having a major impact on their countries of origin.

Emigration from Pakistan to the Middle East

Contacts between the Middle East and what is now Pakistan are of long standing. The earliest trading links between the Indus delta and Mesopotamia were established at least 4,000 years ago, and to this day many of the leading trading houses in the Gulf are run by families of sub-continental origin. Similarly there have long been links between the Makran coast and Oman, where a majority of the Sultan's troops are Baluchis. These ties, supplemented by others established by ex-soldiers from the British Indian Army who stayed on in the Middle East after various campaigns, formed the basis of a flow by chain migration into the jobs made available by the gradual expansion of the oil industry in the immediate post-war years. But when the boom took off in the early 1970s, these channels were unable to supply a sufficiently large volume of labour, so recruitment on a more formal basis began. Agents, many of whom were of Pakistani origin, made agreements with construction companies to supply a certain number of men with specified skills, and then secured their homeland for suitable recruits. They soon found that the people from the *barani* areas were the most responsive, partly because they had a long tradition of working away from home, but also because they had sufficient resources to pay the high fees that agents were soon able to demand before allocating them a visa. By the early 1980s, as much as Rs20,000 (£1,000) was being demanded from those seeking no more than a labourer's job. People from the very poorest families, and from the most remote villages which lacked access to any outside resources, simply could not afford to go. Most migrants were recruited from a broad swathe of districts running right across Northern Pakistan, and whose environmental character is very similar to that of Mirpur. So although migration to the Middle East may have been larger in volume than that to Britain, it was not so densely concentrated: hardly a village in the whole *barani* area has been left unaffected by the exodus.

Migration and the local economy in Mirpur

It is not so much the migrants' absence, but their remittances which have the largest impact on the local social order. Over the years, Pakistanis in Britain have sent home many millions of pounds, the arrival of which has had a radical effect on the Mirpuri economy. In principle this large inflow of capital resources might have been expected to precipitate rapid economic

development in an otherwise underdeveloped area, but in practice things have turned out otherwise: the local economy is actually stagnating. We must explore why that should be so.

During the 1950s, 1960s, and early 1970s, before they had brought their families to Britain, migrants remitted the greater part of their savings straight back to Pakistan (Dahya 1974: 113). Having paid the cost of their passage and met the subsistence needs of the remainder of their family, their next target was usually to build themselves a splendid and prestigious new house. Consequently there was an immense building boom in Mirpur in the late 1960s and early 1970s. New houses were constructed everywhere, even in the most remote and inaccessible villages. Suddenly there was a huge demand for construction materials - bricks, steel, cement, timber, and so forth - and also for masons and carpenters to build the houses. This set off an unprecedented economic boom. Bazaars expanded rapidly, as entrepreneurs sprang forth to serve the new market; and so great was the demand for labour that local wages rose sharply, attracting immigrants from neighbouring areas from which overseas migration had not then taken place. But this boom was not to last for long. By the mid-1970s most migrants to Britain had reconstructed their houses, and thereafter the volume of construction activity fell sharply.

Nevertheless, those who were well placed in the market made a lot of money out of the housing boom, and this was to have some important effects for the future. Since they expected eventually to return home, all migrants were looking for a safe and profitable form of investment - preferably in some kind of bazaar-based business. Although mostly peasant farmers by origin, few, if any, considered investing in agriculture. Working on the land had long been considered unprestigious, and so a return to cultivation was considered a step backwards socially. This judgement was far from irrational. Given low agricultural prices, and the absence of significant infrastructural support from the state, farming has become less and less economically attractive in Mirpur, and indeed throughout the whole *barani* area, despite the great potential fertility of the soil. Since local wages and expectations have risen as a result of the inflow of remittances, agricultural activity has not been stimulated by migration: on the contrary it has been depressed.

With such large numbers of people now living overseas, many households are now acutely short of labour; but as most also receive a supplementary remittance income, they no longer need to depend wholly on the land for their subsistence. As a result the

land in Mirpur is becoming increasingly ill farmed, and large areas are being withdrawn from cultivation altogether. Almost all the stonier fields on hillsides have long since been abandoned, and now a growing amount of the most fertile land never sees the plough: it is unlikely to do so again unless a rise in grain prices returns agriculture to profitability. So from having produced a substantial exportable food surplus in the past (*Rawalpindi District Gazetteer* 1894: 155), the area is now in chronic deficit. Of course Mirpuris now have plenty of money to buy imported grain, most of which is sold at subsidized prices through ration shops, so there is no shortage of food. Instead the whole economy is slipping inexorably into a condition of dependency.

Since agriculture offers so little, business is invariably seen as the best and most secure way of making money. In consequence every village in the area now has an extensive bazaar. But although activity may have been brisk at the height of the construction boom fifteen years ago, this is no longer so. Many speculatively built shop units remain unlet, and even in those that are, activity is very sluggish. Most businesses are very small, and too many people are chasing too little trade. Competition is so fierce that margins must be cut to the bone. Hardly anyone makes much profit. At present the only people doing well are some travel agents, and a few large and well established wholesale merchants. Returnees who are hoping to make a living by starting a business have a hard row to hoe. No wonder few succeed.

Local tensions are also building up as a result of economic stagnation, particularly since so few opportunities are now available for young men. With growing affluence, education has become affordable for Mirpuri peasants, and so for the first time large numbers of boys have been sent to school and college. As jobs overseas dried up, their families hoped that education would improve their sons' opportunities for employment. But they have met a dead end. The few local jobs as teachers and bank clerks have long since been filled, there is no local industry, and agriculture is rejected out of hand. Some young men are trying their hand at opening small shops in the bazaar, although this is often no more than a means of showing to relatives in Britain that they are at least trying to help themselves, and they are therefore worthy of continued support. Others spend their time drinking tea and playing cards, hoping that something will turn up - perhaps in the form of an opportunity to marry a cousin from Britain. Rural stagnation is commonplace enough in the Third World, and is often attributed to lack of local financial and entrepreneurial resources. But this is not so in Mirpur. The whole

area is capital rich, for banks can now be found even in the most remote villages, and all have vast sums on deposit. For example, all the five major banks were represented in the village in which I conducted intensive fieldwork, and altogether they had Rs5 crore (over 1=2 million) on deposit - all for a local population of little more than 3,000. But these funds have not been used locally. The banks' local loan portfolio is insignificant, which means that villagers' savings are actually being used to finance investment by others elsewhere. But to suggest that this is a consequence of an absence of local entrepreneurial ability is most implausible, given Mirpuri migrants' success as small businessmen in Britain. Rather, local conditions are such that profitable avenues of investment are unavailable. It is these which have produced stagnation, and which account for the absence of a demand for loans.

Following the initial remittance-driven boom, Mirpur's economy has slipped gradually backwards, and is now heavily dependent on the continued inflow of remittances. This unhealthy condition, which is far from being the inevitable outcome of overseas emigration (see Ballard 1983a), is primarily a consequence of the way in which Pakistan's whole economy is structured. It is no fault of the Mirpuris themselves that agriculture has been rendered increasingly unprofitable as a result of central pricing policies, nor that the Government of Pakistan has done next to nothing to mobilize local resources, nor even to provide the infrastructural facilities around which migrants could more profitably and productively invest their savings. The issues here are structural.

The consequences of migration to the Middle East

While economic conditions in Mirpur may be a cause for concern, it is even more alarming to note that much the same processes are currently occurring throughout the much larger area from which there has been heavy migration to the Middle East (Amjad 1984). At first sight the local economy in these areas seems in good shape, just as it did in Mirpur in the late 1960s. A building boom is in full swing, and the bazaars, and indeed the whole of the service sector, is expanding rapidly. Wages have risen sharply, and there is an acute shortage of construction workers. But just as in Mirpur, little *productive* investment is taking place, either in agriculture or anywhere else.

This erosion of the local productive base is the most worrying development of all. A housing-driven boom is all very well, but it provides no foundation for future growth. On the contrary it is

evidence of a slide into a condition of dependency, where prosperity can only be sustained by a continuing inflow of remittances. But this, it is now clear, will not take place. In Mirpur, where their volume has gone into slow decline, conditions are bad enough. But in those areas which are dependent on the Middle Eastern labour market the problem is much more serious. Not only is the volume of remittances set to decline very sharply, but migrants themselves are now returning in large numbers, and mostly for good. In the short run most can hope to live in some style off their accumulated savings; and their spending will also provide a buffer against the immediate collapse of the local economy. But as everyone is well aware, the money will soon run out. What will happen then? Returnees may live in fine new concrete houses, often equipped with televisions, videos, and refrigerators. But none of these can be eaten. As their 'smart consumer goods gradually fall into disrepair, former migrants may find themselves faced with the bleak choice of trying to find work in Pakistan's already overcrowded cities, or of returning to subsistence agriculture, using nothing but traditional technology. Despite all their hard work, they will have reaped few long-term benefits from the window of opportunity offered by the temporary availability of well-paid work in the Middle East.

. Migration and the role of the State

Most of the obstacles and inequalities which Pakistani migrants have encountered, both at home and overseas, were far beyond their own control. Like rural migrants everywhere, they have been seeking to circumvent those obstacles as best they could, in order to move forward in an unequal world. But they have had no control over the structure of their economic environment, nor over the booms and slumps in the global labour market. That this should be so overseas is hardly surprising, for immigrant minorities rarely have much bargaining power. But in this case it is no less true within their own homeland. To see why this should be so we must examine just who controls Pakistan's economy, how, for what purposes, and to whose benefit.

Although Pakistan is extremely rich in natural resources, it is currently facing an acute economic crisis (Ahmed and Amjad 1984). In the absence of any kind of birth control program, the population is growing rapidly, while agricultural production is at best static, and probably declining (*Pakistan Economic Survey* 1984/5). Rural infrastructural investment on roads, canals,

electrification, education, health care, and so forth is minimal, and so the picture of rural stagnation presented here is more or less typical (subject to the necessary local and regional qualifications) of the whole country. But the major cities are rather better provided for. Not only are infrastructural facilities concentrated there, they also have a superficial air of prosperity. Imported consumer goods, such as motor cycles, cars, cassette players, televisions, washing machines, refrigerators, air conditioners, and so forth, all of which are heavily advertised in the media, are freely available - at a price. Beguiled by all this, many young men are drifting to the towns. Only rarely do they get regular jobs, which are extremely hard to find. But at least they know that the chances of mobility are much greater in an urban than in a rural context.

Apart from the rural-urban divide, Pakistan is also a highly inegalitarian society in terms of class. But in this case privilege comes not so much from the ownership of industrial capital, nor even of extensive tracts of land (though most members of the elite have either one or the other) but rather through their control of the machinery of the state. The elite, composed mainly of senior bureaucrats and military officers, is small, but its members live extremely comfortably, mainly as a result of bending the economy to their own interests. It is from this perspective that the contemporary Pakistani social order is best understood.

Ever since Partition in 1947, the country has been ruled by a succession of authoritarian regimes, almost all of which have had reason to be doubtful about the extent of their popular support (Ziring 1980). And although all paid lip-service to the need to respond to the needs of the rural majority, those in power were well aware that it was *urban* revolt which had brought down all their predecessors. Hence, for example, there has been a great reluctance to raise agricultural prices, even if this led to a large net transfer of resources away from the agricultural sector, and so to rural stagnation (see Naqvi 1984: 34). Much the same considerations lie behind the unequal distribution of infrastructural resources between urban and rural areas. Despite much public rhetoric about the promotion of economic development, securing the *status quo*, above all by containing the possibility of urban revolt, has long been the central priority of the Pakistani state.

In this situation the emergence of a large inflow of migrant remittances came as a godsend. Pakistan has long had a deteriorating balance of trade, as imports, composed mostly of consumer goods, and of which the elite re disproportionately

large consumers, have risen much more sharply than exports (Naqvi 1984: 89). But over the past twenty years the rapidly rising flow of remittances, at first from Britain, and more recently from the Middle East, has been available to cover the deficit. This inflow is now absolutely critical to the economy. Not only do migrants provide over 50 per cent of the country's foreign exchange, they also bring back a large volume of consumer goods as personal baggage - and import duties are now the Government of Pakistan's largest single source of revenue. No wonder the promotion of 'manpower export' has become one of the Government's central economic priorities.

Yet the whole structure is becoming increasingly unstable. The demand for Pakistani labour overseas is bound to shrink, whatever the authorities may predict (Planning Commission 1984), and most migrants are set to return, whether they like it or not. And although they may have put immense efforts into the personal generation of capital resources overseas, it is most unlikely that many will be able to put them to any great use: indeed the process of filching slices off their resources begins long before they return. Consider the exchange rate, for example. Most commentators are agreed that the Pakistani rupee has long been overvalued (see Naqvi 1984), and my own estimate is that this may be by as much -as 100 per cent. The result has been not only to cheapen imports, but also to devalue remittances, which are, in effect, subjected to an invisible tax. The easy availability of foreign exchange has been of direct advantage to the elite, partly because it has facilitated the easy import of the luxury goods of which they are disproportionately large consumers, and also because it has given them excellent opportunities for capital export. As in so many other stagnant corners of the Third World, the most senior members of the Pakistani regime now have the greater part of their savings safely tucked away in bank accounts in London, New York, and Basel. So when the crunch does come, as inevitably it will, they will be able to retire to comfort and safety on the nearest Jumbo jet. The deteriorating condition of Pakistan's rural economy is of little concern to them: indeed it is the real source of their wealth.

It is only when placed in this very broad context that the full extent of the exploitation to which overseas migrants may be subjected, often by means of the hidden transfer of resources, begins to emerge. Peasants everywhere are rightly suspicious of all external agencies, because they have been exploited too many times before. So it is thoroughly understandable that they should regard their villages of origin as the safest haven of all. Poor they

may be, but at least they seem to be fully under their own control. That is why they build houses there, buy land, and put their money in their local banks. However exploitative foreigners may be, they do at least know where their own kinsmen stand. But this vision reckons without the pervasive effects of contemporary economic processes, which have made their homelands much less of a haven than they had supposed.

In the past two decades migrants have poured billions of dollars into rural Pakistan, but there is little to show for it. Grand new *pakka* houses have been constructed by the thousand, bazaars have expanded dramatically, and televisions and videos have arrived in the remotest rural areas. But what has not changed is the underlying structure of the national economy. Although in all the emigrant areas the capital resources needed to build new roads and irrigation systems, and to finance electrification and agricultural extension programmes and so forth are most certainly available, no such public investment has taken place. In its absence, private investment remains unprofitable. So having built their houses, returnees have little alternative but to put their money in the bank. But how have these resources actually been used? The principal borrowers from the nationalized Pakistani banks have been, once again, the urban elite, who are using the loans to enhance their own wealth. But will they repay? The saddest fate of all would be for migrants to discover that when they wanted their money back, the banks had made so many bad loans to a disappearing elite that they were unable to reimburse their depositors.

Yet none of this should be regarded as an inevitable consequence of migration. The resources which migrants have generated through their labour overseas could have been used more productively, to construct a more secure economic base before the next global slump set in. That this has not occurred is no fault of the migrants themselves - it was primarily a consequence of the structure of inequality within the Pakistani social order itself. In the absence of political action to change that order, there was little that migrants could do but what they did.

Conclusion: migration in a global context

Migration is, at heart, an attempt to circumvent institutionalized inequality, but in making this attempt migrants face many obstacles, including the historical legacies of Colonialism and Empire, regional and class structures in their countries of origin,

and a further set of racial and class divisions in their countries of settlement. It is economic and industrial expansion, with its attendant demand for additional labour, that opens up opportunities for migrants in the first place, but consolidating that foothold is far from easy. Once recession sets in, no-one is more vulnerable than migrant workers. Their most central problem is that of externality, which constantly limits their bargaining power. Away from home, even the simplest moves towards organization in defence of their interests is likely to precipitate vigorous condemnation of their behaviour from those among whom they have settled. But as we have just seen, migrants are no less external to their countries of origin, and so just as vulnerable to exploitation at home as they are abroad. Indeed such is the paucity of industrial production in Pakistan, and so large the scale of emigration, it seems plausible to suggest that the country now has what can best be described as an 'external proletariat': as severely exploited at home as they are overseas, they have no secure base around which to organize to protect their interests. Migrants overseas usually begin by organizing themselves in ethnic terms, for their common origins provide an effective and convenient foundation for both mutual assistance and collective action. Moreover, the formation of such aggregations reflects the facts of competition, both with members of the indigenous 'population and with other migrant groups, for the limited volume of resources available. In such circumstances, solidarity among all migrants working in a particular country is difficult, if not impossible to achieve. Instead, as at present in the Middle East, migrants of differing national origins are likely to compete fiercely with one another, and regularly to undercut each other's wages: since they have little in common, external proletarians in any one locality are necessarily hard to unify. And of course neither their employers nor the ruling elites who stand behind them have any interest in the emergence of such solidarity, for it will necessarily be a threat to their interests. As Marx pointed out, they will always do their best to undermine it.'

Failing the development of comprehensive solidarity among all migrants, let alone all workers, national solidarity is at least a fallback. But how much support does it get? In principle all countries are expected to protect the interests of their nationals overseas, but in practice labour exporting states such as Pakistan regard this as a luxury they cannot afford. Locked into a policy which is dependent on manpower export to keep the economy float, those in charge of the state apparatus need to convince labour importers that their product is amongst the cheapest and

most docile on the market. As Pakistani migrants to the Middle East have learned to their cost, their Embassies are rarely willing to take up grievances on their behalf, however legitimate they may be. Instead they are much more likely to take active steps to repress them. Likewise in Britain the Pakistani Embassy does little or nothing to defend its citizens' interests. Instead it constantly advises them to adapt themselves to local conditions, while simultaneously suggesting that it is the patriotic duty of all Pakistanis to maximize their remittances.

If migrants are exposed abroad, they are little better off at home. They are usually regarded as uniquely privileged, and are the object of considerable jealousy. And it is not just their dependent kinsmen who are envious of their apparently boundless wealth, so too are the urban elite - who are deeply affronted by the thought that mere peasants may now have access to televisions, washing machines, and so forth. This has even been formalized in the theory of the 'Dubai syndrome', which represents newly rich migrants' behaviour as misguided and disturbed. In such a climate there is no space for a serious discussion of migrants' difficulties, and still less for the construction of a positive response to them.

Seen in this light, Pakistani migrants who are more or less permanently settled in Britain are comparatively well placed, despite the numerous obstacles they face. So far, at least, their rights of citizenship have remained secure, and many of their children are now achieving considerable educational success (see, for example, Ballard and Vellins 1984). This is not to play down the extent and severity of the racial exclusionism that the minorities routinely encounter, but simply to emphasize that the structures of inequality their compatriots face both in the Middle East and in Pakistan are in many respects more severe than those in contemporary Britain. But wherever they may be, everyone is faced by the changing structure of the global economy. Not only is the demand for manual labour shrinking everywhere, but the decline is proving to be particularly sharp in both urban industrial Britain and the once booming oil states of the Middle East. Through no fault of their own, the villagers of Northern Pakistan are not well placed in the contemporary labour market.

©1987 Roger Ballard

Acknowledgements

The research on which this paper is based was carried out in Pakistan between September 1984 and August 1985, and was supported by a grant from the ESRC. A report on the project, entitled 'The Context and Consequences of Emigration from Northern Pakistan' has been lodged in the British Library.

References

- AHMED, v. and AMJAD, R. (1984) *The Management of Pakistan's Economy 1947-82*. Karachi: Oxford University Press.
- AMJAD, R. (1984) *The Impact of Return Migration on Domestic Employment in Pakistan*. Islamabad: International Labour Organisation.
- ANWAR, M. (1979) *The Myth of Return*. London: Heinemann Educational Books.
- BALLARD, R. (1983a) The Context and Consequences of Migration: Jullundur and Mirpur Compared. In *New Community 11*: 117-36.
- (1983b) Race and the Census: What an Ethnic Question Would Show. In *New Society 64*: 212-14.
- BALLARD, R. and VELLINS, s. (1984) South Asian Students in British Universities: A Comparative Note. In *New Community 12*: 260-65.
- BIRKS, Ls. and SINCLAIR, C.A. (1980) *International Migration and Development in the Arab Region*. Geneva: International Labour Organisation.
- CASTLES, S., BOOTH, H., and WALLACE, T. (1984) *Here for Good: Western Europe's New Ethnic Minorities*. London: Pluto Press.
- COMMISSION FOR RACIAL EQUALITY (1985) *Immigration Control Procedure. %: Report of a Formal Investigation*. London: CRE.
- DAHYA, B. (1974) Pakistani Ethnicity in Industrial Cities in Britain. In A. Cohen (ed.) *Urban Ethnicity*. London: Tavistock.
- GILANI, I. (1985) *Citizens, Slaves, guest workers: The Dynamics of Labour Migration from South Asia*. Islamabad: Policy Studies Institute.
- GILANI, t., KHAN, M.F., and IOBAL, M. (1979) *Labour Migration from Pakistan to the Middle East*. Islamabad: Pakistan Institute of Development Economics.
- KHAN, V.S. (1977) The Pakistanis. In J.L. Watson (ed.) *Between Two Cultures*. Oxford: Blackwell.
- MARX, K. (1953) *Ott Britain*. Moscow: People's Publishing House.
- NAQVI S.N.H. (1984) *Pakistan's Economy Though the Seventies*. Islamabad: Pakistan Institute for Development Economics.
- Pakistan Economic Survey* (1984/5) Islamabad: Ministry of Finance.
- PLANNING COMMISSION (1984) *The SLvh Five Year Plan 1983-88*. Islamabad: Government of Pakistan.
- Rawalpindi District Gazetteer* (1894) Lahore: Government of the Punjab.
- FALTER, J. (1873) *The Asiatic in London*. London: Seely.
- SIVANANDAN, A. (1983) *A Different Hunger*. London: Pluto Press.
- ZIRING, L. (1980) *Pakistan: the Enigma of Political Development*. London: Dawson Westview.