Leaving Poverty Behind: A Radical Proposal for Developing Bangladesh Through Emigration

Jonathon W. Moses*

This article argues that the most efficient way of developing Bangladesh is to encourage more emigration. This argument is made in three steps: (i) proposing that 10% of the population be encouraged to emigrate to member states in the Bangladeshi Aid Consortium; (ii) outlining the anticipated costs; and (iii) describing the anticipated gains, which in the light of any feasible alternative, and when contrasted with the relatively meagre costs, are phenomenal and encouraging. By providing individual Bangladeshis with such an opportunity the hopes of the millions remaining behind are strengthened.

Key words: Migration, development, remittances

1 Introduction

On the surface, Bangladesh’s problems seem intractable. From its very inception, the country has been swamped by a litany of epithets, including: a ‘basket case’, ‘a test case of development’, a ‘landscape of disaster’, even a ‘catalogue of woes’. Worse, after forty years of development schemes and international goodwill, it remains a desperately poor country, with a significant proportion of its population living in dire poverty. Clearly, the limited effect – and hesitant pace – of these efforts expose the inadequacies of current approaches to developing Bangladesh.

At the most fundamental level, Bangladesh’s problem is one of trying to squeeze too many people onto too little land. With over a thousand people living on each square kilometre of its territory, it is one of the world’s most densely populated countries. This underlying problem is exacerbated by an inadequate supply of capital and a plethora of related shortcomings such as inadequate education, infrastructure, investments, etc. To this mix of economic deficiencies can be added an equally thorny list of political problems, including a government/opposition at loggerheads, a history of work stoppages (hartals) (affecting education as well as production), disturbingly high levels of violence and corruption, and – more recently – the threat of radical Islam and global warming.

Traditional approaches to development tend to assume that the underlying problem is beyond reach. Territory is fixed by the powers that be, and population control has very real limits (at least in the short term). Consequently, reform efforts have been

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focused on the second-order problems of trying to improve market efficiencies and access, governance, education, etc.; while laudable, they are entirely insufficient for improving the lives of most Bangladeshis.

Just four years before Bangladesh’s independence, Harry Johnson (1967: 107) noted that the immigration policies of the developed world lay at the heart of the development problem. In taking his observations to heart, an innovative, practical and effective proposal can be found to help Bangladesh’s desperate majority. Indeed, this troika of adjectives constitutes the organising framework for this article. Section 2 introduces an emigration-based proposal. Second 3 catalogues the small costs associated with it (in both political and economic terms), relative to alternative approaches. Section 4 focuses on the potential gains from greater emigration. When these are weighed against the expected costs and the gains that might be generated by alternative scenarios, it can be seen that a radical increase in the number of Bangladeshi emigrants offers the cheapest and most effective way of improving the lives of those who remain.

2 The proposal

A development proposal based on emigration could take many forms, and policy-makers will eventually have to decide on the reform’s appropriate scope. How many must leave before a balance can be struck: 50%, 25%, 10%? Pragmatically, a modest proposal is suggested here: that over the next ten years, emigration should drain the number of people living in Bangladesh by 10%, or roughly 15 million people, and to spread the political costs of the proposal, the migration should be targeted at the Bangladeshi Aid Consortium.

Why 10%? There are two good reasons. The first concerns reasonableness, and will be discussed in greater detail below. While 20% would generate even greater rewards, the proposed target is much larger than anything else being discussed, and is still within sight of existing emigration levels. In other words, a 10% target is both reasonable and innovative. The second reason is a sense of historical justice; this proposed level of emigration corresponds roughly to the size of the largest European diasporas prior to World War I. By facilitating this level of emigration, the international development community would provide Bangladesh with the same sort of opportunity previously enjoyed by many European countries.

Why focus on the Bangladeshi Aid Consortium (BAC)? The Bangladeshi Aid Consortium (or ‘Aid Group’) includes Australia, Belgium, Canada, Denmark, France, Finland, Germany, Italy, Japan, the Netherlands, Norway, Sweden, Switzerland, the UK and the US. It constitutes a network of wealthy donor states that meets every year to review economic developments in Bangladesh and to pledge aid accordingly. In short, it includes countries: (i) that have already committed themselves to helping Bangladesh, and (ii) where the gains from immigration are potentially largest. These countries have

1. In particular, about 10% of the Norwegian population emigrated to the New World in the closing decade of the nineteenth century, only slightly larger than the subsequent wave of Italian emigrants, and smaller than the Irish level of emigration that preceded it.
2. It also includes several international organisations, such as the IDA, ADB, EU, IFAD, UN agencies, the Ford Foundation and the Asia Foundation.
both the capacity and a moral responsibility to help Bangladesh. What is remarkable (and somewhat disturbing), however, is that they are not common destinations for today’s Bangladeshi emigrant workforce. The present proposal aims to change this. Its innovation lies in encouraging Bangladesh to consider a more active and extensive emigration regime and in emphasising the developed world’s responsibility to bring it about.

The promise of the proposal lies in its novelty and effect, both of which draw on two truths emerging from the global economy. First, there is a growing recognition that migration (and especially the remittances it generates) plays an important role in development. This role needs to be exploited and maximised if Bangladesh is to be helped. Concomitantly, there is a growing willingness to recognise the benefit of low-skilled immigration in the developed world, especially in the light of long-term demographic trends. This proposal aims to harness the promise that resides in these two emerging truths.

2.1 Is this reasonable?

Framed in this way, the proposal risks appearing as naïve, unreasonable or both. Clearly, this is an innovative proposal, but is it practical?

The ease and practicality of any proposal lie in its particular details (and how these compare with any feasible alternatives). The biggest potential challenges of this proposal relate to its novelty. Any innovative policy is bound to meet resistance as it seeks to break new ground. Development is a complex game that includes many players, each of whom has an interest that might be threatened by a change in the status quo. This natural resistance is limited in the Bangladeshi case by a widespread recognition that the current hotchpotch of reforms is working much too slowly and ineffectively. More significantly, perhaps, there is a growing recognition of the important role that lower levels of emigration have already played in securing modest development gains in Bangladesh.

2.2 The current context

In order to grasp the proposal’s potential, we need to begin by examining the scope, range and impact of Bangladesh’s current stream of emigration. This provides us with a baseline, from which we can project and compare.

Although it is impossible to put a precise figure on the number of Bangladeshis living abroad, we might hazard a suggestion that the number is near 5 million, or roughly 3% of the population. This figure is arrived at by combining two very different emigration logs. The first is collected by the Bangladeshi Bureau of Manpower, Employment and Training (BMET) and includes registered Bangladeshis working abroad. This register is summarised in Table 1. Here we see that most Bangladeshis emigrate to the Middle East and South-East Asia, and that almost half of those registered went to Saudi Arabia.
Table 1: Registered Bangladeshi migrant destinations and their share of the total

<table>
<thead>
<tr>
<th>Destination country</th>
<th>Total (1976-2007)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>2,307,101</td>
<td>47.2</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>767,759</td>
<td>15.7</td>
</tr>
<tr>
<td>Kuwait</td>
<td>477,731</td>
<td>9.8</td>
</tr>
<tr>
<td>Malaysia</td>
<td>385,399</td>
<td>7.9</td>
</tr>
<tr>
<td>Oman</td>
<td>257,552</td>
<td>5.3</td>
</tr>
<tr>
<td>Singapore</td>
<td>161,790</td>
<td>3.3</td>
</tr>
<tr>
<td>Bahrain</td>
<td>141,072</td>
<td>2.9</td>
</tr>
<tr>
<td>Qatar</td>
<td>109,396</td>
<td>2.2</td>
</tr>
<tr>
<td>Iraq</td>
<td>66,343</td>
<td>1.4</td>
</tr>
<tr>
<td>Libya</td>
<td>54,219</td>
<td>1.1</td>
</tr>
<tr>
<td>Others</td>
<td>161,056</td>
<td>3.3</td>
</tr>
<tr>
<td>Total</td>
<td>4,889,418</td>
<td>100.1</td>
</tr>
</tbody>
</table>

Note: ‘Others’ include all categories contributing less than 1%, including ‘Others’, ‘Miscellaneous’, and the following countries (in declining order of importance): Jordan, South Korea, Brunei, Mauritius, Maldives, the UK, Italy, Lebanon, Japan, Ireland, Laos, Spain and Namibia. Rounding explains why the total exceeds 100%. Source: BMET (2007).

The BMET figures total almost 5 million emigrants for the period 1976 to 2007, but there is no certain way of measuring how many of them remain abroad today. A great many may well have already returned home and cannot be counted as part of the current stock of Bangladeshis living abroad. Worse, the figures under-record immigrants to OECD states, since these tend to employ alternative channels of migration, enjoy different skills levels, and are often abroad for longer periods of time, some of them permanently. To track down these emigrants, we can rely on official immigration ledgers in the OECD countries, we can tally what few emigrants are registered at the BMET, and/or we can rely on guestimates provided by well-informed government officials. While all of these are presented in Table 2, the Siddiqui (2004b) figures are probably the most reliable (they are, at least, the most comprehensive).

By drawing on these two emigration logs we can estimate that there are roughly 1.5 million Bangladeshis living in the OECD region and roughly 3.5 million in the rest of the world, a total of about 5 million. If anything, this figure probably overestimates

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3. It is important to note that these tallies do not match, so that it is difficult to estimate the actual stock of Bangladeshis living abroad. What is perhaps most remarkable about these figures is how few Bangladeshis are moving to the developed world. Indeed, the UK is the only OECD country that records a stock of Bangladeshis in the SOPEMI database. Only Canada and the UK register an inflow of Bangladeshis (see SOPEMI, 2007: Tables B.1.4 and B.1.1). This does not mean that other OECD countries do not receive Bangladeshi immigrants, only that they are so few in number that they tend to fall into the ‘other’ category.

4. The OECD figures are estimated upward, as we do not have an adequate measure of this population and we might expect that migrants to these regions have an incentive to not report their location. The BMET figures have been downsized, as we can expect that many of these no longer reside abroad. For example, if we assume that BMET emigrants leave for only ten years, and focus on the number of registered emigrants between 1996 and 2006, these total 2,772,988.

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the number of Bangladeshis abroad (and thus will underestimate the per-emigrant effect in the analysis below).

### Table 2: Estimated number of Bangladeshi immigrants (stocks) in industrialised countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Siddiqui</th>
<th>MPI</th>
<th>BMET</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>500,000</td>
<td>154,363</td>
<td>7,061</td>
</tr>
<tr>
<td>US</td>
<td>500,000</td>
<td>143,000</td>
<td>NA</td>
</tr>
<tr>
<td>Italy</td>
<td>70,000</td>
<td>22,237</td>
<td>7,486</td>
</tr>
<tr>
<td>Canada</td>
<td>35,000</td>
<td>22,525</td>
<td>NA</td>
</tr>
<tr>
<td>Japan</td>
<td>22,000</td>
<td>NA</td>
<td>16,859</td>
</tr>
<tr>
<td>Australia</td>
<td>15,000</td>
<td>16,095</td>
<td>NA</td>
</tr>
<tr>
<td>Greece</td>
<td>11,000</td>
<td>4,927</td>
<td>NA</td>
</tr>
<tr>
<td>Spain</td>
<td>7,000</td>
<td>NA</td>
<td>1,364</td>
</tr>
<tr>
<td>Germany</td>
<td>5,000</td>
<td>5,644</td>
<td>NA</td>
</tr>
<tr>
<td>S. Africa</td>
<td>4,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>France</td>
<td>3,500</td>
<td>1,323</td>
<td>NA</td>
</tr>
<tr>
<td>Netherlands</td>
<td>2,500</td>
<td>957</td>
<td>NA</td>
</tr>
<tr>
<td>Belgium</td>
<td>2,000</td>
<td>851</td>
<td>NA</td>
</tr>
<tr>
<td>Switzerland</td>
<td>1,400</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,178,000</strong></td>
<td><strong>371,922</strong></td>
<td><strong>32,770</strong></td>
</tr>
</tbody>
</table>

Note: The main source of the Siddiqui data is an ‘educated guess made by government officials of Bangladesh who have first-hand experience with the immigrant community’. BMET data are the total number of registered emigrants, 1976-2007. MPI stock data were collected from the Migration Policy Institute’s ‘data hub’ and rely on immigration and census data from receiving countries (see MPI, 2008). In practice, these data constitute a jumble of different years and data types, which are not directly comparable. Some countries collect data in terms of ‘nationality’ (Belgium, France, Germany, Greece, Italy), others by ‘country of birth’ (Australia, Canada, Denmark, Finland, Netherlands, Norway, Sweden, UK, US). Totals were also collected in different years: 2006 (Australia, US); 2004 (Belgium); 2003 (Denmark, Italy, Netherlands); 2002 (Finland, Germany, Norway); 2001 (Canada, Greece, Sweden, UK); and 1999 (France).


This level of emigration is already generating a significant development return, the most obvious evidence of which is the annual remittance flow. Formal remittances to Bangladesh for FY 2006-7 were just under a remarkable total of US$6 billion (BB, 2008). In addition, there is a broad recognition that informal remittances tend to be at least as large, and have been estimated in Bangladesh to represent about 54% of the total (MPI, 2007; Freund and Spatafora, 2005). Thus, it is not unreasonable to assume that today’s rate of emigration (at roughly 3% of the population) is generating about US$12 bn in remittances each year.

This inflow has a significant effect on Bangladesh’s national income. Using data from the 1972-99 period in a structural equation employing 3SLS techniques, Murshid et al. (2002: 8ff.) estimated that a Taka 1 million increase in remittances corresponded to a Tk3.3 million increase in the national income. In effect, remittances have eased the foreign-exchange constraint, allowing Bangladesh to afford the import of capital goods
and raw materials that are essential for its industrial development (and export sector). In addition, this money has contributed to the country’s supply of savings and has provided the sort of investment and capital formation that facilitates further development.

More important, perhaps, is the way that these remittances are being spent on the ground. In contrast to trade and aid flows, for example, remittances tend to go directly into deserving hands with the incentive to spend the money in the local community (on locally produced goods and services).\textsuperscript{5} From Afsar et al.’s (2002: 48 and Table 4.2) systematic cost-benefit analysis, we know that emigration helped to raise the annual household-income level of Bangladeshi survey subjects by 55% in 2000. When compared with an annual GDP growth rate of only 5.5% for the same period, these findings are phenomenal. As a result of this increase in income, the total holdings of productive and profitable assets, as well as savings, have increased for migrant families.

Because most of Bangladesh’s emigrants are low- or non-skilled workers, the effects of emigration on poverty reduction are equally telling: 21% of the migrant households in the above-mentioned survey were moderately poor prior to overseas migration; after migration the proportion shrank to just 7%. Indeed, as a consequence of emigration, two-thirds of those surveyed reported that migration had ensured them a self-sufficient status for themselves and their families, and one-tenth reported an enhancement in social status (ibid: 5). In short, the flow of remittances helped to improve the standard of living of those Bangladeshis affected by migration and helped poor and lower-skilled workers increase their share of the national income.

To sum up, Bangladeshi emigrants send a significant portion of their wages back home, where they are spent in the local economy. While there is some international discussion about the development-efficiencies of remittance spending, the survey evidence in Bangladesh shows that remittances do have an important poverty-reduction effect. Indeed, the World Bank (2006: xiii) has noted that Bangladeshi remittances are associated with a decline in the poverty headcount ratio by as many as six points. When these remittances are targeted at those families and regions that need them most, they have an effect that spreads far beyond the population of migrants.

From the recognition that existing levels of emigration deliver significant development gains in Bangladesh, it should be clear that increasing the level of emigration should increase the development returns. Yet it is often assumed (albeit implicitly) that the costs of increasing emigration must be insurmountable. The next section will show how this conventional assumption is unfounded.

\textsuperscript{5} As evidenced by rural household surveys. For example, Siddiqui (2004a: Table 9) finds that the largest share of remittances goes to food and clothing (20.45%), home construction and repair (15.02%) and purchases of agricultural land (11.24%). Other surveys have found that a 10% increase in remittances yields a 6.5% increase in the demand for food items (Hossain et al., 2002). As these items are produced locally, remittance flows are seen to have a strong impact on local markets for rural processing, storage, trade and transportation. The same sort of multiplier effects can be expected in the home construction sector. Obviously, if the local supply is insufficient to match the remittance-driven growth in demand, the result can be inflation.
3 Economic and political costs

The Bangladeshi labour force continues to grow faster than the underlying population; the future therefore promises a continued surplus of labour in search of active employment. For this reason, migration can constitute a win-win solution for both Bangladesh and those countries that are positioned to enjoy the labour of Bangladeshi expatriates.

Because of the opportunity offered to emigrant families, the majority of today’s Bangladeshi migrants somehow manage to fund their own stays abroad. Indeed, of the three main channels that migrants employ to secure temporary overseas work, only 1.3% rely on government channels (i.e. BMET/BOESL), 6 40.2% use private recruiting agencies and 58.5% employ individual efforts (BMET, 2005). In recent years, the government channel has actually decreased in importance. These migrants rely on a combination of salary advances (about 15%), sales of land (about 20%) and loans from relatives/friends (about 25%) to fund their stays abroad (Afsar et al., 2002: Table 4.4). 7 Poor migrant families are willing to saddle themselves with such a heavy financial risk because they know that the potential gains are significant (see below).

The same can be said of those countries that receive cheap Bangladeshi labour on loan. As these (host) countries already employ extensive control regimes, the additional cost of monitoring an increase in immigrants from Bangladesh is negligible. Since certain sectors of their domestic labour force will need to compete with cheaper Bangladeshi labour, these targeted costs are dwarfed by the overall benefits reaped by the host country at large. Contrary to public perceptions, most contemporary research on the effects of immigration to the developed world shows that the economic costs are small or non-existent: the overall gains to the economy dwarf the limited costs of adjustment. 8 Immigration from Bangladesh provides countries with access to cheaper labour, the demand for which is almost insatiable.

In short, the economic costs of increasing migration are almost negligible in both Bangladesh and the developed world, since most of the costs are being borne by the migrant families themselves. In noting the willingness of families to finance these migrations, however, I do not mean to suggest that the state does not or should not have an active role to play. Given the political will (and the capacity to pay for it), there are at least two ways in which the Government of Bangladesh (GoB) might contribute.

The first of these is to help in minimising the individual costs of emigration, as these can be enormous. 9 Emigrants are often exploited by recruitment agencies, foreign

6. The Bangladesh Overseas Employment and Services Limited (BOESL) assists foreign employers in meeting their manpower recruitment and deployment needs. See http://www.boesl.org.bd/
7. The actual cost per migrant varies considerably and is probably inflated by corruption. Migrants report, on average, that their direct costs of migration are about Tk95,000, or about US$1,900. Afsar et al. (2002: 75) suggest that the real cost probably should not exceed Tk17,000.
8. This lesson is especially true in the current proposal, where the emigrant force is mostly made up of young men without families. For this reason, the expected effect on government support programmes in the host country is next to nothing (and yet they will contribute to the overall tax base). For examples of studies that examine the economic impact of immigration to the developed world, see Borjas (1989, 1999); Böhning (1984); Friedberg and Hunt (1995); Simon (1999); and US Department of Labor (1989).
9. For a list of some of the most important costs and challenges facing expatriate Bangladeshi workers, see Shameem (2006: 32-3); Bruyn and Kuddus (2005: 20-25); and Siddiqui et al. (1999: 32-3).
sponsors, employers and members of the Bangladeshi airport immigration, customs and law-enforcement agencies. On arriving in their host country, migrant labourers often face a long list of personal costs, including ill treatment, xenophobia, physical insecurity and a skewed distribution of service delivery. In general, migrant workers suffer from a lack of adequate protective legislation and/or representation, and they often lack access to low-cost housing.

These individual costs are perhaps most evident with respect to female emigrants. Nari pacahar (the trafficking of women) is seen as an enormous problem in Bangladesh. Indeed, it is said that as many as 50 women and children are smuggled out of Bangladesh every day and sold into forced prostitution, the donor trade or for slave labour (Mittendorff, 2006). It is because of this concern that Bangladesh has barred certain types of unskilled or semi-unskilled women labourers from working overseas. Sexual harassment is another major problem for female migrants, whether they work in domestic or factory settings (Blanchet, 2002). Women workers in the Middle East are often subject to discriminatory wages, frequent salary cuts, verbal abuse, flogging and restricted mobility (Afsar, 2001). For these reasons, the GoB could play an active role in trying to balance the very uneven costs (and benefits) connected with migration as they apply to gender.

Secondly, it could play a more active role in maximising the development return on emigration. Indeed, it is here (rather than on trying to increase the level of emigration) that most attention is fixed today. Among other things, the state could pursue reforms aimed to: minimise corruption (and the costs) associated with migration agents; enhance the monitoring and protection of emigrant labour abroad (to minimise exploitation); develop financial support systems to help migrants fund their stays abroad; and encourage the use of more formal remittance channels.10

Given Bangladesh’s role as a pioneer in developing microfinance, we might also expect to see the state playing a more active role in employing these remittances more effectively; it is remarkable how little of the enormous remittance stream is making its way into microfinance institutions (Hasan, 2006: 7). Similarly, the state might encourage alternative investment channels to boost the productivity of these remittances (for example, by encouraging their deposit in the Deposit Pension Scheme (DPS) or the development of hometown associations, or other types of matching schemes).

In the light of this potential for government support, a sliding scale of ambition can be imagined, stretching from one extreme (where all the costs of the proposal are borne voluntarily by the migrants themselves) to another (where the state plays an active role in supporting, training, monitoring and recovering the gains generated by migrants). Consequently, it is possible to raise the number of emigrants substantially at little or no cost to the Bangladeshi authorities – and this emigration would generate significant economic and political gain. But it is also possible, indeed desirable, for the state and the developing community in Bangladesh to contribute in ways that can minimise some of these individual costs (and increase the development impact) of Bangladeshis living and working abroad.

10. For suggestions about the sort of reforms and solutions that the GoB might consider, see Siddiqui and Abrar (2003: 104-7); Shameem (2006: 34-4); Hasan (2006: 27-8); Siddiqui (2003: 9-12; 2004b: Chap. 10); EMG (2007); and Bruyn and Kuddus (2005: Chaps 5-6).
The same can be said of the host country’s economic costs, which include dealing with the problems of xenophobia and racism, inadequate worker protection and representation, and exploitative employer practices (to name but a few). As these costs tend to vary significantly from country to country, international organisations, such as the International Labour Organization (ILO) and the International Organization for Migration (IOM) might be expected to play more active roles in overseeing and minimising them. Here too, however, it is possible to continue without additional support from the international community or host governments.

It is highly desirable that governments at both ends of the migration trail do something to minimise the burdens borne by migrant families. It also makes good economic sense for Bangladesh to invest in ways that can increase its potential development return. But in the absence of this assistance, migrants themselves are willing to bear substantial costs in exchange for the opportunity of a better life. This willingness is itself a testimony to the power that emigration can play in encouraging development (as well as to the desperate lack of alternatives provided by the existing development paradigm). In the light of this recognition, and compared with any viable alternative, this proposal borders on the miserly.

3.1 Political costs

The most significant costs of the proposal are in the political realm. In particular, the biggest costs lie in encouraging the developed world to open its labour markets to Bangladeshi workers. As this inflow of immigrants from Bangladesh is relatively small, these political costs are indeed affordable, but they need to be addressed head-on. By contrast, the political costs of the proposal in Bangladesh are next to nothing.

As with the economic costs, it is difficult to imagine any major sources of domestic political resistance to a proposal for greater emigration. The vast majority of Bangladeshi emigrants are non-skilled or low-skilled workers, of which there is an obvious over-supply: this is, after all, the heart of Bangladesh’s problem. While the emigration of a higher-skilled labour force may lead to skill shortages and brain drain (which, in turn, can introduce a host of other costs, such as increased wages, the difficulty of replacing lost workers, imperfect substitution effects, etc.), these problems are mostly irrelevant in the Bangladeshi context, where about half of the expatriate workforce is unskilled.\(^\text{11}\)

There are two additional reasons why the political costs of the proposal are inherently affordable. First, the proposal represents only about a three-fold increase on existing emigration levels, as detailed in the previous section. Second, emigration has already become an accepted part of the development discourse. Several important actors now realise that it has a central role to play in Bangladesh’s development. Among them is the current Prime Minister, Sheikh Hasina, who noted earlier:

We’ll send them to America … Globalization will take that problem away, as you free up all factors of production, also labour. There’ll be free movement.

\(^{11}\) On average, between 1976 and 2004, 47.1% of the emigrants were unskilled, 16.1% semi-skilled, 32.3% skilled and only 4.4% professional (BMET, 2005).
country to country. Globalization in its purest form should not have any boundaries, so small countries with big populations should be able to send population to countries with big boundaries and small populations (Watkins and Nurick, 2002: 68).

Emigration’s potential is also recognised by the former Finance Adviser, Mirza Azizul Islam, who explained in July 2007 how the Bangladeshi government was actively working to increase the remittance flow and to send more, in particular skilled, workers abroad (Financial Express, 1 July 2007). Finally, the absence of political resistance to encouraging emigration can be found in the statement by Abdul Alim, First Secretary of the Permanent Mission of Bangladesh to the United Nations:

Peoples are being considered more and more as agents of development. Moving across borders, they can strengthen co-operation between home and host societies and supplement development – not only through remittances, investment and entrepreneurial activities but also through the transfer of newly developed skills and knowledge. They can also contribute through fostering democratisation and protection of human rights in their countries of origin (Alim, 2005).

While there is broad recognition of the important role emigration plays in the current development of Bangladesh, and much attention is devoted to the way in which existing migration flows might be used more effectively in encouraging development at home, there has been surprisingly little effort aimed at boosting the level of emigration in any significant way. Clearly, the reason for this is an implicit recognition that the political costs of emigration must be too high at the receiving end; after all, the other potential costs (to the states involved) are negligible. It is undoubtedly here – in the political costs of accepting greater Bangladeshi immigration – that attention must be focused if the people of Bangladesh are to reap the gains of this proposal.

3.2 The costs to the developed world

The largest political costs of an emigration-based development strategy are linked to the difficulty of persuading a sceptical voting public in the developed world to open up their labour markets to foreigners who will compete with the (mostly unskilled) domestic labour force. These costs are themselves a legacy of the post-war development model employed by the most developed economies (according to Harry Johnson, as noted above), each of which developed and grew behind a regulatory fortress that protected domestic workers at the expense of foreign. This protective barrier plays an important role in segregating the changes in lifestyle that separate residents of the world’s richest and poorest states (Moses, 2006). In addition, it has contributed to an enduring legacy of xenophobia, nationalism and autochthony in the developed world. It

12. One notable exception is the recent report, funded by DANIDA, which investigates the effects of increasing annual migrant remittances in Bangladesh to $30 bn by 2015. See Ray et al. (2007).
is in fighting these legacies that we find the real costs of the proposal. To minimise these costs, it is possible to conceive of three related strategies.

First, they can be minimised in the same way as governments minimise political resistance to free trade. Like trade, the gains from immigration tend to be very large and widely distributed throughout the economy. By contrast, the costs associated with immigration tend to be smaller relative to the benefits, but heavily concentrated by sector, location, and worker skill-type. The fact that the gains almost always outweigh the costs does not mean that the latter are any less real; they can be very significant for individual workers and their families. In addition, the costs can potentially undermine efforts to liberalise immigration further. To mitigate these costs, host states can develop Migration Adjustment Assistance programmes, like the US Trade Adjustment Assistance programme first advocated by President John F. Kennedy to minimise political resistance and the economic costs of adjusting to free trade.

Second, these costs can be spread across as broad a political spectrum as possible, to ensure that no single state is forced to bear an inordinate political burden in trying to accommodate the influx.\textsuperscript{13} To illustrate how this is possible, consider two different scenarios in which every member of the Bangladesh Aid Consortium commits itself to opening up its labour market to the beneficiaries of the proposal. As will be recalled from Table 2, most of these countries are not very important destinations for today’s emigrating Bangladeshi.\textsuperscript{14} Clearly, it would be politically awkward (and appear as hypocritical) if they were to show an unwillingness to open up to a relatively small number of immigrants, as part of an innovative new development programme designed to help Bangladesh.

Table 3 lists the estimated size of the current Bangladeshi expatriate population in BAC countries and compares this with the size of the proposed increase. It outlines two alternative scenarios. Scenario A builds on the history of Bangladeshi emigration and generates estimates that maintain the current proportion of migration across the BAC.\textsuperscript{15} This proposed stock figure (column 6) is then divided by ten to generate proposed flow figures (column 7). Thus, on average, BAC countries would need to increase their intake of Bangladeshis by about 40\% a year, so that – over ten years – the total immigrant stock in these countries (on average) would increase by about 20\%.

In this scenario we see that some countries would be saddled with an inordinate share of the burden. This is especially true of the United Kingdom, where the proposal would double its current flow of immigrants (doubling the current stock over a ten-year period).\textsuperscript{16} Given its colonial relationship to the Indian subcontinent, this burden is

\textsuperscript{13} Having said this, it might be noted that labour markets have a remarkable capacity to respond to large immigration inflows as witnessed by the remarkable experiences of Israel in the early 1990s (Friedberg, 2001) and in the wake of the Mariel Boatlift in Florida (Card, 1990).

\textsuperscript{14} Non-BAC donors of foreign aid to Bangladesh do better in this regard, as they include China, India, Kuwait, Pakistan, Saudi Arabia, South Korea, Spain and the largest destination country, the UAE. See http://search.com.bd/banglapedia/HT/F_0149.htm

\textsuperscript{15} Thus, for any given country we estimate according to the following formula: \((15,000,000 \times \text{‘Number of emigrants’})/\text{‘Total number of emigrants’}\). For example, the UK estimate is \((15,000,000 \times 500,000)/1,160,780\) or 6,461,173.

\textsuperscript{16} Given their relatively large stocks of initial Bangladeshi immigrants, the burdens on the US and Italy are also relatively large.
### Table 3: Distributing the costs to destination countries

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of emigrants</th>
<th>Immigrant stock</th>
<th>Immigrant flow</th>
<th>% of stock (column 1/2)</th>
<th>% of flow (column 1/3)</th>
<th>Stock</th>
<th>Flow</th>
<th>% of stock (column 6/3)</th>
<th>% of flow (column 7/3)</th>
<th>Annual flow to achieve existing Bangladeshi emigrants (column 10)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UK</strong></td>
<td>500,000</td>
<td>5,757,000</td>
<td>373,300</td>
<td>8.7</td>
<td>133.9</td>
<td>6,461,173</td>
<td>646,117</td>
<td>112.2</td>
<td>173.1</td>
<td>1,151,400</td>
</tr>
<tr>
<td><strong>US</strong></td>
<td>500,000</td>
<td>36,347,600</td>
<td>1,122,400</td>
<td>1.4</td>
<td>44.6</td>
<td>6,461,173</td>
<td>646,117</td>
<td>17.8</td>
<td>57.6</td>
<td>7,269,520, 726,952</td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td>70,000</td>
<td>1,503,286</td>
<td>319,300</td>
<td>4.7</td>
<td>21.9</td>
<td>904,564</td>
<td>90,456</td>
<td>60.2</td>
<td>28.3</td>
<td>300,657, 30,066</td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td>35,000</td>
<td>5,448,500</td>
<td>262,200</td>
<td>0.6</td>
<td>13.4</td>
<td>452,282</td>
<td>45,228</td>
<td>8.3</td>
<td>17.2</td>
<td>1,089,700, 108,970</td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>22,000</td>
<td>1,973,747</td>
<td>372,300</td>
<td>1.1</td>
<td>5.9</td>
<td>284,292</td>
<td>28,429</td>
<td>14.4</td>
<td>7.6</td>
<td>945,974, 94,753</td>
</tr>
<tr>
<td><strong>Australia</strong></td>
<td>15,000</td>
<td>4,829,500</td>
<td>167,300</td>
<td>0.3</td>
<td>9.0</td>
<td>193,835</td>
<td>19,384</td>
<td>4.0</td>
<td>11.6</td>
<td>965,900, 96,590</td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td>5,000</td>
<td>7,335,592</td>
<td>579,300</td>
<td>0.1</td>
<td>0.9</td>
<td>64,612</td>
<td>6,461</td>
<td>0.9</td>
<td>1.1</td>
<td>1,467,118, 146,712</td>
</tr>
<tr>
<td><strong>France</strong></td>
<td>3,500</td>
<td>4,926,000</td>
<td>134,800</td>
<td>0.1</td>
<td>2.6</td>
<td>45,228</td>
<td>4,523</td>
<td>0.9</td>
<td>3.4</td>
<td>985,200, 98,520</td>
</tr>
<tr>
<td><strong>Netherlands</strong></td>
<td>2,500</td>
<td>1,734,700</td>
<td>63,400</td>
<td>0.1</td>
<td>3.9</td>
<td>32,306</td>
<td>3,231</td>
<td>1.9</td>
<td>5.1</td>
<td>346,940, 34,694</td>
</tr>
<tr>
<td><strong>Belgium</strong></td>
<td>2,000</td>
<td>1,268,900</td>
<td>77,400</td>
<td>0.2</td>
<td>2.6</td>
<td>25,845</td>
<td>2,584</td>
<td>2.0</td>
<td>3.3</td>
<td>253,780, 25,378</td>
</tr>
<tr>
<td><strong>Switzerland</strong></td>
<td>1,400</td>
<td>1,554,300</td>
<td>94,400</td>
<td>0.1</td>
<td>1.5</td>
<td>18,091</td>
<td>1,809</td>
<td>1.2</td>
<td>1.9</td>
<td>310,860, 31,086</td>
</tr>
</tbody>
</table>
Note: The number of emigrants (1) comes mostly from Siddiqui (2004b) and is based on a rather informal survey (see text for more details). The Nordic countries were not included in Siddiqui’s figures, so their data (except Norway) were gathered from the MPI datahub (stock). Consequently, these data are collected for different years: the Swedish number of Bangladeshi emigrants is for 2001, the Danish is from 2003, and the Finnish is from 2002. The Norwegian data come from the Norwegian Statistical Bureau and represent the number of Bangladeshis in 2007. The foreign-born inflow data (3) are from SOPEMI (2007: Table B.1.1). Most of the stock data (2) are also from SOPEMI (2007: Table B.1.4). The exceptions are: 1) Japan, the (1994) data for which are from JMIJ (2004); and 2) Germany (2002) and Italy (2002) were gathered from the MPI data hub. The Swiss data are from the Swiss Statistical Bureau and are for 2006.

Sources: Siddiqui (2004b); Swiss Statistics (2007); SSB (2007); and JMIJ (2004).

<table>
<thead>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>208</td>
<td>350,400</td>
<td>18,800</td>
<td>0.1</td>
<td>1.1</td>
<td>2,688</td>
<td>269</td>
<td>0.8</td>
<td>1.4</td>
<td>70,080</td>
</tr>
<tr>
<td>Finland</td>
<td>503</td>
<td>176,600</td>
<td>12,700</td>
<td>0.3</td>
<td>4.0</td>
<td>6,500</td>
<td>650</td>
<td>3.7</td>
<td>5.1</td>
<td>35,320</td>
</tr>
<tr>
<td>Norway</td>
<td>617</td>
<td>380,400</td>
<td>31,400</td>
<td>0.2</td>
<td>2.0</td>
<td>7,973</td>
<td>797</td>
<td>2.1</td>
<td>2.5</td>
<td>76,080</td>
</tr>
<tr>
<td>Sweden</td>
<td>3,052</td>
<td>1,125,800</td>
<td>51,300</td>
<td>0.3</td>
<td>6.0</td>
<td>39,439</td>
<td>3,944</td>
<td>3.5</td>
<td>7.7</td>
<td>225,160</td>
</tr>
<tr>
<td>Total</td>
<td>1,160,780</td>
<td>74,712,325</td>
<td>3,680,300</td>
<td>1.6</td>
<td>31.6</td>
<td>15,000,000</td>
<td>1,500,000</td>
<td>20.1</td>
<td>40.8</td>
<td>14,942,465</td>
</tr>
</tbody>
</table>
perhaps justified. But should the burden prove to be politically untenable for any one country (or small group of countries), it is possible to conceive of a number of ways to redistribute it across all BAC members.

One such alternative is considered in Scenario B, which simply generates a stock estimate (column 10), by taking the existing immigrant stock in a given country (column 2), and increasing it by 20%. This figure is then divided by ten to produce the annual flow figures (column 11). In this scenario, the burden is distributed equitably across BAC members in relation to their existing stock of (total) immigration. Thus, in column 12 we find that the UK would experience about a 2.3% increase in its number of Bangladeshi immigrants (over a ten-year period), while Denmark would experience a much heavier load (a 336.9% increase).

The point of this simple exercise is to show that the overall burden to the community of developed states wishing to help Bangladesh is manageable, but will require some negotiation among BAC members as to how this new productive resource (cheap Bangladeshi labour) can be equitably distributed. Scenario B, for example, asks only that BAC members increase their stock of foreign workers by less than 2% per year, for ten years. When one considers that these migrants are providing a useful service to the host economy, it seems a ridiculously low ‘price’ to pay for alleviating poverty in Bangladesh.

The third way to minimise these costs is to place them in a larger, comparative context. After all, the political costs of future action need to be weighed against those of inaction, especially in a future which threatens global warming (among other things). The UNEP, for example, estimates that some 22,000km² (or 16%) of Bangladeshi territory can be expected to be hit by rising sea-levels (UNEP, 2000). The Bangladeshi population is already severely affected by storm surges, but UNEP estimates that a 1.5 metre rise in the sea-level would affect as many as 17 million people (ibid). In effect, the developed world can expect to face a significant number of Bangladeshi climate refugees in the future. Seen in this light, it makes economic and political sense to address the problem of the country’s overpopulation and poverty sooner rather than later (and in a way that is beneficial to all).

Finally, it is important to realise the potential that such a proposal could have on the larger community of policy-makers. Such an innovative proposal will attract much attention at the outset, and this attention, in itself, will provide an incentive for countries to participate. If Bangladesh (and the development community that supports it) were to embrace such an innovative and exciting new proposal, receiving states might be expected to be more willing to join, especially if the numbers are not overwhelming and are evenly distributed.

4 The impact

While it is possible to conceive of a number of strategies to minimise its political costs, the proposal’s most convincing argument lies in its potential impact. While the potential costs of the reform are negligible – and where they exist, strategies can be devised to minimise them – the real costs of the proposal dwindle to nothing when contrasted with the potential gains it can generate.
As with the cost estimates in the previous section, the potential benefits of an emigration-based proposal will depend largely on its particular nature and scale. Obviously, the more the Bangladeshi state (and a supportive development community) are willing to invest in improving the development efficiencies of emigration, the larger its potential rewards. Nevertheless, at the most general level, it is possible to conceive of three different types of benefit: (i) it empowers the desperate; (ii) it targets the neediest (while securing broader political and economic spillovers); and (iii) it is dynamic, with long-term gains that extend beyond the proposal’s lifetime. Taken together, the impact of an emigration-driven development policy would be enormous, widespread, effective and self-perpetuating.

4.1 Empowering

Perhaps the most attractive aspect is that it provides the people of Bangladesh with the opportunity to do something immediately about their precarious predicament. To date, these people are almost entirely dependent on the goodwill and efficiency of governments and organisations at both ends of the development chain.

Consider an alternative example: for trade liberalisation to help most Bangladeshis, governments in the developed world will need to overcome vested interests and open relevant markets to Bangladeshi imports. Not only that, but the government in Bangladesh – which is sometimes accused of being an accomplice in underdevelopment17 – will need to do likewise. On top of this, a trade-based strategy forces Bangladeshis to hope that entrepreneurs and financiers will channel their energies in ways that can exploit the opportunity that trade can offer. In short, Bangladeshis who rely on a trade-driven development proposal are forced to depend on a whole gauntlet of governmental and non-governmental, profit and non-profit, actors, each of which can influence the development impact of international trade. The beauty of migration is that it cuts to the chase and provides income and opportunity directly in the hands of the people who often need it most.

Migration is an efficient and fair way to address an important constraint on development – a constraint that lies in the influence of vested interests and corrupt officials at both ends of the development chain. It provides desperate people with the opportunity to solve the problems that they, as individuals and families, face. In the words of the recent Nobel prize laureate, Muhammad Yunus (2008):

Poverty eradication is a simple task … We should never allow ourselves to be duped by the smart people to think that it is a complicated thing. It is not. First thing to remember is that poverty is not created by the poor people. It is created by the institutions and the policy environment created by the designers and managers of those institutions. There is nothing wrong with

17. For example, Sarkar (2002: 34) holds that: ‘The high level of underdevelopment in Bangladesh can largely be attributed to deliberate government policies such as continuation and strengthening of the highly centralized colonial administrative and education system; nationalization of medium to heavy industries including manufacturing, communication, utilities, banks and other financial institutions under the state corporations with significant monopoly power; and misallocation of resources resulting in poor physical and social infrastructure, environmental degradation, and high levels of corruption’.

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poor people. They can get out of poverty by themselves. All they need are opportunities.

4.2 Targeted and effective pay-offs

The second important impact of the proposal concerns the sort of economic and political gains to be expected from encouraging emigration. These gains are not easy to establish, but it is possible to provide some estimates, generated from the gains accrued by existing levels of emigration, and the broader lessons of history. There are at least two remarkable things about these gains: their targeted impact and their potential size.

The most obvious economic gain is derived from the simple fact that it relieves the pressure on the domestic supply of labour. At the heart of Bangladesh’s problems is an over-supply of labour, the rate of which is growing faster than the general population. Emigration resolves this fundamental imbalance and reduces the pressures generated by excess labour capacity. More importantly, unemployment in Bangladesh is particularly severe among the youth – and it is the youngest workers who often choose to migrate.

While the effect of migration on the labour supply is the most obvious, it is not the one that receives the most attention from economists and the wider development community. That honour goes to remittances. To estimate the proposal’s potential remittance gains, we should recall that a 3% rate of emigration is today generating about US$12 bn in remittances every year. If extrapolated linearly, with no major changes in skill level, destination, etc. (i.e. the nature of future flows resembles those of the past), the proposed emigrant stream could be expected to produce US$40 bn a year in remittances. To get an idea of the significance of this potential windfall, it can be compared with a number of important economic indicators, as is done in Figure 1. For example, US$40 bn is more than half of Bangladesh’s annual Gross National Income in 2006, and represents about 258%, 332%, and 2,624% of its current annual import, export, and aid flows respectively.

18. Bangladesh’s registered level of unemployment is remarkably small, given the country’s extensive poverty. The GoB (1998) holds that 1/3 of the total working population is un- or under-employed. As part of its development success, the country’s population growth rate declined from 2.1% in the 1980s to 1.6% in the late 1990s (MHHDC, 2001). During the same period (the last five years of the twentieth century), however, its labour force grew by some 4%, or by about a million people a year (Siddiqui, 2003: 2; I-PRSR, 2003)! Indeed, several analysts claim that emigration and remittances together are responsible for keeping Bangladesh’s unemployment level relatively stable (for example, Mahmood, 1998; Afsar et al., 2002; Siddiqui, 2003).

19. It is estimated that 86% of the unemployed in Bangladesh are young (Afsar et al., 2002: 57).

20. There is a phenomenal amount of work on the effects of remittances in the Bangladeshi context and as a tool for development in general. For evidence of the former see, for example, Murshid et al. (2002); Bruyn and Kuddus (2005); Siddiqui (2004a and 2004b); Rahman and Yeoh (2006); Rahman (2006); Afsar (2003a and b); Shameem (2006); Siddiqui and Abrar (2003); and Hasan (2006). For evidence of the latter, see, for example, World Bank (2006); Bruyn (2006); and Maimbo and Ratha (2005).
But these $40 bn capture only the first-order gains from the proposal. To these we need to add the multiplier effect on the broader economy. For example, if we take Murshid et al.’s (2002: 8ff.) estimates as the point of departure, as described above, we can estimate that the gains to national income from the proposed increase in emigration could be as high as US$ 84 bn – more than Bangladesh’s current GNI.

The gains could be even more substantial, as the remittance flows from BAC countries could be expected to be larger than those generated by the current flows from Bangladeshi workers in the Middle East and South-East Asia. Extensive survey research conducted on the expatriate communities in the UK and the US reveals a number of important development effects in addition to remittance flows (Siddiqui, 2004b: Chap. 8). In particular, expatriate Bangladeshis in these contexts tend to expand their business domains back to Bangladesh, develop backward linkages (for example, importing necessary inputs), share their skills in relevant areas, participate in the political process in ways that can encourage development, and make significant investments in Bangladesh (especially in property).

By suggesting a ten-year framework, the proposal also builds on the realisation that most migrants are longing to return home. When they do, they bring with them substantial resources, skills and contacts that are useful for subsequent development. For example, Afsar et al. (2002: 6) found that 90% of the migrants surveyed wanted to return to start businesses. The experience of other emigrant communities (such as
Europeans returning home from the New World in the previous century) suggests that these entrepreneurial activities can have important development effects.  

In short, the proposal’s economic windfall is phenomenally large, dwarfing the impact of any single alternative. But if the lessons of history have any value, then the expected gains are not limited to the economic sphere. In the same way that we can expect the pressure of outward emigration, over time, to affect the supply of labour in Bangladesh (and hence, its wages), we can also expect that the relative political voice of Bangladeshi workers will be amplified as a direct result of emigration pressure. The possibility of exit provides workers with an additional means to influence a government that is not always able (or willing?) to hear their voices. 

Last, but not least, this proposal can generate important international gains as well – though this is not the focus of this article. Sophisticated CGE models have consistently shown that the international gains to increased migration are formidable, and the reasoning for this is simple yet powerful:

If we consider both the sending and the receiving countries as part of the same world, then – and on this every economist agrees – the overall effect of the migration on the average standard of living of the world’s people is positive. The reason for this is that the migrant goes from a place where he or she is less productive to a place where he or she is more productive. This increased production benefits the standard of living of the community as a whole, as well as that of the migrating individual (Simon, 1999: 299).

### 4.3 Perpetual effects

The final benefit concerns the carry-over effects of emigration. Although the proposal is limited to a ten-year period, in which the number of emigrants will be spread out across several countries and years, it is important to recognise that migration flows are strongly characterised by a natural ebb-and-flow pattern.

Migration is a complex process, influenced by many factors, including colonial ties, networks of families and friends, job opportunities/economic conditions (in both sending and receiving countries), etc. For this reason, it is often difficult (for both the first wave of emigrants, as well as for the receiving country, unaccustomed to the ways of new residents), to open up new migration destinations. But once these channels are opened, they tend to be self-sustaining, as friends and families exploit the connections and experiences of those that have preceded them.

Migration systems therefore tend to take on a life of their own. Once established, policy-makers can expect them to continue functioning, even after the formal policy period has ended. Expatriate populations abroad will attract new immigrants, as the original beneficiaries return home, with their pockets full of money, their heads full of new ideas, and their address books full of contacts. This pressure to emigrate will

21. See, for example, Kapur and McHale (2005: Chap. 9).
22. This sort of amplification effect was evident at the fall of the Berlin Wall (Hirschman, 1993) and in Europe before World War I (Moses, 2005, 2006).
23. For example, Winters (2002); Moses and Letnes (2004, 2005); Irequi (2005); and World Bank (2006).
continue until Bangladesh achieves a level of development that is sufficient to deter future emigrants (allowing it to get over the so-called ‘migration hump’). This is because most people would prefer to stay at home, with friends and family, if given a real opportunity to build a better life there. It is the absence of this opportunity that dictates the economic, political and moral necessity of migration.

5 Conclusion

Emigration offers the cheapest and most effective means of addressing the challenges facing most Bangladeshis. The lives and families of millions of Bangladeshis would enjoy a marked and immediate improvement as a result of this proposal. More importantly, their improved condition would radiate outward, in all directions, like heat from the sun. From a significant rise in the number of Bangladeshi emigrants, a radical improvement can be expected in the economic and political position of the many millions more who remain at home.

While the gains from this proposal are large and widely distributed, its costs are small (relative to the total benefit) and heavily concentrated. Most of these costs would be willingly borne by the migrant families themselves. Though they can be large and onerous, these families are willing to take significant risks in exchange for a real opportunity to improve their lives. This willingness is, itself, a damning indictment of the lack of opportunities in Bangladesh and the failures of the development community, over several decades, to provide any remedy.

While the migrants themselves will bear the brunt of the burden, they will not do so alone. The heaviest political lift will be done by those who can best afford it: residents of the developed world. Here too, the overall benefits to the community at large will dwarf the (concentrated) costs borne by the low-skilled workers who will need to compete with an influx of cheaper Bangladeshi labour. But these costs can be mitigated by spreading them out over several years and countries, and by adopting targeted adjustment policies that can assist displaced workers and facilitate the assimilation of Bangladeshis.

Bangladesh’s biggest problems are derived from the fact that national territory is expected to correspond magically with a nation’s population. Yet we live in a time when territorial thresholds are frequently breached in the name of justice and efficiency. In this globalised context, the development community must be willing to think outside the box that is national territory. The solution to Bangladesh’s economic and political woes lies in empowering individual Bangladeshis to exploit the opportunities offered in a global marketplace.

*first submitted November 2008*
*final revision accepted February 2009*
References


