

EXECUTIVE SUMMARY OF THE MINOR PROJECT TITLED “GLOBAL FINANCIAL CRISIS AND ITS IMPACT ON NON RESIDENT KERALITES”

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Introduction

Human migration is one of the most challenging issues facing the world today. The history of India witnesses massive movement of people from India to other parts of the world in the 19th and 20th centuries. Among states and union territories in India, Kerala leads with the highest number of emigrants in West Asia. Where most of the remittances come from foreign countries is 174 times greater than the revenue receipt .J.M. stated from Kerala since 1940’s,after the 2nd world war and within the Indian independence in 1947, migration becomes a way of life of left and it influences every aspect of life. In should not migration is affecting every facet of life on Kerala, economic, social, demographic, and political and even religious.

Global Financial Crisis

The global financial crisis that started in August 2007 when the sub-prime mortgage crisis first happened in the United States (US). At that time , the Reserve Bank of India (RBI) was raising interest rates until August 2008 with an objective of relaxing the economy and bringing down the gross domestic product (GDP) growth rate, which automatically moved above the rate of potential output growth and was contributing to the build-up of inflationary pressures in the economy. But when the collapse of Lehman Brothers on 23 September 2008 morphed the US financial meltdown into a global economic downturn, the impact on the Indian economy was almost immediate. External credit flows suddenly dried up and the overnight money market interest rate spiked to above 20%. It assume that the impacts of the global economic downturn on the Indian economy

are seems to be open and spread out. In the recent era return migrants seem to be increasing in nature, this should be considered as a negative situation towards the Kerala Economy. How to rehabilitate the return migrants is an important question towards the society. Against this backdrop, an attempt has been made to analyse the global financial crisis and the impact on Non Resident Keralites in the Kerala economy.

Objectives of the study

- To understand the extend of return migration in Kerala due to Global Financial Crisis
- To identify the factors that contributes to the Non Resident Keralites to return back to the home country.
- To analyze the initiatives taken by the State in the reintegration of the return migrants.
- To identify the existing policies and programmes adopted by NORKA to rehabilitation and welfare of return Migrants (Non Resident Keralites)
- To understand the major challenges in the process of reintegration of returnees in the state.

Methodology of the study

The study was conducted in the state of Kerala by collecting primary and secondary data. Primary data were collected from Malappuram and Thiruvananthapuram districts, considering the density of Gulf migration and Gulf returnees, in Southern Kerala. Primary data were collected through structured printed questionnaires. Random sampling method was used to choose the samples. The Gulf-returnees were advised by the Government of Kerala to register in the registry maintained in a separate cell in the Secretariat of the Government of Kerala. From the database supplied by the Government, the respondents list was selected. The study was based on a sample survey covering 200 Gulf Keralites. Various types of secondary data including studies, reports and data prepared by institutions and scholars were used for the study. This covered books, articles, periodicals and websites.

The objectives were achieved with the help of primary and secondary data. First two objectives was to identify the extend of return migration in kerala and to identify the factors contributing to NRKs to return back to their home country. .As per various survey reports, it is understood that return migration to the state is being increased in the recent years. This return migration is happened due to various reasons. One among the reason is Global Financial Crisis happened in the European countries.. Due to Global Financial Crisis some of the workers were forced to work in the foreign country due to low wages and some of them lost their job and forced to come back to their home country .Another objective was to analyse the major initiatives taken by NORKA to rehabilitate the return migrants (NRKs) and initiatives taken by the state in the re integration process. At the state level NORKA established NORKA ROOTS (act as an agent of NORKA).NORKA developed various schemes such as Santhawana,Pravasi welfare fund, Chair man Fund,Karunya etc and the major challenges faced in the re integration process was the unemployment scenario and lack of alternative system

The study Global Financial Crisis and its impact on Non Resident Keralites made an attempt to find out in which way Global Financial Crisis affected the Non Resident Keralites. The major findings of the study are drawn with the help of primary and secondary data. Primary data were collected from two districts (Malappuram and Thiruvanthapuram). Sample size seems to be 200.100 respondents from Trivandrum Districts and 100 respondents from Malappuram District were selected. Details of the Nonresident Keralites have been obtained from NORKA ROOTS. Secondary data were collected from journals, Magazines, Periodicals, Books, CDS.(Centre for Development Studies.

Following are the Major **findings based on Primary and Secondary Data**

- Various surveys and reports have evaluated that return migration in kerala is increased in recent years.
- India is the highest number of return migrants followed by Pakistan and Bangladesh.
- As per CDS report Total number of NRKs is estimated as 3.50 billon among them 1.17 million are return migrants

- Ministry of Indian Overseas and NORKA ROOTS are the major initiative taken by the Kerala State
- Challenges faced in connection with re-integration process are Unemployment Scenario, Lack of information about various policies and programmes
- Lack of Information about the existing policies and programmes of return migrants(due to Global Financial Crisis) is considered as a major problem
- Thirty Nine per cent of the respondents working abroad were forced to come back to their home country due to low wages and salaries.
- Thirty Four per cent of the respondents lost their job due to Global Financial Crisis
- Thirty Five per cent of the respondents were decided to take up employment
- Twenty Nine per cent of the respondents planned to re – immigrate to foreign countries.
- Eighty Four per cent of the respondents are engaged in some sort of economic activity after their return.
- Forty Two per cent of the respondents are informed about NORKA ROOTS through Newspaper and Magazines.
- Fifty Nine per cent are aware about various services provided by Norka Roots
- A major challenge faced in the process of re integration was Unemployment Scenario and Lack of alternative system

Conclusion

Return migration is considered as a thread towards the Kerala Economy. How to re-integrate and rehabilitate the return migrants is an important question to be answered. This project helps to identify the factors contributing to return migration and in advance itself our kerala economy can be prepared in order to rehabilitate and re integrate the Non Resident Keralites. Then up to a limit the unemployment scenario due to the return migrants can be reduced. Certain mechanisms can be adopted such as registration of return migrants and sufficient training must be

provided to rehabilitate and re integrate them. Certain steps must be taken to re – immigrate the return migrants to other foreign countries. In short this project helps to find out the reason for return migration of NRKs and in which way Global Financial Crisis affected the Kerala Economy. In future also, there may be a chance of happening such type of Crisis. This study helps the Stakeholders including the government to frame suitable policies to rehabilitate the return migrants. Much more attention is needed from the part of Kerala Economy in order to protect the need of Non Resident Keralites especially Return Migrants.