Title of Project: To Send or to Carry? Gendered Evaluations of Formal and Informal Remittance Practices in Migrant-Origin Villages in Central Java, Indonesia

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Introduction

Migrant remittances have far exceeded foreign aid in many migrant-origin countries, including Indonesia[1], constituting an important potential poverty alleviating strategy for these countries. Although Indonesia's migrant workers contribute significantly to the national economy, and are hailed in everyday and public discourse as "foreign exchange heroes" (*pahlawan devisa*) ,[2] they are also vulnerable to forms of financial exploitation and extortion during their journeys. Fraud and extortion—mainly involving cash— may occur from the time they are recruited into migration, during pre-departure training and procedures, while they are working overseas, until the time they return to their places of origin. These perpetrators typically include formal and informal recruitment agents, insurance companies, local and foreign police, immigration and customs officers, and bus drivers.[3]

To reduce migrants' exposure to these financial risks— which arguably keep many migrants in a cycle of debt and repeated temporary migration[4]— the Indonesian government, alongside international and national financial institutions, has funded various financial education programs in rural migrant-origin villages.[5] Since 2008, these programs, facilitated mainly by local non-governmental organizations (NGOs), have encouraged and introduced digital forms of remittance transfers, payment, and money storage. However, in 2014, when I conducted fieldwork in migrant-origin villages of Yogyakarta and Cilacap, I found that many villagers still appear to evaluate migrants' journeys as successful or not based on how much cash they physically carry back to Indonesia (*pulang bawa uang*).

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[1] International Organization of Migration (IOM). "IOM and the 2013 UN High Level Dialogue on International Migration and Development." Available online: http://www.iom.int/cms/hld2013n(accessed on 1 July 2014).
[2]"Migrant Workers Sent Home Rp 88.6 trillion in 2013", Jakarta Post, 15 January 2014. <http://www.thejakartapost.com/news/2014/01/15/migrant-workers-sent-home-rp-886t-2013.html> (Accessed 25 Mar 2015)
[3]Kloppenburg, S and Peters, P. 2012. "Confined Mobilities: Following Indonesian Migrant Workers on Their Way Home", *Tijdschrift voor economische en sociale geografie 103*: 530–541; Lindquist, J. 2010. "Labour Recruitment, Circuits of Capital and Gendered Mobility: Reconceptualizing the Indonesian Migration Industry". *Pacific Affairs 83*: 115–132.
[4] Constable, N. 2014. *Born Out of Place* (Berkeley: University of California Press); Lindquist, J. 2012. "The Elementary School Teacher, the Thug and his Grandmother: Informal Brokers and Transnational Migration from Indonesia", *Pacific Affairs* 85: 69–89.
[5]"TKI Berpotensi Gerkkan Ekonomi Lokal", Krjogja, 17 Sept 2014. Available online: http://krjogja.com/read/230716/tki-berpotensi-gerakkan-ekonomi-lokal.kr

This sparked my main research question: Despite the high risks associated with physical cash transfer, the presence of financial education programs in some migrant-origin villages, and availability of digital payment platforms in migrants' destination countries, why did migrants, their kin, and peers seem to privilege carrying rather than sending money home?

Methodology and Research Procedures

This study forms part of a broader doctoral dissertation research project. Most of the data for this research was based on participant observation and 130 semi-structured interviews conducted in Java, Indonesia.[6] A main research period between September 2014 and August 2015 was supplemented by shorter preliminary trips in 2012 and 2013, and a follow-up trip and data analysis between February and July 2016. Ethnographic fieldwork was conducted in three migrant-origin-villages: two in the district of Cilacap, and one in Yogyakarta City. All are geographically based in Central Java. In 2014, twenty-one percent of Indonesian documented migrant workers originated from the Province of Central Java, the second largest migrant-origin province nation-wide (BNP2TKI 2015). Fieldwork included participant observation in the villages: living with families of former migrants, current migrants, and prospective migrants, and participating in daily activities for women such as meal preparation and child-care; attending weekly prayer meetings and *arisan* (a local form of rotating credit and savings association); weddings, births, and funerals; and annual Javanese and Islamic festivities. This facilitated the participation and observation of informal talk amongst women and men about personal and broader political concerns about their families and the village. It also allowed me to observe and compare how migration was evaluated in terms of gender, finances, and other material and moralizing terms. On-site fieldwork was also complemented by ongoing online communication with current migrants, Central Javanese residents, and migrant activists based in Indonesia and Singapore. I also documented speeches and interactions among state representatives, commercial actors, journalists, activists, return migrants, and prospective migrants, and participated in several conventions and workshops on financial education and development targeted at migrant-origin communities.

[6] Ninety participants identified as women, while forty identified as men. This includes sixty-nine former migrants, thirteen prospective migrants, and thirty-three non-migrants. I also interviewed six recruitment agents (all except one were former migrants, I interviewed four mainly in terms of their recruiting practices, while two were interviewed as former migrants as well, and are included in the previous category). Nine NGO-associated staff and activists were interviewed, one representative of BP3TKI, and one director of JasIndo insurance company (it works with Cilacap-based recruitment agencies and migrant workers).

Key Findings

In general, I found that from the perspective of migrants and migrant-origin villagers, the presence or absence of migrants' cash is not straightforwardly perceived as indicators of migrants' success. However, whether or not migrants are seen as successful depends on how migrants earn, manage, and use their money in gendered ways. I will first present general remittance practices of migrants and former migrants, before discussing the views of non-migrant kin and residents.

First, nearly all migrant men and women reported sending their families money through digital payment channels, such as Western Union, Indonesian state banks (Bank Nasional Indonesia), and smaller, licensed, remittance transfer companies. Simultaneously, the majority of migrants also reported physically carrying large amounts of cash on journeys home, between USD 1000- 5000. These amounts are significant, given that USD 1000 is the equivalent of what a factory or agricultural worker in Central Java might earn in a year. Approximately a third of migrants said that they carried or would carry "just enough" money on their journeys home, and transfer the remaining savings via banks or remittance services. Of these, women typically downplayed the risks of extortion and robbery, despite sharing anecdotes of such experiences by friends or kin. Instead, migrant women felt it was "safer" now than in the late 1990s. In contrast, migrant men explicitly expressed concerns about the safety of bringing cash home, and cited the avoidance of potential scammers, corrupt customs officers, and thieves, as reasons for not carrying a lot of cash home. In general, while women were aware of the different risks involved in migrating—there was no shortage of stories of other women who were victims of fraud or abuse by recruiters and employers— they were also likely to express hopeful attitudes that they will have good "fates" in migrating. The clear gendered difference in such perceptions and responses to the risk of carrying cash (in addition to other uncertainties involved in the migration processes regarding documentation, wages, and working and living conditions) was surprising to me, in a context where the national media and speeches by state representatives typically highlight extortion, in addition to threats of physical and sexual abuse, as gender-specific risks facing women in particular, while downplaying similar risks in men's journeys.

Second, for non-migrant villagers, "carrying money" home did not only refer to migrants' literally physically bringing cash back. This is surprising given that a superficial and relatively standard assessment of a migrant's success was often framed in terms of whether or not migrants "carried" or "brought" money home. This idea is also expressed by many former migrants, in evaluating their migrant peers. Many told me that migrants should not return or should be ashamed (*malu*) of returning to Indonesia, if they have not yet saved enough money to "bring" home. A conversation with a former migrant woman in Yogyakarta highlighted the significance of this. She introduced herself to me as a "migrant failure," because she did not bring any money home from her migrant journey to Malaysia. However, during our conversation, I found out that not only had she managed to pay back all the debt she owed her recruitment agent (the equivalent of 9 full months' worth of pay), she also sent enough money to pay for her father's medical operation, and pay for her two younger brothers' education. Despite these financial contributions, she still compared herself to other "successful" migrants who managed to return to buy land, build houses, and open shops. Additionally, her non-migrant friend sometimes joked that she did not manage to bring money home because she was spending money on herself having fun, rather than thinking about her family's needs.

In other words, it was not enough for migrant women to send money home diligently to pay for everyday necessities, including medical and school fees. Yet, non-migrants' special emphasis on whether migrants' "brought money" home was surprisingly unsupported by their actual knowledge about how much migrants earned, in which respective jobs or destination countries, and processes of sending, transferring, or carrying money home. In light of this, I suggest that talk of "carrying money" for non-migrants, does not literally refer to whether migrants physically carry cash home. Instead, it is a way to discuss and evaluate migrants' consumption and expenditure (and its lack) when they return home. This is because although non-migrants do not see physical cash, they see what migrants' money can buy, such as houses, new motorcycles, or more elaborate weddings.

Third, villagers' evaluations of migrant success/failure, especially in relation to their financial behavior, is highly gendered, which has important consequences for a migrants' moral reputation and social standing. Both women and men across age ranges and migratory backgrounds tended to more harshly evaluate women's earnings, consumption, dress, and social behavior. For example, migrant women who do not bring money home (or appear to spend money when they return) are accused of spending their earnings abroad on make-up, clothes, foreign boyfriends or partying. In contrast, men were sometimes excused for spending their earnings on "necessary" items such as cigarettes, or food and lodging, which women as domestic workers mostly do not have to pay for. Thus women's expenditures were viewed as unnecessary unless directly linked to their family's needs, while men's expenses were more likely perceived as necessary to their well-being. These double gendered expectations were also linked to how women's earnings were sometimes met with suspicion (particularly those below the age of fifty and still of child-bearing age), while men's earnings were taken for granted. I never heard anyone question the source of or legitimacy of a migrant man's income, but it was not uncommon for villagers to gossip about or ask me if migrant women as factory or domestic workers could bring back as much as USD 6,000 a year.[7] These rumors or questions would often involve whether or not such "wealthy" or "lucky" migrant women were sex workers abroad, or had rich foreign lovers.

To sum up, migrants and their fellow non-migrant villagers expected migrants to send money regularly, yet also save a lot to "bring home." Narratives and discussions about "carrying money" were ways to evaluate and shape migrants' individual and gendered sense of discipline, such as how they negotiate the financial aspects of familial obligations against their own material needs and perceived moral vices or temptations abroad. Such moral judgement and promotion of individual discipline can be read as responses to the arbitrary and uncertainty of migration processes and consequences. These discussions are also ways to discuss and comment on gendered tensions concerning women's migrations abroad and ability to earn much more than husbands, brothers, and fathers who stay behind.

It is important to keep in mind that such high expectations for migrants to succeed—by both regularly sending money home for daily necessities and also saving enough to build houses, buy land, and start businesses—are often unrealistic and unmatched by the high financial and physical costs and risks of migration journeys, particularly in loosely regulated labor industries where the majority of migrants work.

Discussion

Despite widespread public and private news reports of the physical and financial risks and violence that migrants encounter abroad, why do migrants, their kin, and neighbors in Central Java continue to express high expectations that migrants both send and carry large amount of money home? Despite consistent facilitation and promotion of new programs for financial education and migrant entrepreneurship targeted at former migrants, current migrants, and their kin, why do these programs appear to have little impact on fraud and debts that migrants face in their migratory processes and attempts?

Villagers' high expectations of migrants to succeed financially are not grounded in their own experiences and stories about former migrants who have returned. While it is true that migratory journeys have enabled some families to build big concrete houses and start

[7] This would be difficult but not unlikely for a Taiwanese factory worker to do so, or a migrant domestic worker with a generous employer.

small businesses, this is the exception rather than the norm. However, these exceptions are more clearly visible, while those who fail often live in modest, unremarkable houses, or might shy away from social interactions to avoid gossip or shaming, particularly if they return injured or in debt. Some might not even return to the village at all until they are relatively financially stable. Significantly, these high expectations of Indonesian migrants are also consistently expressed as an ideal and norm by state representatives, through public speeches and programs that encourage and applaud them as “foreign exchange heroes,” who should regularly remit money as well as save to invest in local businesses. However, this study has shown that these exhortations and financial programs will continue to fail if state institutions ignore the gendered aspects of migration-related debts and precarity.

A main finding of this study is that migrants’ financial behavior and risks are gendered, with consequences and links to culturally specific risks to their moral reputations or social standing within their communities of origin. Migrant women face higher risks of being judged as immoral and migrant failures, and they often have to strive doubly hard to prove themselves. Evaluations of migrant women’s successes in particular were highly moralized and moralizing— through explicitly framing women’s work, money, and beauty in terms of potential desired or undesired social impact on the religiously-inflected organization of gender and family in the villages. In contrast, migrant men’s vices were generally evaluated more leniently, and their failures were received with greater sympathy for the hard labor they perform abroad. These gendered double standards could also be linked to how migrant men and women tend to finance their journeys through different cost/debt systems,[8] as well as the fact that migrant men tend to work abroad as a group and share common dormitories, where migrant women as domestic workers often live with their employers and in isolation from fellow migrants. Additionally, media and state discourses also promote particular ideas about successful migrant women as being religiously pious mothers, daughters, and wives, while attributing failures to send money to what is considered immoral behavior. Such discourses are not as commonly emphasized with regards to migrant men.[9]

The majority of migrants from Central Java embark on their journeys with large financial debts, but the uncertainties surrounding migration journeys and consequences are at odds with the predictability and pressures of their loan repayments. Men tend to share the financial and “moral” risks of migrant failure with other neighbors and kin who lend them

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[8] Lindquist, J. 2012. “The Elementary School Teacher, the Thug and his Grandmother: Informal Brokers and Transnational Migration from Indonesia”, Pacific Affairs 85: 69–89.
[9] Chan, C. 2014. “Gendered Morality and Development Narratives: the Case of Female Labor Migration from Indonesia”, *Sustainability* 6 (10): 6949-6972

money and collateral prior to their journeys.[10] Women, however, often embark solely indebted to a single recruitment agent or recruitment company. The social structures of migrants' debts (which finance their journeys) thus affect the kind of and frequency of communication between migrants and extended family networks when migrants are away. For example, men and women who borrow money or collateral from relatives are more obligated to contact their kin frequently to assure them that their debts will be repaid, and thank them for their contribution and trust. Female migrant domestic workers, however, are usually indebted to migrant brokers who pay for their journeys upfront.[11] Some women explicitly said that they preferred not to contact their families in times of hardship and distress, so as not to worry or trouble them. Financial debts are often intricately linked to forms of social and moral indebtedness. Migrant men's financial debts to members of their village likely established bonds of reciprocity and trust, and may accompany promises of financial contributions to the family. By contrast, migrant women were largely indebted to recruitment agents in the village or unknown recruiters living in urban areas. The gendered differences structuring migrant debts create or exacerbate unequal conditions for evaluating migrants' belonging and loyalty.

The implicit moral evaluations of women and men's work and money are also expressed by facilitators of entrepreneurship and financial education programs, as well as by state representatives in speeches promoting migration and cautioning against its risks.[12] An effect of this is that women in particular continue to evaluate certain patterned physical and financial risks—within the recruitment industry and domestic work industry abroad— in terms of individual moral weaknesses and failures, rather than attribute these risks and failures to institutional gaps, such as weak labor laws abroad, inadequate or obscure formal and legal mechanisms for redress by migrants when things go wrong abroad, the lack of monitoring recruiting processes and pre-departure training centers in Indonesia, among others.

Recommendations

In late 2015, the Indonesian government signed Memorandum of Understandings (MOUs) with Indonesian-based banks to offer unsecured loans at lower interest rates (12% versus 22%) to migrants. This aimed at ending forms of indentured labor migration

[10] See note 8.
[11] Rudnyckyj, D. 2004. "Technologies of Servitude: Governmentality and Indonesian transnational labor migration assimilation", *Anthropological Quarterly* 77: 407–434. This practice has also been applied to an increasing number of male migrants heading for Korea.
[12] See note 9, and Silvey, R. 2007. "Mobilizing Piety: Gendered Morality and Indonesian–Saudi Transnational Migration", Mobilities, 2: 219–229

undertaken largely by women as migrant domestic workers.[13] However, banks have only been willing to lend money to migrants heading for countries such as Japan and Korea with perceived higher wages and better labor laws. Drawing from this project's findings, it is clear that precarious, unpredictable, and gendered labor conditions abroad strongly influence the ways that migrants, their money, and debts, are valued. Women and men bear these risks differently in ways related to the ways that their gendered labor industries are linked to systems of recruitment, debt, and labor within Indonesia and abroad.

Programs addressing financial vulnerabilities must take into account how migrant work, money, and debt are differently valued in terms of gender. Financial vulnerability is linked not only to local debt systems and social networks, but also the conditions of gendered work performed abroad. If banks have openly acknowledged the high risk of investing in precarious labor migrants (particularly women as domestic workers), state institutions should begin recognizing that the problems facing migrant workers are not simply reduced to a few errant or "bad" recruitment agents and employers.[14] Current and proposed programs by the state (and some by NGOs) mainly focus on formalizing and securing migrants' financial debts, remittances, and investments. But financial risks confronting migrants and their kin are strongly related to broader multi-faceted migration infrastructure with highly uneven processes and regulations,[15] where borrowing money from an ill-reputed recruitment agent or carrying cash home can be perceived as only one among many "normal" or necessary risks entailed in migration.

[13] "BNP2TKI Kawal Penyaluran KUR TKI", 20 October 2015. Available online: http://www.bnp2tki.go.id/read/10688/BNP2TKI-Kawal-Penyaluran-KUR-TKI

[14] "TKI Bisa Dapat KUR, Lebih Mudah dan Bunganya Rendah", Liputan6, 12 November 2015. http://bbm.liputan6.com/read/2364141

[15] Killias, O. 2010. "Illegal Migration as Resistance: Legality, Morality and Coercion in Indonesian Domestic Worker Migration to Malaysia", Asian Journal of Social Sciences, 38: 897–914; Xiang, B., and J. Lindquist (2014) "Migration infrastructure", *International Migration Review*, *48*(s1), S122-S148