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Policy Studies

An Essay

The Essence of Experience

Twenty-three former migrant worker women recount their journey overseas and how it shaped their entrepreneurial spirit.

By Made Nadera & Rofi Uddarojat



The Essence of Experience - An Essay

Twenty-three former migrant worker women recount their journey overseas and how it shaped their entrepreneurial spirit.

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Jakarta, Indonesia

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Background

In the largely traditional Indonesian community, especially in the rural areas, the labor division between males and females is clearly pronounced. The expected role of a husband is to provide for the family and to serve as the main breadwinner. This role has been challenged, among other things, by the practice of female migrant workers seeking employment overseas and thus becoming the main revenue earners. Among the many workers currently residing overseas the records shows that 62% are females and 38% are males. Working in 152 countries from Saudi Arabia to neighboring Malaysia, they mostly work in low-skilled jobs, with being caregivers and domestic helpers topping the list.¹ This feminization of workers happens for some reasons that include the fact that in the rural areas females do not usually own land and it is difficult to secure long-term employment in the agricultural sector where men dominate the field.² Out of the 31,70 million people working in agriculture, men dominated with 76.84% while there are only 23.16% female farmers and farm laborers.³

Migrant workers send remittances back home and help sustain the economic growth beyond the boundaries of their villages. A study by CIPS found that the total amount of remittances between 2000 – 2007 had reduced poverty by 26.7% and lowered the poverty gap by 55.3%.⁴ The total remittances recorded by the end of 2016 amounted to 7.48 billion USD, after an all-time high record in 2015 of 9.42 billion USD.

Despite the significant contributions of these workers, there remain concerns about their safety during their tenure overseas. This has been largely fueled by mistreatments from their employers that have been widely circulated in the Indonesian media. Between 2011 and 2013, 0.5% of the total number of migrant workers has suffered from abuse and mistreatment. These cases need to be investigated and the migrant workers abroad need to be properly protected. On the other hand, it must also have been seen that the benefits that migrant workers bring for their family and home villages are enormous. In addition to the total remittances that have been used to build houses and to finance other necessities, the money has also been used as the initial capital to finance small businesses.

This essay presents the experience of twenty-two migrants who after their return home started a local business on their own. They come from cities in West and Central Java known to have supplied significant numbers of workers: Kendal (2 respondents), Purwakarta (5 respondents), Indramayu (5 respondents), Wonosobo (4 respondents), Semarang (2 respondents), Majalengka (2 respondents), Bandung Barat (2), Purwokerto (1). The latest statistics from the National Agency for the Placement and Protection of Indonesian workers abroad (BNP2TKI) show that in 2016 the district of Indramayu sent 15,128 workers, Kendal sent 5,749 workers and Majalengka sent 2,962 workers. The provinces of West Java in total sent 46,698 workers and Central Java supplied the total of 43,965 workers.⁵

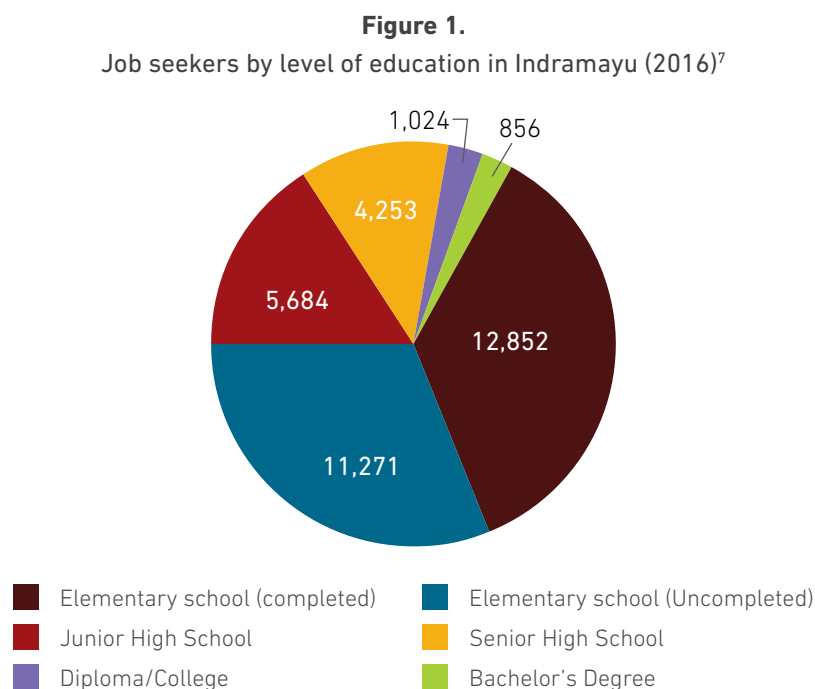
Here are the stories of twenty-two migrants who successfully sharpened their business acumen, became entrepreneurs and proved that their tenure as migrant workers overseas was an enriching experience indeed.

An Enriching Experience of Migration

2.1 Reasons to migrate

Financial needs encourage people to migrate to other countries and pursue their jobs overseas. A study by Syafitri (2012) in East Java confirmed that land conversion reduces agricultural land and often leave workers with no better alternative than working as migrant workers to fulfill their needs, repay debt, or to achieve a new social status.⁶ Our interviews were conducted in eight districts in Central Java and West Java and the analyses invariably led to the same conclusion. In all cases of labor migration we found that economic needs were the main precursor for migration, although these respondents came from various social backgrounds and different family conditions.

There are also others reasons that prompted women to find work opportunities overseas. The limited job opportunities available for those with minimum levels of education is one of the reasons. The figure below shows the composition of job seekers by level of education in Indramayu (2016) which is dominated by Elementary School graduates and those who have not yet completed Elementary School education. With only limited opportunities available for those with minimum educational levels, finding employment overseas and working as caregivers or domestic helpers might serve as a solution:



Out of the 23 respondents in our study, 8 have completed Elementary School, 9 have completed Junior High School or the equivalent Madrasah Tsanawiyah and 6 are High School graduates. With such minimum level of education, it is hard to find a decent job that comes with sufficient payment. The absence of job opportunities leads to economic hardship that prompted most of our respondents to seek jobs elsewhere. Most of the respondents cited economic hardship as the

main precursor to migrate. Two respondent admitted that they needed money to continue their education and this includes a respondent whose Junior High School was interrupted simply to find a paying job overseas. One respondent was the victim of the sweeping monetary crisis in 1998 that abruptly ended her career as a cashier in local bank. Two respondents who had started a business before considered that migration might allow them to collect enough money for their business ventures, while one respondent needed the money to settle her debt. One respondent admitted that she needed to work to assist her husband as the breadwinner.

Most of the respondents acknowledged that they had no skills to be leveraged to get a formal job before they left homes. Even as homemakers they realized that their skills of cooking or running other household chores was limited at best. One respondent admitted that she had only basic sewing skills and her tenure overseas allowed her to get more knowledge and improve those skills.

While many of these women were already married at the time when they departed to their destinations, 6 were singles. The age when they left home varied, ranging from the youngest 17 years old to the oldest 36 years, with the largest parts are between 21 to 32 years old.

Parental intervention was involved in several cases when the parents encouraged their children to migrate to cover the family's basic needs. This is in line with the common sense in Indonesian villages where parents consider their children as a part of the family's revenue earners. One of the respondents, Badriyah (38), became a migrant laborer when she was 18 years old. She was struggling to finish her junior high school when she was asked by her parents to be a migrant worker to Saudi Arabia in 1995, "We were poor, our living was absolute hell. My parents' mango plantation did not produce sufficiently, business was bad and my parents needed money to feed their children. Then I decided to quit the school to go to Saudi Arabia," she said. When she remitted her salary back home, her parents initially took control of the money as she was slowly gaining more financial literacy.⁸

2.2 The life overseas: Skills and knowledge transformation

The tenure overseas of these respondents was between 1 year and 13 years. One respondent who went to Taiwan, Novi (31) experienced the shortest period and had her contract terminated without payment. The longest tenure was 13 years for a respondent, Khairiyah (37) who was employed by 5 employers in Taiwan and Saudi Arabia. Upon their returns, most of them would have to wait for 2-4 years before they can start their own business. This is evident during the interview where the majority admitted that right after their arrival they used the money to build better houses and spend it for daily consumption rather than opening their business ventures right away.

Their tenure overseas determined the number of employers they had. Those who stayed 2 years normally had just one employer, those who were employed for 12 – 13 years changed employers up to 5 times.

The job of a domestic helper mostly involved running household chores such as cleaning, cooking, and taking care of an elderly member of the employers' family or babysitting the toddlers. Only a minority of these respondents experienced abuse and mistreatment that are so widely reported and is usually been associated with the plight of migrant workers. One respondent was intimidated and even threatened by her employer, while two others had their salary payments deferred, and one reported that her contract had been terminated arbitrarily.

On the positive side, the close cooperation with the employer also generated a transfer of skills and knowledge. Neni Nuraeni (41) had an inspiring relationship with her employer in Saudi Arabia. She was accepted as a member of the family and was taught sewing skills so that she could create dresses upon her return to Indonesia. “My employer was pregnant and I accompanied her all day long. She taught me how to sew a dress. She used to take me to her parties, where I could observe all nice dresses. She acknowledged me as her own sister,” Neni stated. This experience highlights the importance of the personal approach between employer and employee that results in knowledge transfer to migrant workers.

The political situation in destination countries has an effect on the transfer of skills and knowledge. Free democratic societies provide more opportunities for migrant workers to develop their knowledge through weekend activities, which are provided by the Indonesian community. Hong Kong is one of main destinations for Indonesian migrant workers. The Indonesian government recorded around 13,000 migrant workers went to Hong Kong in 2016. Hasanah (28) has just returned from Hong Kong after working there for 10 years. She spent her days off to join an Indonesian writing club and managed to publish her own first collection of short stories. She also continued her studies in Hong Kong where she finished her C certificate⁹, which is equivalent to a high school degree. Moreover, she also took computer courses provided within the Indonesian community. Her interactions with this community allowed her to pick up more skills. In general, Indonesian migrant workers in freer societies are also freer to meet up with their fellow Indonesians. They develop networking skills, which they did not possess while living in their home villages. Meanwhile, employers in Middle Eastern countries tend to restrict the community activities of their migrant domestic workers and tolerate fewer activities with other Indonesian migrant workers.

Groups of Indonesian migrant workers in destination countries have also developed networks of entrepreneurship. Sophia (35) was working for 10 years in a Singaporean family when she started an “online shop” for other Indonesian migrant workers. She purchased imported goods with the support of her employer who kindly used his credit card to pay for items, such as electronic devices and clothes. The experience of helping the community stimulated her entrepreneurial instincts, which would have been unimaginable if she had lived in her home village in Purwokerto.

2.3 The triumphant return: Entrepreneurship

The sojourn abroad, whether it was long or short, left a mark on their personality. Most of the respondents suggest they became more mature, their perspectives have been broadened, they learnt about self-discipline, business ethics such as perseverance, and they felt a surge of their confidence levels.

One respondent who has a housewares and electronics store in Purwakarta recalls the way she weathered the trial and tribulations of managing a business of her own. “Only after one year, my store in Pleret

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was demolished by the government to become a new culinary destination in town, selling satays and *martabak*. I was determined to get back on my feet, that's why I started a new business and invested an initial 25 million rupiahs, parts of it was provided by my parents," she said standing in her large store, offering more than 700 items. "I learnt business the hard way, when people did not pay after purchase, that's the time when the game got tougher. I requested transactions to be made in cash only now," she added. Showing much business acumen, she invested the profit accumulated in 3 years into her business. Her store now enjoys a profit amounting to 15 - 16 million per month, out of a 60 million sales turnover. In the future, she intends to run a fish farming business. Looking back at her business success she thinks of her tenure overseas and said: "I attribute this achievement to my customer service and my perseverance that became part of the work ethics that I learnt during my days as a migrant, when all I had to do was work, work and work."

A short sojourn, on the other hand, can also leave a mark. One respondent, Novi (31) recalled that, after her work as a nanny had been terminated abruptly and arbitrarily, her love of children encouraged her to run a day care center in her hometown. "I thought that with the shortage of maids and the increasing charges of nannies, there will be enough demand for me to operate a day care center."

Entrepreneurship brings progress through innovative product and it is the result of new ideas and initiatives. Kanipah (32) and her husband produce fish crackers made from fish skin that is usually disposed off as waste. They live in a coastal village after they returned from Middle Eastern countries and they observed the potential of developing a business related to fishery. Their entrepreneurial drive led to the development of an innovative product from processed fish coming from their own area. Only within few months, the skin fish crackers now have been distributed to more than 40 stalls in the district.

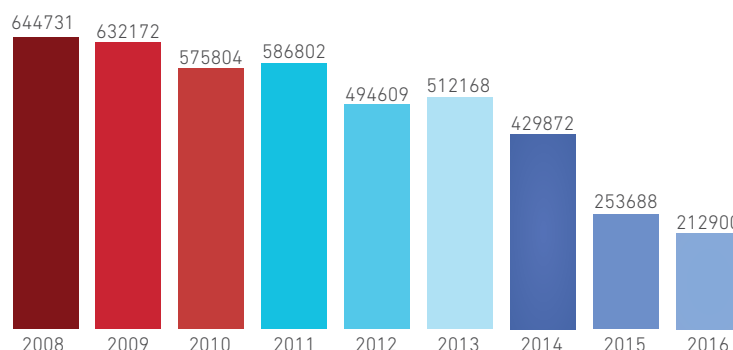
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Hope for the Future

Despite of the obvious benefits that these migrant workers provide for their families and environment, the Indonesian government has decided on a moratorium to stop sending unskilled migrant workers overseas. Spurred by the execution of an Indonesian maid in 2011 that led to a restriction for sending domestic helpers to Saudi Arabia and five neighboring countries, the subsequent execution of two Indonesian maids prompted a harsher response: the issuance of a moratorium that legally bans Indonesians from seeking employment in Saudi Arabia and twenty other countries in the Middle East. This moratorium is aligned with President Joko Widodo's plan to stop sending migrant workers altogether as it is considered undignified to send workers. The government finds it also very difficult to provide protection to the workers when they become objects of mistreatment, physical or mental abuse, and sexual assaults.¹⁰

This moratorium already shows its effect with the declining of number of workers and the reduced amount of remittances. The chart shows a most significant 50.47% drop in the number of migrant workers from before the moratorium was implemented in 2014 and after the implementation in 2015. The numbers went further down in 2016 when the government fully implemented the moratorium on 21 Middle Eastern countries.

Figure 2
The decrease of total numbers of migrant workers' deployment (2008-2016)



Source: National Agency on Placement and Protection of Indonesian Migrant Workers (BNP2TKI), 2016

When the moratorium reduced the number of Indonesian migrant workers abroad, the remittances until November 2016 decreased by 15.65%, compared to the previous year. The decrease of these remittances will affect the livelihood of female workers and their families, which depends on the flow of remittances from abroad. This policy could potentially also impact the entrepreneurship in rural Indonesia, since there will be less returning migrants with less capital gained during international labor migration.

The government needs to primarily evaluate the moratorium policy on migrant workers to the Middle East because it may push migrant workers into illegal migration and make them vulnerable to human trafficking. It can also potentially eliminate the tremendous impact of migration on female entrepreneurship in Indonesia.

Endnotes

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⁶ Wildan Syafitri, *Determinants of Labour Migration Decisions: the Case of East Java*, <http://www.uni-kassel.de/upress/online/frei/978-3-86219-314-1.volltext.frei.pdf> accessed 18 January 2017 at 19.21

⁷ BPS Kabupaten Indramayu, *Indramayu in Figures 2016*. Online version available at: https://indramayukab.bps.go.id/new/website/pdf_publikasi/Kabupaten-Indramayu-Dalam-Angka-2016.pdf. Accessed 20 January 2017, 13.55.

⁸ Interview with Badriyah, Indramayu, 28 October 2017.

⁹ Indonesians who have not finished their formal school education can still work on attaining formal education levels when they have grown out of school age. An A Certificate is equivalent to primary school education, B Certificate to junior high school and C Certificate for senior high school.

¹⁰ Ministry of Manpower (2015) *the Decree of the Minister of Manpower No. 260/2015 on the Moratorium and Restriction of Indonesian Migrant Workers' Placement to Individual Employers in Middle Eastern Countries*. Online version available at <http://www.kemlu.go.id/tripoli/id/berita-agenda/info-penting/Documents/Kepmenaker%20RI%20Nomo2%20260%20Tahun%202015.pdf>

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Rofi Uddarojat is a Researcher at CIPS. He conducts research and engages policymakers in the Indonesian government in the area of international labour migration and entrepreneurship. He is also the co-founder and managing editor of "SuaraKebebasan.org", an Indonesian libertarian website which advocates for the ideas of individual freedom and free markets. Before joining CIPS, Mr. Uddarojat worked at the Freedom Institute in 2012-2014 as program officer. In that position he developed a youth network for civic engagement across the country.

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