THE THREAT POSED BY THE ECONOMIC CRISIS TO UNIVERSAL ACCESS TO HIV SERVICES FOR MIGRANTS

Preliminary Findings

Publication prepared for the Joint United Nations Initiative on Mobility and HIV/AIDS in South East Asia and Southern Provinces of China (JUNIMA)
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This report provides an overview of the potential impact of the 2008-2009 financial and economic crisis on migrants and mobile populations in South East Asia, and assesses how the likely increase in unsafe mobility with its accompanying risks and vulnerabilities for HIV transmission will affect the health of people on the move. The research conducted was based on a desk review, it also included interviews with migrant workers and consultations with experts.

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<th>ACRONYMS</th>
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<td>ADB</td>
<td>Asian Development Bank</td>
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<td>AMC</td>
<td>Asian Migrant Centre</td>
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<td>CACHA</td>
<td>Cambodian Alliance for Combating HIV/AIDS</td>
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<td>Development Research Centre</td>
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<td>NESDB</td>
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<td>OECD</td>
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<td>PLHIV</td>
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<td>UNIAP</td>
<td>United Nations Inter-Agency Project on Human Trafficking</td>
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<td>UNRTF</td>
<td>United Nations Regional Task Force on Mobility and HIV Vulnerability Reduction in South-East Asia and Southern Provinces of China</td>
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<td>VCCT</td>
<td>Voluntary counseling and confidential testing</td>
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<td>WHA</td>
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The objective of this paper is to give an overview of the potential impact of the current crisis on migrant and mobile populations in Southeast Asia, and assess how the likely increase in unsafe mobility with its accompanying risks and vulnerabilities for HIV transmission will affect the health of people on the move. The economic crisis will have severe consequences for employment and poverty in the region as it often pushes out of the labor market the most vulnerable, such as migrants. Migrant workers’ vulnerabilities to HIV will likely be exacerbated with increasing deterioration of their economic opportunities. Further, we know that even during the best economic times the combination of social, cultural, linguistic, legal and behavioral barriers affect migrants’ access to information and to prevention, health and social services. These conditions are likely to worsen during the economic downturn.

The crisis could result in reductions in public expenditures on prevention, care and treatment programs all of which could increase HIV prevalence and shorten the life span of PLHIV. Due to the crisis, some migrants’ risk behaviors may increase; faced with reduced opportunities they may enter the sex industry. Those migrants who are already HIV positive may be less likely to afford treatment or care.

To project the possible implications of the current crisis, this research has reviewed the evidence on how the 1997 Asian economic crisis affected migrants and their families and increased the incidence of HIV infection; It also analyzes the information available on the current crisis, including migration trends, the economic sectors most affected, case studies of migrants in the region and how the financial crisis has affected them and their health status so far. The paper concludes by proposing potential scenarios that may result from recent economic forces, with attention given to early warning systems to allow governments, civil society and the international community to take action. Recommendations for appropriate measures to address these scenarios conclude the paper.

Evidence from the 1997-1999 financial crisis shows that migrants faced increased vulnerability and that many undocumented migrants moved into the informal economy. Social protection schemes in the region were largely non-existent except for some more developed countries that had unemployment schemes covering formal economy workers. These, and programs developed in response to the crisis to aid displaced workers, were unlikely to reach migrant workers. Notably, there is evidence that HIV risks increased during the crisis, with increases in the number of sex workers in less formal settings and in trafficking for commercial sex work. These risks occurred at the same time that health budgets and funding for HIV prevention programs were being cut.

While the full implications of the current crisis are still unknown, there are indications that many of the same patterns are emerging. Many foreign workers in manufacturing and construction have been laid off in the region and there have been government moves to stop issuing work permits and crack down on undocumented migrants. There are fears that female migrants who lose their jobs may move into sex work to survive; in Cambodia for example, 70,000 garment workers, mostly female, have lost their jobs since the crisis began. Two recent studies with sex workers in Cambodia have found that 58% entered into sex work in the wake of the financial crisis and 19% of these women were former garment sector workers. Migrants are facing much higher expenses and are less able to afford health care, especially those who are living with HIV.

The paper concludes with policy recommendations to ensure migrants have adequate access to health care and HIV services throughout the migration cycle during times of economic downturn.
The current global recession has had severe consequences for employment and poverty reduction in Southeast Asia. Though the extent of the crisis cannot yet be known, the large population of migrant workers in the region is in a particularly vulnerable position, for several reasons. First, migrant workers—both internal and external—tend to be concentrated in the economic sectors most affected by the crisis, which include export-led manufacturing, tourism, and construction. Many thousands of jobs have been lost in these sectors since the latter half of 2008; the World Bank estimates unemployment at 24 million for the East Asia and Pacific region as a whole in January 2009, about one million higher than one year earlier. Second, while migrants often find themselves in exploitative situations—earning less than the legal minimum wage and being unable to claim basic workers’ rights—they are even more susceptible to exploitation and worsened labor conditions under economic crisis. The threat of job loss and even deportation may be used to cut worker benefits, wages and working hours. This is especially true for the large number of workers who are projected to move from the formal to the informal labor market and from documented to undocumented status as a result of the crisis. Finally, the combination of social, cultural, linguistic, legal and behavioral barriers that affect migrants’ access to information and to prevention, health and social services under the best economic times are likely to worsen during the economic crisis.

While government responses to the crisis may benefit from lessons learned during the previous Asian financial crisis of the late 1990s, these policies tend to favor economic growth stimulation and social safety nets for citizens over foreign workers. To date it is not clear whether the existing social safety nets for migrant workers will be sustained during this crisis. Moreover, as happened in the last crisis, receiving countries are already enacting policies to restrict foreign workers, by freezing work permits, retrenching foreign workers first and cracking down on undocumented foreigners. In Malaysia, nearly 7,000 foreign workers have been retrenched while in Indonesia 250,000 migrants have reportedly returned because of the crisis. Fears have been raised also of worsened work and living conditions for foreign workers, as their position to advocate for fair wages and benefits weakens.

Moreover, vulnerabilities to HIV faced by migrant workers and mobile populations will likely be exacerbated with increasing deterioration of their economic opportunities and health conditions. This is not because migration leads to risk behavior per se, but because the conditions under which people migrate and work puts them at risk. It should be remembered also that this financial collapse occurred in the midst of sky-rocketing food and fuel prices worldwide, with food prices rising 66% globally from mid-2005 to August 2008. Families of migrants are affected as well, as remittances are cut off and migrants return to rural areas. Job loss and economic vulnerability—both for the migrants and for their families at home who depend on their remittances—may lead to entrance into sex work, whether voluntarily or through trafficking. This is particularly of concern because many of the job losses in the region have been in the export-led manufacturing sector, which largely employs women. Recent evidence from Cambodia (reported in detail below), where large numbers of internal migrant women have been laid off from the garment sector, shows that there is a link between the current crisis and entry into sex work.

As the crisis impacts public expenditures on prevention, care and treatment programs, outcomes such as increased HIV prevalence and increased morbidity for PLHIV are of increasing concern. Migrants are generally underserved by HIV prevention programs, as there are language and cultural barriers to their access. Those programs that do target migrants—through the formal workplace or through NGOs—are likely to be affected by the current crisis. PLHIV

1 Throughout the paper “mobile populations” is used as a general term to refer to “those who move from one place to another, temporarily, seasonally or permanently for either voluntary or involuntary reasons” (FHI 2006 p. 1). “Migrant” refers to those who take up residence in a place for an extended period of time. Migrants may be internal migrants, who move within their country of origin, or external migrants who move to a foreign country (FHI 2006).
2 World Bank 2009b.
3 UNRTF 2008.
4 IMF 2008.
5 UNIAP 2009.
migrants who receive care and support from their families or who are served by government programs are also in a vulnerable position. A recent World Bank/UNAIDS study concludes that a substantial number of countries will be forced to cut their programs, as they are dependent on external sources of support that will be reduced in the current crisis. As discussed further below, migrants to Thailand who receive treatment will lose access if they lose their jobs and legal status. For those in treatment, interruptions or barriers to access in treatment can be lethal; transmission risks also increase as those who stop treatment become much more infectious.6

The objective of this paper is to give an overview of the potential impact of the current economic and financial crisis on migrants and mobile populations in the Southeast Asian region. It also seeks to foresee possible negative implications accessing health services including HIV and probable increases in unsafe mobility with accompanying increases in the risks and vulnerabilities for health of people on the move, including HIV transmission.

To project the possible implications of the current crisis, this paper reviews the evidence on how the 1997-99 Asian financial crisis affected migrants and the social policies put in place to address that crisis. It presents information available to date on the current crisis and migration, including an overview of the economic sectors most affected where available, as well as potential increased risks to HIV and health in general. Where possible, the paper includes case studies of migrants in the region and how the financial crisis has affected them and their health status. The paper concludes with recommendations for appropriate measures to address the challenges that the crisis is posing to migrant’s access to HIV services and health care.

6 World Bank/UNAIDS 2009.
BACKGROUND: THE 1997 ASIAN FINANCIAL CRISIS

While the full impact of the current crisis will probably not be known until several years after economic recovery, some insight may be gained by reviewing previous analysis of the 1997-99 financial crisis, its impact on migrants and their health risks, and the government and civil response, with particular attention to the impact on HIV/AIDS programs. The 1997-1999 crisis was centered in Japan, Hong Kong, Korea, Singapore, Thailand, Malaysia, and Indonesia. It began in mid-1997 when Thailand's stock market and asset markets collapsed due to huge external debt and increasing deficits. The devaluation of the baht and loss of investor confidence had a ripple effect throughout the region, leading to many bank failures and stock market free-falls. While the economic freefall was dramatic, most economies recovered by 1999; Thailand, however, was slower to recover and did not return to previous growth levels until 2001.

The impact of the crisis on employment is difficult to estimate, since many workers who lost jobs moved out of the formal labor market into the informal economy; for this reason unemployment figures do not reflect the percentage who become underemployed or who are no longer reflected in official statistics. Most sources say that unemployment doubled during the crisis. The economic sectors most affected during the 1997-1999 crisis were construction (which was sharply affected by the loss of capital) and manufacturing; as money tightened, trade and commerce also contracted. Figure 1 shows the loss in employment by sector from 1997-98 in Malaysia and Thailand. Though employment contracted only 2.9% in Malaysia in this period, more than half of reported retrenchments in 1998 were in manufacturing, both for national and foreign workers; with construction, trade and tourism sectors also strongly affected. However, the reported numbers of job losses greatly underreported the number of workers in the informal economy who lost jobs, especially in the agricultural sector (such as plantation jobs) and the construction sector. In Singapore manufacturing and commerce were most strongly affected, and these two sectors were also the most sharply affected in Thailand. In Thailand however there is evidence that the service sector absorbed about 19% of employment losses in other sectors.

![Figure 1: Percent change in employment by sector in Malaysia and Thailand, 1997-1998](#)


Most notably, after decades of decline, poverty rates increased in countries where the economy had been booming. In

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8 Kassim 2000
9 Yap 2000.
10 Knowles et al. 1999.
Thailand, for example, poverty fell from 32.6% in 1988 to 11.4% in 1996, but increased to 12.9% in 1998; in Indonesia the rate went from 10.1% to 14.1% from 1997 to 1998 according to the World Bank. Increases in poverty reflect in part the inability of the informal economy and the agricultural sector to absorb displaced workers.

Evidence indicates that the rise in poverty in the region was associated with increasing risks of HIV. A 1998 UNFPA study in four Southeast Asian countries (Indonesia, Malaysia, the Philippines, and Thailand) concluded that an increased number of women moved into commercial sex work as a result of the crisis. At the same time, a decline in demand for sex work due to the crisis lowered their bargaining power to negotiate condom use. A Thai survey also found an increase in the supply of formal sex establishments, but a decrease in demand in terms of fewer customers—which may mean that sex work was shifting to less formal establishments and to “indirect” sex workers, including migrant workers from nearby countries.

Trafficking, including of young girls, was also reported to increase during this period. A study of the China-Burma border area found that, at the peak of the economic crisis, legitimate trade had completely disappeared while the trade in narcotics and trafficking of young girls for the sex trade was thriving. The loss of construction jobs along the border particularly affected young girls from ethnic minority groups who had no prospects for earning in Burma, making them particularly vulnerable to the sex trade. Fighting along the Thai border further contributed to the displacement of workers there.

**Impact on migration streams**

Internal migration flows greatly increased during the 1997-99 economic crisis, with a reversal of the prevailing pattern of rural-urban migration as migrants losing jobs in urban and peri-urban areas returned home. In Thailand, where manufacturing and construction were particularly hard-hit, it was estimated that two-thirds of the unemployed were rural migrants; return migration to rural areas increased four-fold as 75% of these returned home. Indonesia also saw large volumes of returning rural migrants, at a time when decades-long government food subsidies ended with the downfall of the Suharto regime, resulting in massive hunger in rural areas.

The impact of the 1997-99 crisis on international migration is difficult to estimate, as it affected different countries and different sectors in different ways. Figure 2, using statistics compiled by Skeldon (2004) from official sources, shows a drop in migrant numbers in South Korea in 1998 and Malaysia in 1999-2000; while in Thailand the numbers were stable or even continued to increase. In Indonesia, the outflow of workers to other countries fell by more than half from 1996 to 1997 (from over 500,000 to less than 250,000). However, estimating the number of migrants who left these countries as a result of the crisis is difficult, since so many migrants were undocumented.

The crisis occurred at a time where labor flows to the key destination countries in the region—Japan, South Korea, Taiwan, Hong Kong, Singapore, and Malaysia—were high and increasing. However, with the onset of the crisis several countries attempted to restrict migrant numbers by instituting policies to expel foreign workers; in Malaysia and Singapore manufacturing jobs employing foreign labor were greatly cut. Despite these policies, during the crisis the number of foreign workers in the informal economy remained at stable numbers or even increased during the period, as local workers, even though facing unemployment, were unwilling to undertake the 3D jobs—those that are dirty, difficult, and dangerous. Skeldon (2004) concludes that policies to expel foreign workers had no net dramatic effect on migration during this time period. Further, many employers overreacted to the crisis cutting their workforce at the start of the crisis, only to take back migrant workers as they found themselves with labor shortages. Abella (2000) maintains that expelling the workers was also not cost effective for Malaysia as they

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11 NESDB 1999.
12 Knowles et al. 1999.
16 Thetis 2009.
17 Skeldon 1999.
had a labor deficit when the economy recovered.

Figure 2: Official estimates of the total number of foreign workers in Asian economies, 1996-2000

Social safety nets in the 1997-1999 crisis
Social protection issues had not been a high priority for countries in the region when the 1997-1999 crisis hit; economies had been booming, unemployment was low and poverty rates had been dropping in the previous decades. In fact, social sector programs were cut in many countries due to governments not seeing the need for them. Most countries did not have any unemployment benefit schemes, though several (including Malaysia and the Philippines) had some form of social security scheme with modest benefits upon retirement for those who worked in the formal economy.18 In Singapore and South Korea, legal skilled foreign workers were also covered by the social security scheme.19 Such benefits were also in theory available to legal migrants in Malaysia, including housing, medical benefits and insurance, though in practice few workers were covered by them.20

In a review of policies protecting temporary migrant workers during the crisis, Abella (2000) maintains that unemployment insurance schemes would have prevented the relocation of thousands of workers in Malaysia, who then would have been available when needed when the economy recovered. Although Skeldon (1999) showed that the overall net impact of the crisis on migration was minimal, Abella (2000) points out that the fact that large numbers of migrants shifted from legal to undocumented status made the crisis particularly difficult to address, both in terms of dealing with social protection issues and with managing the work force. Civil society organizations in the region, many of which were formed to serve poor and vulnerable populations, were often also negatively affected by the crisis. A UNFPA assessment (1998) found that monitoring of health needs by governments also lacked funding due to the economic downturn, so that needs were not being tracked, much less met.

Thus the family was the main safety net for migrants; those who could no longer make enough money to survive in their destination countries were forced to return home. For many however, the preference was to remain in the

18 UNFPA 1998.
19 Abella 2000.
20 Kassim 2000.
destination country, as there were even fewer income-generating opportunities at home. Employers sometimes exploited this by cutting wages as their profits dropped; illegal migrants were especially vulnerable to worsened employment conditions. Women were particularly hard hit by the crisis, as they tended to work in the affected sectors or were dependent on remittances of male migrants who lost their jobs.

Impact of the crisis on HIV/AIDS programs
The financial crisis affected government expenditures on HIV prevention as well. In Thailand government expenditures on the national AIDS program were cut by 28%, and the number of free condoms distributed by the government was cut by 50% from 1996-99. Funding for treatment programs, including ARVs and treatment of opportunistic infections, was also significantly scaled back. Pothisiri et al.'s (1998) analysis of how the 1997-1999 crisis affected public funding for HIV shows how changes in costs, spending and needs interact. As public funding for programs is cut, both preventive programs and treatment programs are affected. At the same time, the economic crisis affects private household purchasing power and employer prevention programs, leading to increases in risky sex behavior. These multiple channels can, the life span of PLHIV is shortened and HIV prevalence increases.

The Pothisiri et al. study documented the cuts in national program budgets and also interviewed program staff to get their views of how these cuts impacted the programs. During the crisis period, provincial hospitals could not meet the demands for care and treatment. It should be remembered that Thailand has been viewed as one of the few countries “in which there is strong evidence that public policy has had an impact on reducing the spread of the AIDS epidemic on a national scale.” (Ainsworth et al. 2003, p.13). Thus the cuts in government funding risked the loss of momentum in the efforts to promote 100% condom use and to meet the care, support and treatment needs of PLHIV. External funding was also cut to AIDS programs in the region due to the financial crisis.

In summary, the 1997-1999 crisis had a short-lived yet severe effect on migrants in the region. Inequality increased, and migrants faced increased vulnerability with increasing numbers of undocumented migrants who moved into the informal economy. While some governments instituted national policies to deport foreign workers and cut work permits, ultimately they had to take back those workers because of severe labour shortage. Social protection schemes in the region were largely non-existent except for some more developed countries that had unemployment schemes covering formal economy workers. These, and programs developed in response to the crisis to aid displaced workers, were unlikely to reach migrant workers. Notably, there is evidence that HIV risks increased during the crisis, with increases in the number of sex workers in less formal settings and in trafficking for commercial sex work. These risks occurred at the same time that health budgets and funding for HIV prevention programs were being cut.

22 Pothisiri et al. 1998.
How the current crisis appears to be less severe than the 1997-99 crisis:

• The epicentre of the 1997 crisis was in Asia; it was much deeper and growth losses were more severe
• Asia has learned from the past crisis: macroeconomic foundations are better, many countries have large reserves and the ability to finance stimulus packages
• Several countries have had a quick response to the crisis by initiating economic stimulus packages, possibly because of these large reserves

How the current crisis may have a more severe impact than the 1997-99 crisis

• It is a global crisis. Although growth losses in Asia are lower, it will be more difficult to overcome the crisis.
• Export-led growth which lifted Asia out of the crisis in 1998 is more difficult this time; reduced demand in the US and Europe has hit this sector hardest
• It is a multiple crisis: food, fuel, finance. Too many crises within a short time—stressed economies

This financial collapse has occurred in the midst of sky-rocketing food and fuel prices worldwide. Food prices rose 65.7% globally from mid-2005 to August 2008. Projections on how these increases affect the poor in developing countries show that increases in the poverty headcount are likely to be severe, eliminating much of the progress in poverty reduction that has been made in recent years. Moreover, the favorable effect of higher prices on rural food producers is projected by several studies to be minimal.

Unemployment in the formal economy has risen sharply as a result of this global recession. The World Bank estimates unemployment at 24 million for the East Asia and Pacific region as a whole in January 2009, about one million higher than one year earlier. As there is a time lag before export declines lead to worker layoffs, these numbers could go higher. The sector to be most directly affected by the crisis is construction, as affected by the decline in foreign investment and credit, and manufacturing, as affected by the decline in consumer demand in the U.S. and Europe. With regard to the latter, the textile/garment, electronic, automobile and electrical machinery industries dropped dramatically. Tourism is also severely affected. The impact of these sectoral declines on employment varies however. While in construction the loss of jobs is severe, in manufacturing and tourism employers are more likely to cut hours rather than workers at least in the short run. The gender impact of these changes is uneven; as seen in the box, many

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23 Steinmayer 2009.
24 EIU 2009.
25 Steinmayer 2009.
26 World Bank 2009.
29 World Bank 2009b.
of the jobs affected mainly employ women.

The World Bank projects that the health impact of the crisis is likely to be widespread, as currency devaluations lead to higher drug prices, donor funding declines and government programs are cut. However, they maintain that governments are in better fiscal shape to handle increased health expenditures than they were during the previous crisis.31

Recently gathered evidence on migration and the financial crisis in the region (from Mangahas 2009):

Malaysia
6,651 foreign workers retrenched, according to Malaysian Employers Federation.
60,000 less foreign workers from March to December 2008, according to Home Ministry

Indonesia
250,000 reported to have returned because of crisis, according to Labour Ministry, many of them female workers in Malaysia Electronics sector

Philippines
6,806 displaced and 4,495 returned to the Philippines as of 30 April 2009, according to Labour Ministry

China
25 million of the 70 million internal migrant workers who returned home after Chinese Lunar New Year, reportedly lost jobs

Malaysia
Reduction by 70% of work permit approvals for foreign workers. 250 permits per day from Jan to Feb compared to 800 per day for same period in 2008.
Cancelled work visas of about 55,000 Bangladeshi workers after protest of trade union

Philippines
Drop in deployment of household service workers in traditional markets like Hong Kong, Singapore, and Kuwait
But still growing deployment of new hires in Saudi Arabia, UAE, Qatar, and Oman

31 World Bank 2009c.
IMPACT ON MIGRANT STREAMS AND REMITTANCES

Most analysts estimate the impact of the current economic crisis on both internal and external migration to be substantial, though the effects differ by type of migration, by country and by sector. The World Bank reports that 25 million internal migrant workers in China were laid off and returned to rural areas by early 2009. In general for the region however, the proportion of workers returning to rural areas is projected to be smaller than that in the 1997-1999 crisis, as continued urbanization means that fewer have continued economic ties to rural areas. For this reason, the safety net of the rural family that formerly existed is seen to be weakened.32

Foreign workers are heavily concentrated in the sectors affected by the current financial crisis. Figure 3, using data compiled by Mangahas (2009), shows the composition of foreign workers by sector in four receiving countries. At least half of the official foreign workforce is concentrated in the manufacturing and construction sectors. The degree to which the informal economy can absorb workers retrenched from these sectors is not yet known, although this is seen to be an important safety net for these workers. Migrant workers in the Gulf States, which include a large concentration of South Asian migrants as well as workers from the Philippines, Vietnam and Indonesia, are also expected to significantly decrease, particularly those working in the construction industry.33 The domestic sector, which employs many women in the Gulf countries, is not expected to lose large numbers of workers in the current crisis. However the agricultural sector, which employs large numbers of foreign workers in Malaysia and Thailand, is expected to lose large numbers of jobs.34

Figure 3: Foreign Workers by Sector of Employment in Singapore, Thailand, Malaysia and Taiwan

Source: Mangahas 2009, drawn from government sources.

Little data is available at this time about the numbers of foreign workers who have returned to their home countries since the crisis began. Abella and Ducanes (2009) found that the number of contract workers leaving the Philippines increased 28% in 2008 over the previous year, with an average of 3,772 documented workers leaving the country daily. Only about 4,000 Filipino workers total were seen to have returned in early 2009.

32 World Bank 2009b.
33 Tharoor 2009.
34 Abella and Ducanes 2009.
While on a global basis remittances were not seen to be strongly affected in the beginning of the recession—even with the high food and fuel prices seen in 2007-2008—analysts now expect that the growth in remittances will decline during the current sharp downturn. This is in contrast to double-digit growth in remittances in recent years. Ratha and Mohapatra (2009) explain how remittances are particularly resilient to economic crisis since their source is the cumulative flow of migrants over time, not just new migrants; also, migrants tend to continue to remit even when they face losses in income. The World Bank however predicts an overall drop in remittances globally from 5.0-8.2% in 2009, with a slightly lower decline of 4.2-7.5% in Asia and the Pacific.\textsuperscript{35} For the Philippines, remittances are expected to continue to grow, though the growth is expected to drop from 16% in 2002-2008 to only 3-6% in 2009.\textsuperscript{36}

\textsuperscript{35} World Bank 2009b  
\textsuperscript{36} Abella and Ducanes 2009.
IMPACT ON MIGRANTS AND MOBILE POPULATIONS

Many of the economic forces that came into play in the previous economic crisis are likely to re-emerge in the current one. Jobs normally held by migrants are being lost in destination countries at the same time that push factors are exacerbated in sending countries. Foreign workers are often stigmatized due to resentment among citizens, even though many of them do jobs that are unacceptable to citizens. Migrants are subject to increased exploitation and vulnerability as they attempt to hold on to their jobs in the formal economy, even with deteriorating working conditions, or attempt to move into the informal economy and possibly shift from documented to undocumented status. Women are expected to be more severely affected, both because they have lower pay and because they may be dependent on male migrants for remittances. For families at home, loss of remittances leads to declining food security and health status, and a lessened ability for children to pursue education. Depending on the length of time that the crisis persists, the loss of sufficient nutrition can impact an entire generation. Migrants also face potential general including occupational health risks when they move into “3D” (dirty, difficult and dangerous) jobs. Illegal, undocumented migrants are normally not able to seek health care in foreign countries; Finally, mobility itself, due to the disruption in familiar surroundings and loss of support systems, can have negative health impacts.37

Case Study of Mrs. Maly, a Cambodian Worker in the Thai Fishing Industry

Mrs. Maly, a 52-year-old woman, works at the Chao Phraya pier in Samut Prakan as a fish sorter. She has been divorced for 21 years and has five adult children. Mrs. Maly came to Thailand 13 years ago; she does not have a work permit. She came to work in Thailand because of bad economic problems in Cambodia, where the only work available was in the rice field which pays only 25 baht a day.

Mrs. Maly used to make 200 baht a day. There used to be a lot of fish and there used to be work every day, so that she could make 3,000-4,000 baht per month. But in the past year her income has been drastically reduced. Her employer now pays her by the hour at 20 baht per hour, and after 4 hours of work the fish are sorted so that she only makes 80 baht a day. Sometimes there is only work for one day and there is a 4-day break after that. This income is not covering her expenses, which include 40 baht for the motorcycle taxi to the Pier and her rent, which has gone up from 300 to 600 baht including the electricity and water bills. The rest is spent on food, clothing, and personal care items. In a month when she finds herself short of money, she will borrow from the shop owner where she usually buys supplies and will pay back the money when she gets her monthly wage. She is never able to send any money home to Cambodia.

At present Mrs. Maly is suffering from thyroid problems and high blood pressure. In the past she would go to a local clinic which only charges her 120 baht. But due to her economic situation she now buys her medicine from a pharmacy; 10 baht can buy a package of 3 pills which immediately takes care of her dizziness. If the problem is more serious than dizziness, she goes to the clinic. However, she now practices alternative medicine and takes honey with lime juice for her blood pressure.

Undocumented migrants, and those working in the informal economy, are also less likely to be exposed to health and HIV prevention programs or to be reachable by such programs. Examples of programs inaccessible to these workers include pre-departure mandatory programs for registered migrants (as in the Philippines), workplace prevention programs based at more formal workplaces, and community-based programs in well-established migrant communities. It should be remembered also that global HIV prevention programs are expected to face funding cuts in the face of the financial crisis, likely affecting smaller and more specialized programs first. The World Bank/UNAIDS study finds that prevention programs are especially under threat under the current crisis, especially those that serve populations at higher risk because they are politically easy to cut.38 Testing programs are generally not combined with counseling and referral for migrants. Thus unlike the effective model for voluntary counseling and confidential testing (VCCT) for HIV prevention, a negative result does not lead to referral to appropriate prevention programs as it does for non-migrants. A positive

37 Regional Thematic Working Group 2008.
result before departure shuts down the possibilities of finding jobs abroad and on site a positive result will often lead to deportation. Mandatory HIV testing, though prohibited by the ILO Code of Practice on HIV/AIDS, is practiced by the majority of main host South East Asian countries (with the exception of Thailand). A forthcoming ILO/IOM study of eight countries found that even countries that prohibit HIV tests by employers facilitate the testing requirements of other countries by testing their own citizens who were emigrating to work in those countries, otherwise they wouldn't receive a work permit to work abroad.

For migrants living with HIV, the situation is even more dire. Access to treatment, care and support for migrants who are PLHIV is already low; when migrants move into the informal economy and/or undocumented status their links to such programs become even more tenuous. A World Bank/UNAIDS survey of 71 countries on the impact of the economic crisis found that AIDS treatment programs would be negatively affected in one-third of countries surveyed, home to 61% of those in treatment. In 15 countries external budget cuts will leave those in treatment highly exposed to risk of interruption. Of the 12 countries surveyed from Asia and the Pacific, 5 (42%) said they were uncertain of the impact of the crisis on treatment programs, mainly because the impact on national budgets was still unclear. Countries like Thailand who support their treatment programs through their national budget are particularly vulnerable to losses in trade and financing. The study calls for governments to plan for countercyclical fiscal measures to offset shortages in external AIDS. However, their analysis of the country survey results reveals that many of the countries who expected their AIDS programs to be affected by the crisis had a combination of high budget deficits and low or medium fiscal and institutional capacity. This implies that these countries (11 of 71 or 15%) would need both financial assistance and technical assistance to weather the crisis.

It should be remembered also that the majority of migrants who test positive and/or become sick return home, relying on family who once relied on them for remittances. For these return migrants, the long periods spent away from home mean that social support networks and family ties may not be strong as they were in the past. Thus the family may not provide the support expected and needed, even in the absence of other alternatives. And the economic burden of having a family member living with HIV often falls upon the poorest families, who are ill-equipped to cope with increased medical expenses and needed care. A recent four-country study showed that low-income households affected by HIV tend to spend a higher proportion of their expenses on medical costs and a lower proportion on food. They also tend to eat less healthy food, relying more on grains alone than on protein sources and fruits and vegetables. This is particularly worrisome as it is particularly important that PLHIV have good nutrition to maintain their immunity.

Country Focus: Cambodia

Cambodia’s economy has been particularly hard hit by the crisis, as it is dominated by export-based manufacturing and heavily dependent on the garment industry. Exports in Cambodia were down 31% in January 2009 compared with the previous year, and the World Bank projects that the economy will contract by 1% in 2009. The garment sector accounts for over 70% of the country’s export earnings and has been heavily affected by the decline in US demand (which alone accounts for 50% of total export earnings). In all, 70,000 garment workers—nearly all young women—have lost their jobs since the crisis began. Declines in tourism, construction and foreign investment have also had a drastic effect on growth and employment. In agriculture, commodity prices continued to fall with drops in export demand for cash crops.

An ILO study explored the impact of job losses in these key sectors (textiles/garment; construction; tourism and

39 UNRTF 2008.
40 ILO/IOM 2009.
42 World Bank 2009c.
43 UNDP 2008.
44 The Economist, 2009b.
45 EIU, 2009.
46 This downturn occurs after the Cambodian garment industry withstood steep competition from China and India since the expiration of U.S. import restrictions on those countries at the end of 2004; growth in employment and exports continued from 2005-2007 despite fears that both would contract (ILO, 2005, 2006, 2008).
Garment factory workers mainly had their hours cut to the point that they were not making enough to live, causing some workers to resign. An increasing number of strikes were held by garment workers in 2008 to protest lower wages and layoffs, mostly without success. Because the vast majority of workers in the garment and textile sector are young women migrants from rural areas, one response to the crisis would be for large numbers of these women to return to their rural hometowns.

However, the study found that the workers would prefer to remain in their current job—even with lower wages—or to search for another job rather than to return home. Other preferred solutions were to go into debt or sell assets rather than returning home, because there were no prospects for earning money in the rural subsistence economy. Some did say that they would return home temporarily to help with the rice harvest, in the hopes that the job prospects in the garment industry would improve in a few months. In the construction industry, where an estimated 30-40% of jobs have been cut, workers were much more likely to say that they would return home. This is partly due to the unskilled nature of these jobs and to the fact that construction workers typically move between seasonal work in agriculture and short-term construction jobs. Workers in the tourist sector are more likely to face underemployment than job loss, especially for those in the informal economy such as tuk-tuk and moto-dop drivers; most of those interviewed said they did not plan to return home.

Concern has been growing that job loss and underemployment in the garment sector—especially given the large number of women involved and the reduced prospects of employment in other sectors—would lead to increasing numbers of women moving into sex work. A recent UNIAP study finds that 58% of a sample of sex workers began doing this work since the onset of the financial crisis and that 19% of these were former garment sector workers. “Difficult family circumstances” was the reason given by a large majority of the workers. Moreover, the study found that the sex workers who had entered the trade since the onset of the financial crisis were much more likely to be in debt to the sex establishment. A study by CACHA found that 18% of EW/SWs did factory work before doing EW/SW, with another 33% saying they had been unemployed. Of additional concern is the fact that the financial crisis has coincided with a new anti-trafficking law in Cambodia that has had the indirect effect of increasing “under-the-radar” sex work, operating outside the reach of well-established HIV prevention programs. The UNIAP study found that massage parlors have seen a large increase in the number of workers in recent months. Of 322 brothels that were previously directly serviced by Population Services International's (PSI) condom social marketing programs, most have been shut down by authorities with 143 operating as less obvious entertainment venues, which are less likely to have condoms on hand. A survey of high risk men found that more than twice as many (83% vs. 35%) reported having sex with a non-brothel based sex worker since the new law was initiated. Also, while there has been a 51% decrease in the number of women working in brothels in Phnom Penh, there has been a 44% and 6% increase in the number of women working in beer gardens and karaoke parlors respectively. Besides closing brothels, authorities have also arrested large numbers of entertainment workers who are taken to detention centers, where there have been many reports of abuse by police. Family Health International (FHI)-Cambodia also reported that their implementing agencies were less able to reach sex workers with their HIV prevention programs since the new law has been put in place, due to these women's fear of detention. Thus if young women who have lost their livelihood in the garment industry move into sex work, they are more likely than in the past to do so outside of Cambodia's 100% condom policy and to be at increased risk of HIV infection.
Case Study of Mr. Win, a Burmese migrant working in the fishing industry in Thailand

Mr. Win is 48 years old and has been married twice, with two sons, age 23 and 19 from his first wife. His two sons are now working on a fishing boat in Malaysia. He is currently living with his second wife with whom he has one daughter; she is 4 years old and lives with his parents in Myanmar.

He came to Thailand in 1999. Initially, he planned to work in Thailand for 2-3 years to save money and then move back to Myanmar, but he could not save enough money and has only returned once in the past 10 years. He normally works on a fishing boat and earns extra income shelling seafood, sending around 4,000-5,000 Baht every 3-4 months to his parents and his daughter.

Mr. Win is HIV positive. He does not take ARV drugs, only drugs to treat opportunistic infections for about 500 baht per month. In the past he has always gone to the doctor immediately when he has a health problem, since the cost for the drugs is cheaper if he is able to avoid a severe infection. In this current economic situation, costs for food and other necessary items are getting more expensive, and are currently more than his income. At the same time, he is now having health problems and is not strong as before. He cannot work nowadays and only has income from his wife’s work of around baht 4,500 per month. He has not been able to send money home for four months. Currently because of the economic situation, he has had to borrow money for the treatment and has to pay this back in monthly installments; with only his wife’s income, he cannot pay the interest of around 2,000 baht per month.
RESPONSES TO THE CRISIS AND SOCIAL SAFETY NETS

Similar to the 1997-99 crisis, governments have reacted by creating highly visible policies to restrict migration and “crack down” on undocumented migrants. Receiving countries in the region, including South Korea, Malaysia and Thailand, have also put into effect policies to restrict foreign workers. South Korea stopped issuing new work visas and began cracking down, and deporting, undocumented workers. Malaysia placed a freeze on the issuance of work visas and revoked work visas for 55,000 Bangladeshis. Its policy is to terminate foreign workers first, and is fast-tracking deportation of undocumented foreigners. Malaysia also doubled fines for illegally employing foreign workers. Thailand also stopped issuing work visas and announced that 500,000 work permits would not be renewed in 2010. However, it later announced that it would be issuing 400,000 new work permits for jobs that Thai citizens are reluctant to do; the work permits would be issued both to undocumented workers already in Thailand and to new migrants. The scheme will provide legal status for a large number of Burmese workers.

Official reports and informal channels also report worsened work conditions for foreign workers in the region. Some countries also are reported to have cut working hours and wages for foreign workers, including Taiwan, Hong Kong, Singapore and Malaysia. In Singapore there are reports of foreign workers not being provided with food, shelter and health care which they formerly received.

Many governments in the region have instituted economic stimulus packages to jump-start economic growth and create jobs. These include Vietnam ($6.0 billion), Indonesia ($6.3 billion), South Korea ($24.4 billion), and Malaysia ($16 billion). Thailand has announced two stimulus packages this year for a total of $44.4 billion. The Thai package includes infrastructure projects including transportation, public health, school and hospital projects as well as support to rural village economies. The Malaysia package includes incentives to create 163,000 jobs, with 63,000 of these in the government sector.

Case Study of Mrs. Maly, a Cambodian Worker in the Thai Fishing Industry

Mr. Awe Min is 34 years old, is married and has no children. He has been working in Thailand since 1993. He currently works in an iron factory earning 3,000 baht per month. He has the responsibility to send money to his parents and his wife’s parents and sends 10,000 baht per time when he has the money.

He is HIV positive but his wife has been tested and fortunately she is negative. He is now getting treatment with ARV drugs. His expenses for this are covered by the Thai government’s “30 baht” health insurance card, but he spends 120 baht for his travel and food for each visit to the doctor and meeting with a group of HIV+ friends every third Thursday of the month.

The current economic situation has affected his family income in the past year; his and his wife’s combined salary was 10,000 baht in the previous year but now is reduced to 6,000 baht. Expenditures are higher as well. Sometimes he has had to borrow money to send to his family in Myanmar, but he has been able to borrow from friends without interest so far.

He keeps his HIV+ status confidential, only consulting with the doctor or his HIV friends when he has a problem or uncommon symptom. It is not difficult for him to get information when visiting the doctor and his HIV group meeting friends every month and every time he also gets some information and training from the nurses and doctors, as well as his CD4 cell count. But he thinks that many migrant workers do not know how and where to get this health information and knowledge about HIV, and that they are not aware of the risks.
its assistance package for displaced workers, including overseas Filipino workers (OFWs) who lose their jobs. The package includes providing temporary employment through business process outsourcing, with the Labor Department providing technical training. In Thailand, the government has provided an instruction to provincial Social Security Offices to ensure the prompt payment of unemployment benefits to laid-off workers in accordance with the Social Security Act. Cambodia has allocated $6.5 million to re-train laid-off workers from the garment industry. The Ministry of Labor also has set up a policy to encourage migration abroad as a way to alleviate poverty in Cambodia. A task force was also set up to create measures to stimulate tourism, such as engaging a public relations company to create a new image for Cambodia and funding a new tourism board. Vietnam initiated a new unemployment insurance system in January 2009, however workers will be able to benefit from it only in early 2010, as they must first pay an insurance premium for one year. In the meantime the government has set up a temporary job-loss subsidy scheme to assist laid-off workers. In Malaysia, the Ministry of Human Resources is undertaking further study before establishing a safety net program for retrenched workers.

60 Philippines Department of Labor and Employment (DOLE) 2009.
61 Lustig 2009.
FINANCIAL CRISIS, MIGRATION, HEALTH AND HIV: LESSONS FROM THE ‘97 CRISIS

Evidence from the previous financial crisis and from the information to date about the current crisis points to the likelihood of several, sometimes competing, scenarios for changing overall health and HIV vulnerability among migrants in the region.

There are some lessons learned from the past that are important to highlight:

• Cuts in government funding risks losing all the achievements in reducing the spread of the AIDS epidemic at national scale (e.g. Thailand - The cuts in government funding risked the loss of momentum in the efforts to promote 100% condom use, also during the crisis period, provincial hospitals could not meet the demands for care and treatment of PLHIV)
• Policies to reduce migration like limiting migrant work permits or cutting jobs and deporting workers are not successful in reducing irregular migration (e.g. Malaysia, South Korea);
• Without access to formal channels of migration, many people on the move seek informal, unsafe channels of movement that puts them in conditions with greater risk and vulnerability to HIV.
• Protecting temporary migrant workers during the crisis through unemployment insurance would have prevented the relocation of thousands of workers, who then would have been available when the economy recovered (e.g. Philippines).

It is now well understood that while migration itself is not a risk factor for HIV infection, the exposure to vulnerable and exploitative situations that migrants are faced with places them at risk of HIV. Moreover, “certain types of work situations are more susceptible to the risk of infection than others although the main issue is one of behavior, not occupation” (ILO 2001, p. 20).

These work situations include separation from families and social support systems, substandard living and working conditions, and isolation. Women are placed at risk when their survival depends on exploitative employers or the need to exchange sex for food or money. Moreover, migrants do not have access to HIV prevention, VCCT and other health services that citizen workers do. Host countries do not provide subsidized ARV treatment to migrants or referral, and a positive test result usually means deportation. If migrants do seek health care, they face language and cultural barriers including the discrimination practiced towards migrants in many settings.

63 Skeldon 2000.
64 ILO/IOM/UNAIDS 2008.
65 In Thailand registered migrants can purchase health insurance but it is not clear whether this includes ARVs.
66 UNRTF 2008.
Stephen Lewis recently articulated how the financial crisis is affecting the global AIDS effort, in sharp contrast to the financial sector at the heart of the crisis:

The amounts of money required by government and civil society HIV/AIDS programs are relatively much smaller than the bail-out paid to financial institutions, yet the loss will be deeply felt, and has severe implications for the spread of the epidemic and the health of millions of people worldwide.

Below are some recommendations for mitigating these effects:

1. Adhere to agreements made. Universal access to comprehensive health care services including HIV prevention, treatment, care and support is necessary to effectively fight the HIV/AIDS epidemic in the region. Barriers due to uncertain legal status and unequal access to health care should be addressed to ensure that progress continues to be made.

2. Prioritize strategic allocations and ensure that migrants are included regardless of documentation status or occupation.

   In contrast to the massive stimulus packages that countries are launching to boost their economies, AIDS spending for a comprehensive response represents a mere 0.01% of such programmes.

3. Translate regional and national strategies for HIV that include migrants and mobile populations into budgets and services that are designed to reach people on the move.

4. Maintain prevention programmes and budgets: every $1 invested in prevention can save up to $8 in averted treatment costs.

5. Ensure that potential migrants are not barred from working abroad based on their HIV positive status, and that migrants working abroad are not deported because of their positive status.

6. Refrain from practicing discriminatory labor practices towards migrants, including lay-offs, deportation, elimination of workers’ benefits and other forms of exploitation.

   In previous crises, some countries undertook massive deportation only to take back the same workers because of severe labour shortage at tremendous personal cost to migrants and their families as well as to the operating costs of their employers.

7. Workers’ and Employers’ Organizations can be extremely effective in protecting migrant workers’ rights, both by enforcing existing laws and policies and by working to enact increasing protections and reaching out to peers to establish equal treatment for migrant and national workers.

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67 Fifth International AIDS Society Opening Address, Cape Town.
68 While stimulus packages to jump-start economic growth and create jobs in the region are in billions (South Korea ($24.4 billion), Malaysia ($16 billion), Thailand ($44.4 billion)) normative AIDS spending for a comprehensive response is between 0.5 – 1 USD per person per year, approximately 0.01 – 0.02% of the stimulus packages.
69 Aids Commission Report 2008
For example, as large numbers of migrants work in manufacturing an organized response in that sector, should effectively achieve greater protections for workers’ rights and benefits. Also, as there is an apparent shift from manufacturing to the entertainment sector organizing/unionizing entertainment workers and mainstreaming HIV education into existing workplace services (such as OSH) for them will most probably reduce their HIV vulnerability. This will require sustained social dialogue at the sectoral level between Workers’ and Employers’ Organizations.

8 Design re-integration programs that include re-training and placement help for returning migrants.

Economic stimulus packages should include provisions for employing skilled return migrants who can greatly contribute to their home country economies. Special attention should be paid to the employment needs of women due to their vulnerability to employment loss and HIV risk.

Countries of origin should establish protective mechanisms like welfare funds, social insurance schemes and training programmes to help migrants returning home or to relocate on site. Investment to support one migrant or mobile person impacts an estimated 3-5 family members in their home countries.

9 Engage with and support civil society organizations to monitor the health seeking behaviour of migrants so that they do not have to sacrifice treatment for other basic necessities for themselves and their families.


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