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Impact of International Migration and Remittances on Agricultural Development: A Study in the Rural Areas of District Toba Tek Singh, Punjab, Pakistan

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Abstract

Agriculture is the key to rural development in Pakistan and the agriculture sector continues to be an essential backbone of the country's economy, contributing 21 % to GDP in 2012. It plays a vital role in ensuring food security, generating economic growth and reducing poverty. However, in many regions where small holder farming dominates, a large share of the families are not in a position to sustain their livelihoods by agricultural activities alone, and as a result a common strategy of income generation is the overseas migration of one or more family members who provide remittances for supporting the household. Still, the question if these remittances are also used for purposes which enhance the development of the migrant families' farms, and hence contribute to the country's food production is debated. Associated with that are questions about the appropriate policy towards migration, remittances and support of migrants' households. Acknowledging that there is a close linkage between migration and agricultural development in Pakistan, the main objectives of our study were to examine role of remittances in agricultural development, as well as in the up-grading of the livelihoods of the families left behind. The study was conducted in the rural areas of District Toba Tek Singh, an area with a high rate of rural out-migration to the Middle East. The data were collected by multistage sampling. Tehsil Toba out of three District Tehsils was selected through simple random sampling technique. Four out of 32 union councils were selected randomly, and from each of them 30 respondents, *i.e.* altogether 120 respondents were picked by convenient sampling. The results reveal a strong relationship between international migration and agricultural development as most of the migrants' families invested part of the remittances in the farm sector. In particular there was an increasing trend in purchasing agricultural land, livestock, farm machinery and other inputs. International migration has a positive impact on the livelihood security of the families left behind.

Keywords: Agricultural development, international migration, livelihoods, remittances investment

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