



Hak Cipta Dilindungi Undang-Undang

1. Dilarang mengutip sebagian atau seluruh karya tulis ini tanpa mencantumkan dan menyebutkan sumber:
 - a. Pengutipan hanya untuk kepentingan pendidikan, penelitian, penulisan karya ilmiah, penyusunan laporan, penulisan kritik atau tinjauan suatu masalah.
 - b. Pengutipan tidak merugikan kepentingan yang wajar Unand.
2. Dilarang mengumumkan dan memperbanyak sebagian atau seluruh karya tulis ini dalam bentuk apapun tanpa izin Unand.

"MOTIVATIONS OF INTERNATIONAL MIGRATIONS AND IT'S EFFECT ON POWERTY AND ESTREPRENEURSHIP (STUDY CASE: KERINCI REGENCY)"

THESIS



YORGA IHWAN EKAZA

07 151 108

**ECONOMICS DEPARTMENT
ANDALAS UNIVERSITY
PADANG 2013**



University Alumnus Registration No:	YORGA IHWAN EKAZA	Faculty Alumnus Registration No:
a) Date of Birth: Kerinci/30 April 1989 b) Parent's Name: Zairus Zakaria and Eka Indriani c) Faculty : Economics d) Department : Economics International e) Student No: 07151108 f) Date of Examination : May, 29 th 2013 g) Graduate Standard : With Honor h) GPA : 2,97 i) Length of Study Period: 5 years 10 months j) Parent's Address : Jln Hasanudin No. 34 Kec. Pondok Tinggi Kota. Sungai Penuh		

Motivation Of International Migration And It's Effect on Poverty And Entrepreneurship (Study Case : Kerinci Regency)

Thesis by : Yorga Ihwan Ekaza
Thesis Advisor : Drs, Yusrizal Yulius, MA

ABSTRACT

International migration is one of the most striking features of the population in the district of Kerinci. Malaysia has been chosen as a the country of destination. This study adresses to research questions : what factors are affecting the decisions to migrate to Malaysia in searching for livelihood; and what are the effects of this international migration on the development in the area of origin. This study is based on primary data with sample size 195 households in two villages, namely Koto Iman and Koto Salak. The sample size is determined based qouta sampling. The finding of this are as follows. Firstly, the push factor of decision to migrate include lack of employment in the area of origin and parent advise. While the higher income which is shown by successfull return migrants can be regarded as the pull factors. Regarding the impact of this international migration, the study found that most of remittances are allocated to consumption (non productive activities), and only small proportion is allocated to productive activities.

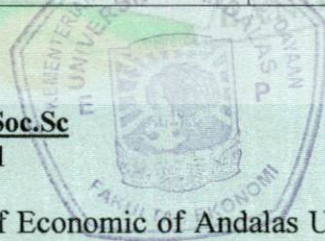
Keyword: International Migration, Variable Affected Emigrant, And Impact Of Remittances.

This thesis has been presented in the thesis examination and succesfully passed the thesis examination on May, 29th 2013. The abstract has been approved by the advisor and the examiners :

Signature			
Full Name	Drs. Yusrizal Yulius, MA	Prof. Dr. H. Syafrizal, SE, MA	Dr. Hefrizal Handra, M.Soc.Sc

Approved by :

Head of Department : **Dr. Hefrizal Handra, M.Soc.Sc**
NIP.196510201993021001



Signature

The alumnus has registered to the Faculty of Economic of Andalas University and has obtained the Alumnus Registration Number :

	The officer in charge of Faculty/Andalas University	
University Alumnus Registration No :	Name :	Signature :
Faculty Alumnus Registration No :	Name :	Signature :

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Allah will answer your prayers, maybe not always with a yes but always with the best

It's really hard to put into words what I felt, since I've been through a very long to graduate....

My biggest thanks is for my Lord Allah SWT for your amazing bless, your curing love and for your answers to all of my prayer and my complain praise be to Allah SWT, the Lord of the Worlds

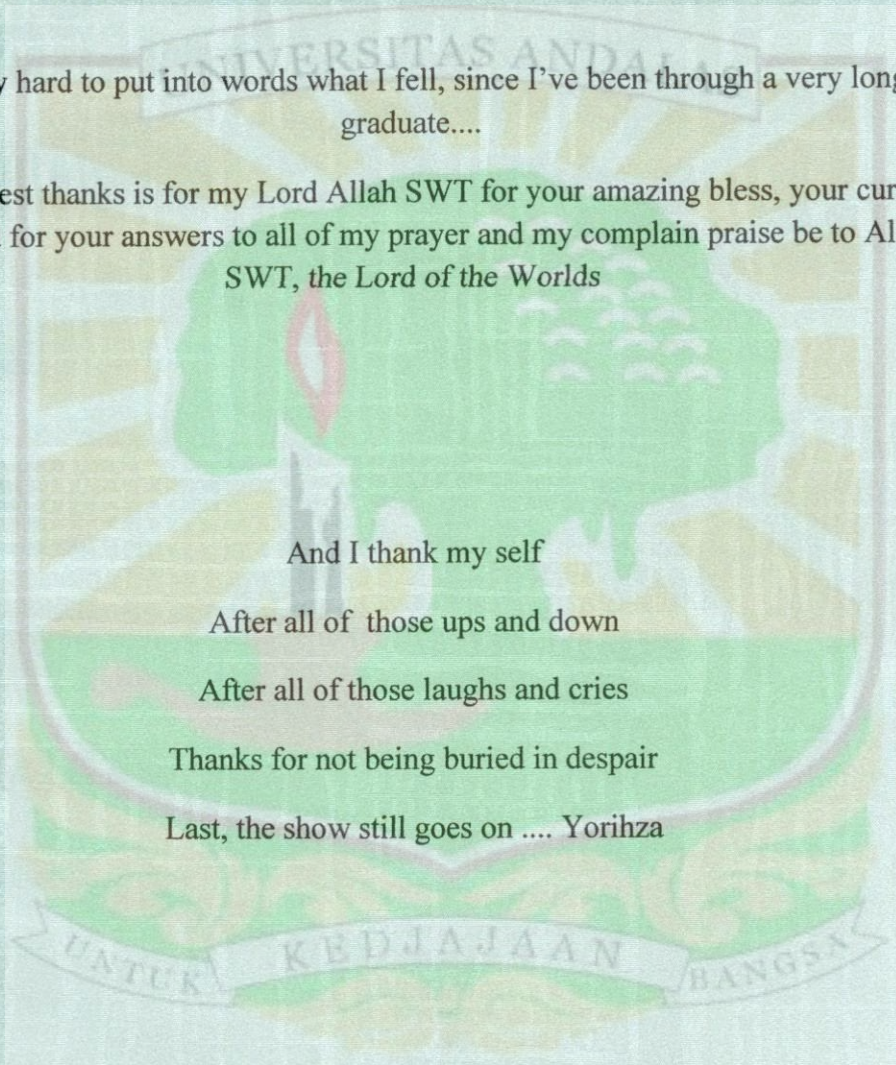
And I thank my self

After all of those ups and down

After all of those laughs and cries

Thanks for not being buried in despair

Last, the show still goes on Yoriha



PREFACE

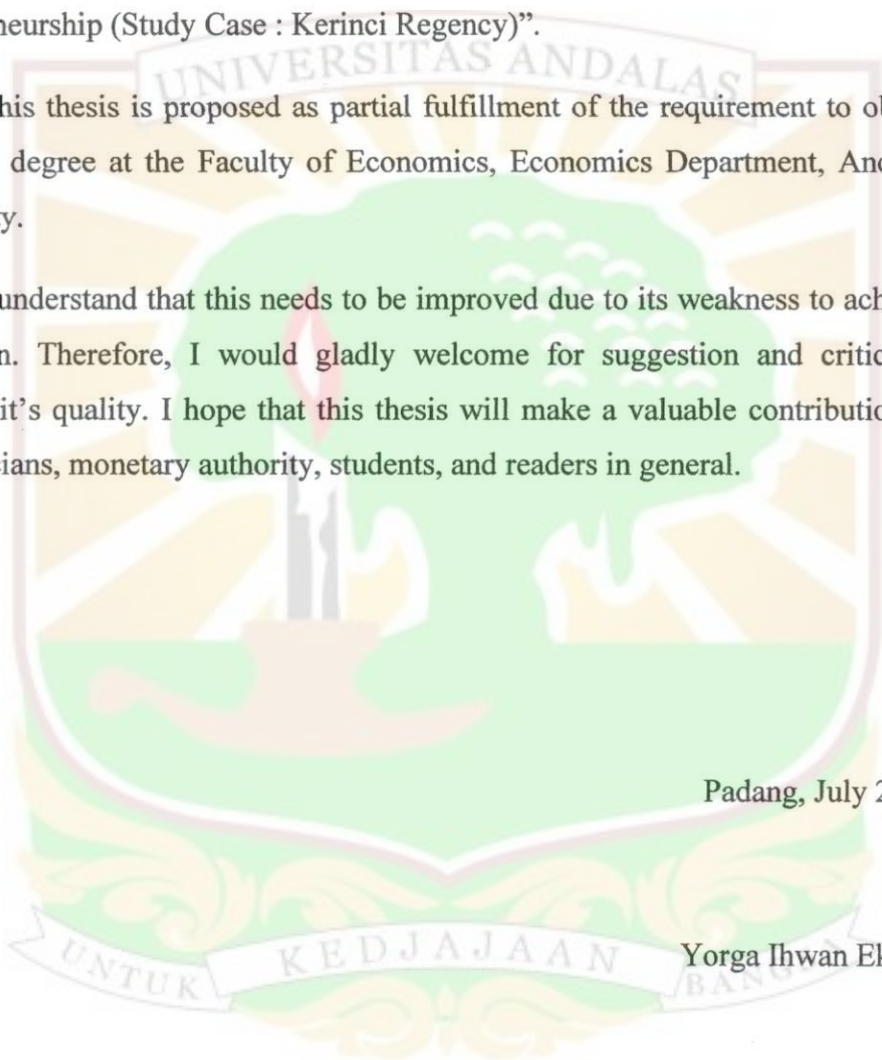
Praise to Allah, Lord of the world. I would like to firstly thank to Allah SWT for the blessing, guidance, opportunities, and goodness given to me during the time i had been working very hard to finish my thesis with the title “Motivation Of International Migration And It’s Effect On Poverty And Entrepreneurship (Study Case : Kerinci Regency)”.

This thesis is proposed as partial fulfillment of the requirement to obtain Bachelor degree at the Faculty of Economics, Economics Department, Andalas University.

I understand that this needs to be improved due to its weakness to achieve perfection. Therefore, I would gladly welcome for suggestion and critics to improve it’s quality. I hope that this thesis will make a valuable contribution to academicians, monetary authority, students, and readers in general.

Padang, July 2013

Yorga Ihwan Ekaza



ACKNOWLEDGEMENTS

Bismillahirrahmanirrahhim

Alhamdulillah rabbi 'alamin, I express my highest gratitude to Allah Subhanahu Wa Ta'ala for blessing, love, opportunity, health, and mercy to complete this thesis.

Shalawat also sent to Prophet Muhammad shallallahu 'alaihi wa sallam who had delivered the truth to human beings in general and Muslim in particular.

In arranging this thesis, many people have provided motivation, advice, support, and even that had helped me. In this valuable chance, I aim to express my gratitude and appreciation to all of them. First, my deepest appreciation goes to my beloved parents for the endless love, pray, and support.

I would like to express my sincere and profound gratitude to my thesis supervisor Drs. Yusrizal Yulius, MA who has helped me patiently finishing this thesis by giving suggestion, guidance, and correction since the preliminary of manuscript until the completion of this thesis.

My sincere appreciation goes to Honorable dean of Faculty of economics at Andalas University, Mr. Prof.Dr.Tafdil Husni, SE. MBA. My greatest thanks go to Dr. Hefrizal Handra, M.Soc.Sc as the Head of economic Departement of Faculty of Economics of Andalas University and Mr. Edi Ariyanto, SE, Msi. As the Head International Program Economic Departement.

My deepest thanks also go to my examiners Mr. Prof. Dr. H. Syafrizal, SE, MA and Mr. Dr. Hefrizal Handra, M.Soc.Sc for their valuable corrections and suggestions. In addition, for all my lecturers from Economics Faculty of Andalas University and staffs either in department or in faculty who have helped me in managing all formal needs during this arrangement.

Special thanks go to my family and my friends in Sungai Penuh and in Pak Toyo kos. My thankfulness also goes to all my friends in International Economics Department. Uri, Dedi, Q-bal, Legi, Mery, Ayang, Mayang, Idy, Icha, Dona, Caca, Ayu, Nina, Vela, Wini, Diah and My best friend Jefri (R.I.P) and also for my beloved juniors Sari, Efri, Fadil, Emil, mulat. And don't forget for all Kopma family that always give support, advice, in working my thesis. In addition, thank you for other student of economics faculty from all generations who supporting me.

Finally, may Allah SWT always bless us, Amin.

Padang, July 2013

Yorga Ihwan Ekaza

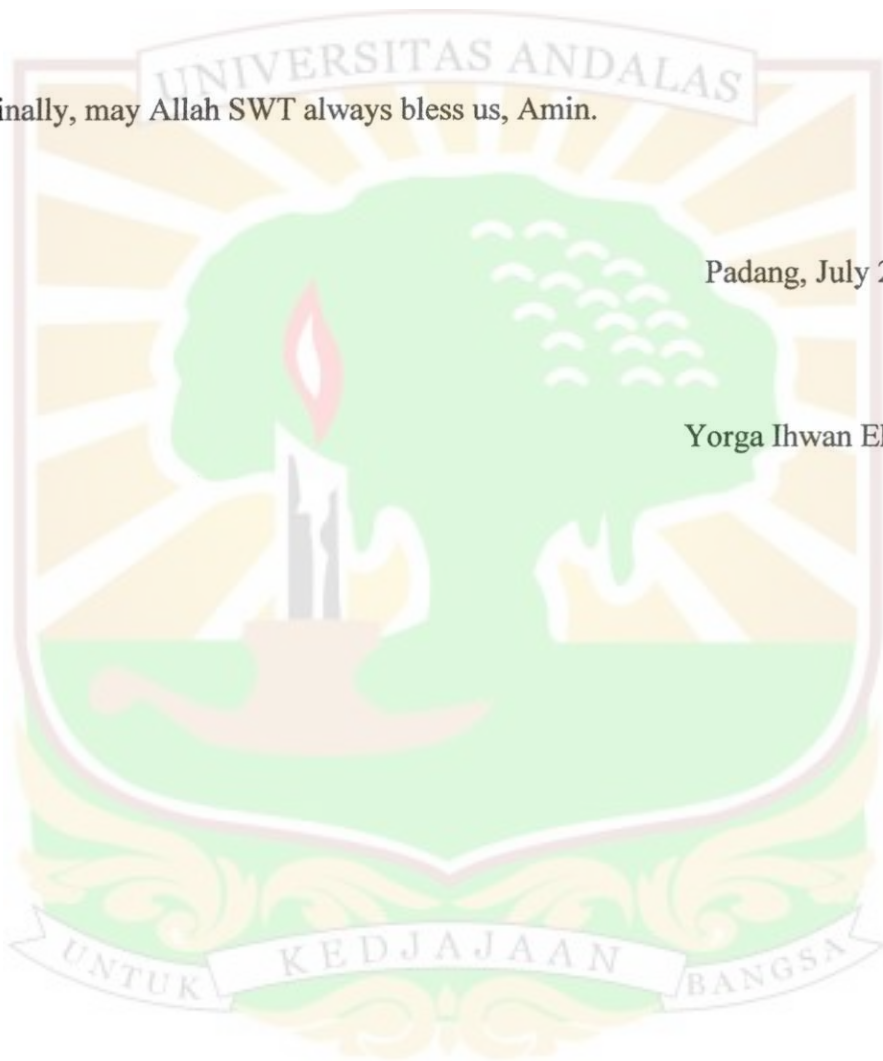
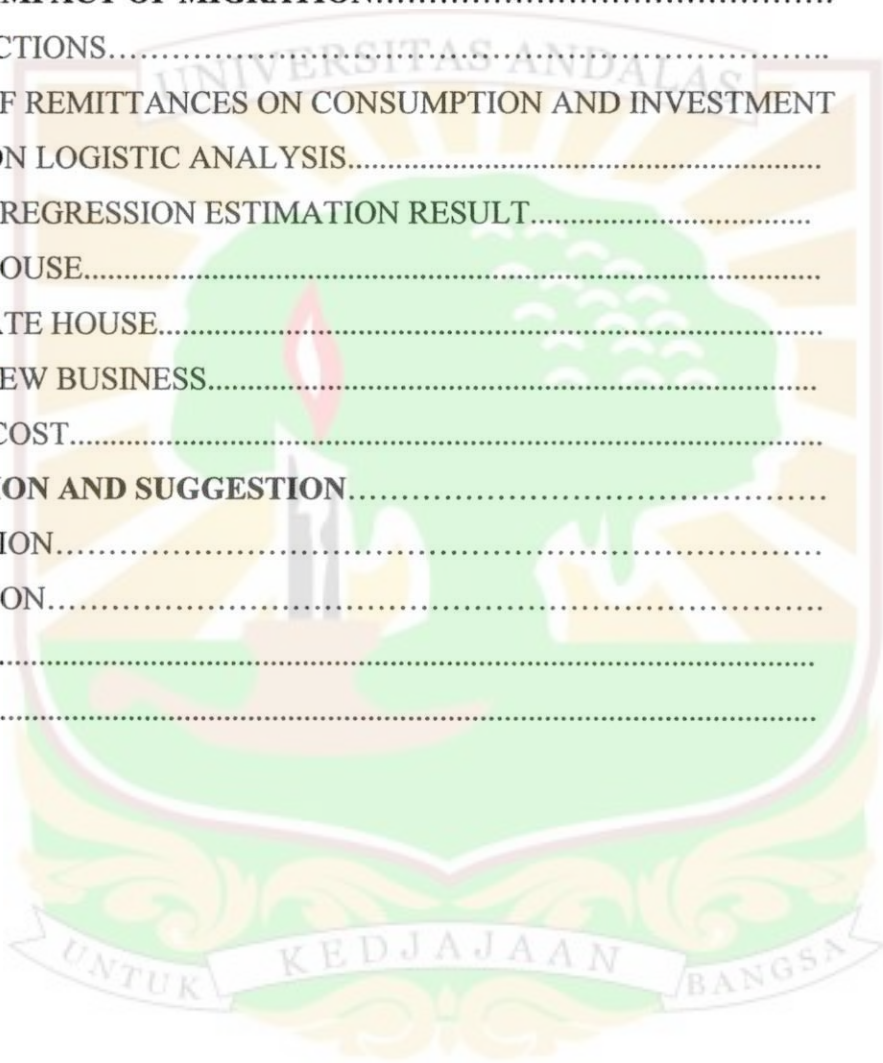


TABLE OF CONTENTS

	Pages
COVER PAGE.....	i
APPROVAL PAGE.....	ii
ABSTRACT.....	iii
STATEMENT PAGE.....	iv
PREFACE.....	v
ACKNOWLEDGEMENT.....	vi
TABLE OF CONTENT.....	viii
LIST OF TABLE.....	xi
LIST OF FIGURES.....	xiii
LIST OF APPENDICES.....	xiv
I. INTRODUCTION	1
1.1 BACKGROUND OF THE RESEARCH.....	1
1.2 PROBLEM DEFINITON.....	10
1.3 OBJECTIVE RESEARCH.....	10
1.4 BENEFIT OF RESEARCH.....	11
II. LITERATURE REVIEW	12
2.1 INTRODUCTION.....	12
2.2 THE CAUSE OF MIGRATION.....	12
2.2.1 INDIVIDUAL MIGRATION DECISION-THEORY.....	12
2.2.2 INDIVIDUAL MIGRATION DECISION-IMPLICATION.....	14
2.2.3 FAMILY MIGRATION DECISION.....	15
2.3 EFFECT ON THE MIGRANT.....	16
2.4 LEVEL OF ANALYSIS.....	17
2.5 INVESTMENT THEORY.....	19
2.6 HYPOTHESIS.....	21
2.7 FRAME WORK OF OPERATIONAL THOUGHT.....	22
III. RESEARCH METHODOLOGY	23
3.1 INTRODUCTION.....	23
3.2 DATA COLLECTION.....	23
3.2.1 FIELD RESEARCH.....	23

3.2.2 LIBRARY RESEARCH.....	25
3.3 DATA RESOURCES.....	25
3.3.1 PRIMARY DATA.....	25
3.3.2 SECONDARY DATA.....	26
3.4 POPULATION AND SAMPLE.....	26
3.4.1 POPULATION.....	26
3.4.2 SAMPLE.....	26
3.5 OPERATIONAL VARIABLE DEFINITION.....	27
3.6 DATA ANALYZE TECHNIQUE.....	29
3.6.1 DESCRIPTIVE ANALYZE.....	29
3.7 LOGISTIC REGRETION ANALYZE.....	29
3.8 PARAMETER ANALYZE MODEL.....	31
3.9 ODDS RATIO.....	32
IV. REGION RESEARCH.....	33
4.1 INTRODUCTION.....	33
4.2 DISTRICTS IN NUMBER.....	33
V. CHARACTERISTIC OF RESPONDENT.....	42
5.1 INTRODUCTION.....	42
5.2 CHARCTERISTIC.....	42
5.3 DURATION OF STAY IN MALAYSIA.....	46
5.4 LEGAL STATUS OF RESPONDENTS.....	47
5.5 REPEAT MIGRATION.....	48
VI. THE ANALYSIS OF THE CAUSE OF INTERNATIONAL MIGRATION.....	50
6.1 INTRODUCTION.....	50
6.2 ANALYSIS OF THE INTERNATIONAL MIGRATION BETWEEN ECONOMICS VARIABLE AND INTENTION REPEAT TO MALAYSIA.....	50
6.2.1 SEX.....	50
6.2.2 AGES.....	51
6.2.3 EDUCATION.....	52
6.2.4 DURATION OF STAY IN THE PREVIOUS MIGRATION.....	53
6.2.5 LACK EMPLOYMENT OPPORTUNITIES IN THE COUNTRY ORIGIN	54
6.2.6 FAMILY SUPPORT.....	55

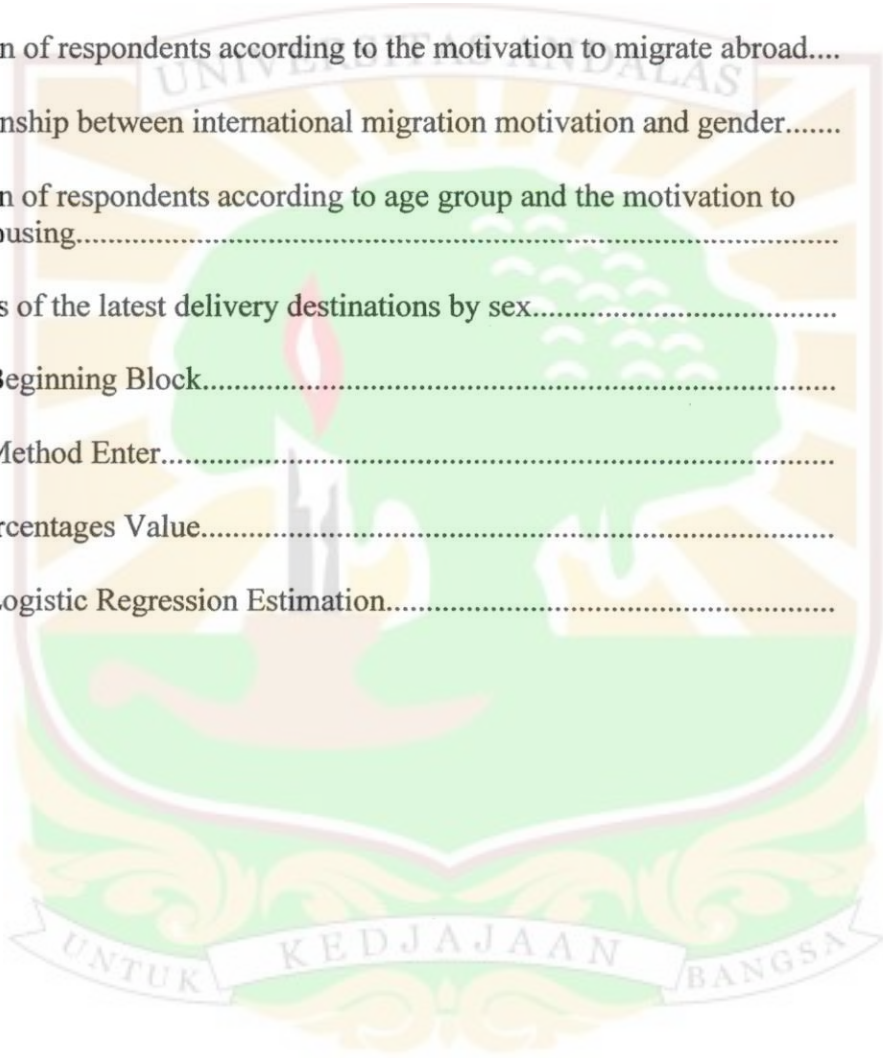
6.3 REGRETIION LOGISTIC ANALYSIS.....	57
6.4 LOGISTIC REGRETIION ESTIMATION RESULT.....	60
6.4.1 LACK EMPLOYMENT OPPORTUNITIES.....	60
6.4.2 FAMILY SUPPORT.....	60
6.4.3 DURATION OF STAY.....	61
6.4.4 AGES.....	61
6.4.5 EDUCATION.....	61
VII. ANALYSIS IMPACT OF MIGRATION.....	63
7.1 INTRODUCTIONS.....	63
7.2 IMPACT OF REMITTANCES ON CONSUMPTION AND INVESTMENT	63
7.3 REGRETIION LOGISTIC ANALYSIS.....	70
7.4 LOGISTIC REGRESSION ESTIMATION RESULT.....	73
7.4.1 BUILD HOUSE.....	73
7.4.2 RENOVATE HOUSE.....	74
7.4.3 BUILD NEW BUSINESS.....	74
7.4.4 LIVING COST.....	74
VIII. CONCLUTION AND SUGGESTION.....	76
8.1 CONCLUTION.....	76
8.2 SUGGESTION.....	77
REFERENCES.....	78
APPENDICES.....	85



LIST OF TABLE

Tabel	Pages
2.3 Theories of migration defined by level of analysis.....	18
3.2 Variable and Analyze Logistic Data Scale.....	28
4.1 Danau Kerinci district area in term of villages (2010).....	34
4.2. Household and population number in term of sex in Danau kerinci districts.....	35
4.3 Number of families pre welfare and welfare detail per village.....	36
4.4 Public education in Danau Kerinci distrits (2010).....	37
5.1 Percentages of respondents by the relationship to the head of household.....	43
5.2. Percentages of respondents by ages and sex.....	44
5.3 Percentages of respondents by ages at the first time of migration to Malaysia and sex.....	44
5.4 Percentages of respondents by highest level of education level and sex.....	45
5.5 Percentages of respondents by duration of stay in Malaysia.....	47
5.6 Percentages of respondents by the status of a work permit and sex.....	48
5.7 Percentages of respondents by duration stay in Malaysia and sex.....	48
6.1 Percentages of respondents by intention repeat to Malaysia by sex.....	51
6.2 Percentages of respondents by intention repeat to Malaysia by age group.....	52
6.3 Percentages of respondents by intention repeat to Malaysia and the highest educational level complete.....	53
6.4 The Lack of the Influence of Jobs in Origin Regional Response to Intention Return To Malaysia.....	54
6.5 The Lack Of Influence Jobs On the Country Origins Of Respondents and Intention Return To Malaysia.....	55
6.6 Factor Of Parent Influences In the Country Origins Respondents Agains	

Intention Repeat to Malaysia.....	56
6.7 Relative Influence Factor Agains Respondents Intention Repeat to Malaysia..	56
6.8 Block 0 : Beginning Block.....	58
6.9 Block 1 : Method Enter.....	58
6.10 Overall Percentages Value.....	59
6.11 Results of Logistic Regression Estimation.....	59
7.1 Distribution of respondents according to the motivation to migrate abroad....	66
7.2 The relationship between international migration motivation and gender.....	67
7.3 Distribution of respondents according to age group and the motivation to improve housing.....	69
7.4 Perceptions of the latest delivery destinations by sex.....	69
7.5 Block 0 : Beginning Block.....	71
7.6 Block 1 : Method Enter.....	72
7.7 Overall Percentages Value.....	72
7.8 Result of Logistic Regression Estimation.....	73



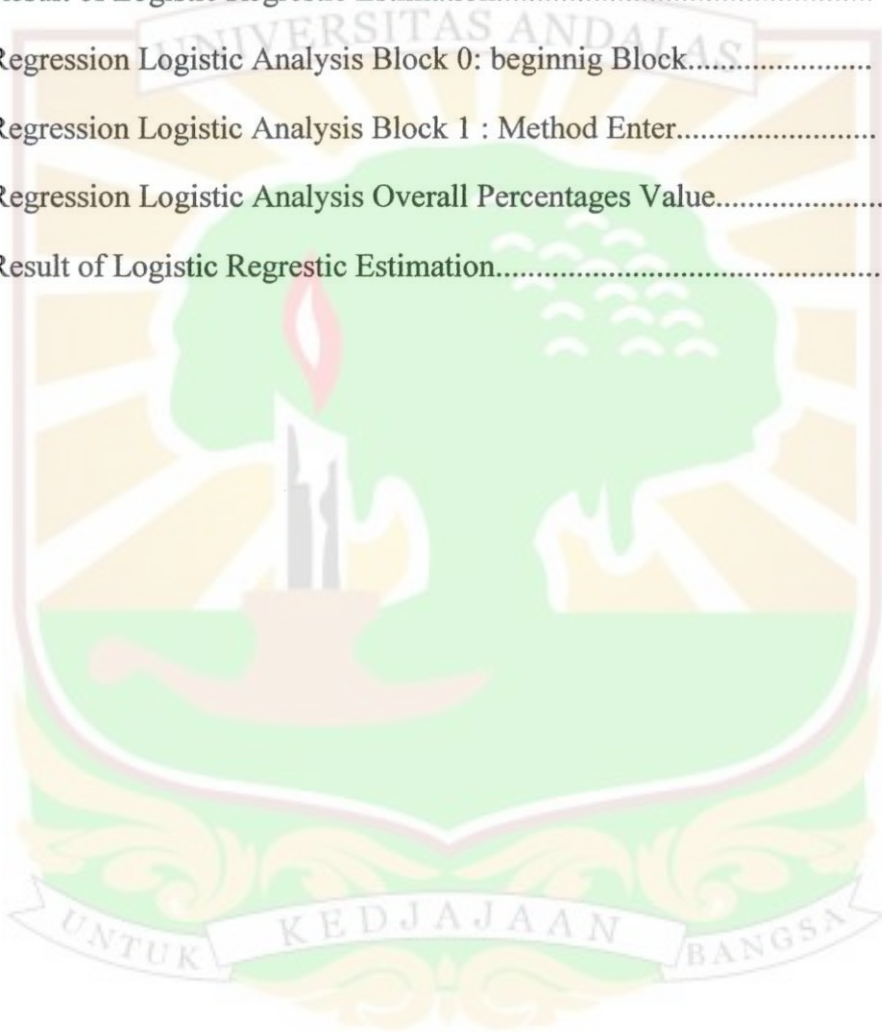
LIST OF FIGURE

Figure	Pages
2.1 The individual migration decision.....	13
2.2 The family migrant decision.....	15
2.4 Operational frame work.....	22
3.1 Four methods combined model.....	24



LIST OF APPENDICES

Appendix 1	: Regression Logistic Analysis Block 0: beginnig Block.....	86
Appendix 2	: Regression Logistic Analysis Block 1 : Method Enter.....	87
Appendix 3	: Regression Logistic Analysis Overall Percentages Value.....	88
Appendix 4	: Result of Logistic Regrestic Estimation.....	89
Appendix 5	: Regression Logistic Analysis Block 0: beginnig Block.....	90
Appendix 6	: Regression Logistic Analysis Block 1 : Method Enter.....	91
Appendix 7	: Regression Logistic Analysis Overall Percentages Value.....	92
Appendix 8	: Result of Logistic Regrestic Estimation.....	93



CHAPTER I

INTRODUCTION

1.1 BACKGROUND OF THE RESEARCH

Migrations is the temporary or permanent move of individuals or group of people from one geographic location to another for various reasons ranging from better employment possibilities to persecution (Hager-Zaker, 2008). There have been many studies examining different theories of migration, however incomplete in their review and analysis is one of the shortage to theory literature. A lot of things can interest of international migration actors (household). These all factors exist can be grouped into six causes of international migration. The first is better working conditions, where the household as the perpetrator of international migration will consider the reasons why they do international migration, due to working conditions, where they came from is not very good.

This mean on situations that is potentially conducive to discrimination, exploitation and abuse of migrant domestic workers. Far too many migrant domestic workers have little protection under national legislation or de facto live and work outside the reach of legislative protection, in the “shadow” area of irregular migration and irregular employment, where violation of basic human and labour rights is, unfortunately, common practice. The hidden nature of their work still creates more than ample opportunities to evade existing labour and immigration legislation, exposing them to exploitation and abuse.

Gallotti explain that in western Europe there should be protected groups of worker under international and national labour legislation, cause in western

Europe there still habits to female worker from rural area gain harassment at working place as welcomed situation. Where this lead to migration happen to find better area where there is no more harassment for female worker and got better justice (Gallotti, 2009).

Taran and Geronimi also found that under contemporary globalization, international labour mobility has increased, while levels of exploitation and deregulation have accelerated. Lack of legal protection for migrant workers heightens their attractiveness as instruments of “maintaining competitiveness” because they are obliged to work in situations where decent work conditions are not enforced. Irregular migrants are especially vulnerable because the threat of apprehension and deportation thwarts unionizing and exposure of dangerous working conditions (Taran and Geronimi, 2002).

Lee explain with other reason, he found that international migration occur cause emigrant looking for better working condition where they came from have political and social issues which resulted their having to move. Wars, social insecurities, natural calamities and political uncertainties are the push factor that international happen in major trend of international migration. Although different reasons and influences that have been described by their explanation, but still they agree that better working condition factor that gain and occur international migration happened and the main reason of some household decision (Lee, 1966).

Second factor that exist is education, education has often been cited as a major determination of long-term economic growth. As described by Adam, conventional wisdom has typically argued that the international migration of

people endowed with a high level of human capital-the so-called-"brain drain"- is detrimental for the country of emigrant (Adam, 2003). Adam try to explants that in education there are brain drain affect the household to migrant and in a developing economy with a limited growth potential, the return to human capital is likely to be low, this turn would lead to limited incentive to acquire education which is seen as the engine of economic growth. However, since the world at large values education, allowing migration of the "best and brightest" from a developing country may actually increase the incentive to acquire education.

As well Rosenzweig explain that there has been much attention to how the emigration of skilled workers affects the returns to educational investments in low-income countries (Rosenzweig, 2006). Recently data have been put together that provides a global picture of the extent to which persons receiving their tertiary education in low-income countries end up residing in developed countries. The overall rates are high, suggesting that educational policies in low-income countries need to be attentive to skilled emigration. These "brain drain" statistics, however, ignore the facts that many students born and residing in low- (and high-) income countries acquired their tertiary schooling outside the country and that high-income countries are major sources of tertiary training for students from low-income countries.

Even Docquir and Markfouk also explain the brain drain, they assumed that the return to education is higher abroad than at home, the possibility of migration increases the expected return of human capital, thereby enhancing domestic enrollment in education (Docquir and Markfouk, 2006). More people, therefore, invest in human capital as a result of increased migration opportunities. This

acquisition can contribute positively to growth and economic performance. Along with the incentive to acquire education, other channels through which the brain drain may positively affect the sending economy have also been proposed. These include a range of “feedback effects” such as remittances (Cinar and Docquier 2004), return migration after additional knowledge and skills have been acquired abroad (Stark, Helmenstein, and Prskawetz 1997; Domingues Dos Santos and Postel-Vinay 2003), and the creation of business and trade networks (Dustmann and Kirchkamp 2002; Mesnard and Ravallion 2001).

And now the third factor that exist will be geographic proximity, geographical proximity are important facilitators of asylum flows as predicted by theory and colonial experience, religious similarity, and casual contact with the developed world. Geographical proximity will also lower the costs of migration as boats or land transport can be used, whereas great geographical distance to the country of destination raises the costs of migration as air transport is required. Since most refugees do not have the means to overcome great geographical distances, they become refugees in neighboring developing countries rather than asylum seekers in the developed world.

Neumayer analyzed the determinant of asylum migration to Western Europe and found that migration networks and geographical distance are highly significant determinants of asylum migration, important facilitating factor is geographical proximity (Neumayer, 2005). The closer a country of origin is to Western Europe, the easier it is to reach these countries and file an asylum application. Geographical proximity will also lower the costs of migration as

boats or land transport can be used, where as great geographical distance to the country of destination raises the costs of migration as air transport is required.

Salt, Clarke, and Wanner clarify that the importance of geographical proximity can be seen in the examples recent inflow of foreign labour to the Czech Republic appears and be dominated by nationals from near neighbours in the region (Salt, Clarke, and Wanner, 2004). Of the work permits issued in 2001, 44% went to Ukrainian nationals and 17% to Polish nationals. A further 14% went to nationals of Bulgaria, Moldova, Germany and Belarus. Finnish labour inflows are also dominated by geographical proximity. In 2001, of the first residence and work permits granted, three quarters were issued to Russian and Estonian nationals, Finland's two closest non-EEA neighbours. The majority of Hungary's inflows of foreign labour is made up of nationals from neighbouring countries. Of the initial issue of work permits in 1999, half went to Romanian nationals. A further quarter went to those from other central and eastern European countries. In Luxembourg in 2000, social security data on new hirings of foreign workers suggest that 97% came from EU countries : the neighbouring countries of France (43%), Belgium (16%) and Germany (15%) were the largest national groups. Data on immigration by reason and country of birth for the Netherlands in 2001 show that nearly two thirds of migrants entering for reasons of employment were born in the EU, half of whom were born in the United Kingdom or Germany.

Same explanation but with another reason is try to explain by Van Hear, Bakewell, and Long in case of Indonesia and Malaysia. They found that Malaysia continues to receive the highest annual number of Indonesian domestic workers within the region due to its geographical proximity and ethnic and linguistic

similarities. These connections allow easier communication between employers and Indonesian domestic workers, as well as facilitate the incorporation of these workers into the socio-cultural fabric of society such that they tend to remain 'hidden' from view. According to the Malaysian Home Affairs Ministry, approximately 230,000 of the 240,000 migrant domestic workers in Malaysia with recognized legal status are from Indonesia (Van Hear, Bakewell, and Long, 2012). But normally whatever the reason and explanation, household still looking for decreasing in cost from geographical proximity to country selected.

Fourth exist factor is population pressure, as we know population factor may be the most factor that occur international migration, why? Cause in developing countries this also the main problem of developing countries to develop and explained by Delung and Jones that at the beginning of the 21st century the Population Division of the United Nations estimated that there were 175 million people living outside of their country of birth or citizenship, a total of less than three percent of the world's population. This figure has doubled since 1975, and is a population larger than those of all but four countries (Delung and Jones, 2003).

Population pressure has long been theorized to be an important factor driving rural out-migration. As described by Carr that a doubling of the population during the coming decades in the developing world on dwindling agricultural land portends unprecedented migration flows in the coming decades. Consistent with this trend, scholars have identified the importance of rural population pressure, exacerbated by land consolidation and scarce job opportunities, as a central migration push (Mehta 1987, Meyer 1993, Bravo-Ureta, Quiroga and Brea 1996). Although some researchers have recognized the impact of rural in-migration on

local environments, largely ignored are the conditions that produce pushes in origin areas and how these conditions, and responses to them, differ across regions, communities, and households.

From a broader development perspective, environmental degradation appears as a proximate cause of migration. The underlying causes are found in increasing population pressures on land and the patterns of resource use. Demography and political economy, in other words, are most salient causal factors. Yet these obviously interact in critical ways with specific environmental variables. Sometimes the result is stress of a kind that leads to massive outmigration. But to understand why, it is necessary to focus on the broader development process. Similarly, Richmond argues when environmental degradation leads to migration it is generally as a proximate cause linked to questions of economic growth, poverty, population pressure, and political conflict (Richmond, 1993).

Bilsborrow, in his case studies of Indonesia, Guatemala, and Sudan, depicts environmental degradation as one of a cluster of causes of outmigration. He suggests that environmental changes induced migration through their social effects by reducing income, increasing the risk of income reduction in the future, making the environment less healthy. Environmental degradation occurs when population growth exceeds the land's carrying capacity such that there is deterioration in natural resources. Population pressure, especially in LDCs, can lead to extension of settlement into ecologically fragile areas which are particularly vulnerable to degradation (Bilsborrow, 1991). Since the environmental change is not as sudden as a catastrophic environmental disaster, its impacts often go unnoticed. Spitz characterises the impact of drought, famine

and the progressive onset of food shortage associated with the gradual degradation of environments as silent violence (Spitz, 1978).

The last exist factor is wages, it is one of the main reason household did migration and as approach by Mishra in case of Mexico finds a positive correlation between emigration and wages across education-experience cells in Mexico. In Mexico, emigrants come disproportionately from the middle of the skill distribution, meaning workers with close to average levels of education are those that have had the largest wage gains from labor outflows (Mishra, 2005). Not much different with Mishra, Aydemir and Borjas obtain similar results and also find that the elasticity of wages with respect to labor supply is roughly similar in Canada, Mexico, and the US. In all three countries, a 10% change in labor supply due to migration is associated with a 4% to 6% change in wages (Aydemir and Borjas, 1997).

Card argues that if immigration has affected the US wage structure one should see larger declines in the wages of native high school dropouts (relative to, say, native high school graduates) in US cities where the relative supply of high school dropouts has expanded by more. In fact, the correlation between the relative wage and the relative supply of US high school dropouts across US cities is close to zero (Card, 2005).

International movement of labour is usually also created with remittances, remittances is a transfer of money by a foreign worker to his or her home country (wikipedia, the free encyclopedia.html). thus, the theory of international migration can not be separated from theories of remittances, because remittances is a process that happen because of international migration action as described by Solimano,

remittances are generally defined as that portion of migrant earning sent from migration destination to the place of origin it can be sent in cash or kind (Solimano, 2003).

Increasing in welfare, health, education and investment, Most households needs in term of did migration. Then after reveice regular or stable work, remittances used for housing construction, land purchase, continued education. In the return after did international migration, house hold continues investment by used remittances to saving, creation of bussiness in homeland or urban area.

This activies are indirectly lead to increasing in development, especially less develop and developing countries. Increase in GDP and social development, which aims at promoting policy coherence for development. Hyun in case of Bangladesh estimated that during the late 1970s a 10 per cent increase in remittances ledto a 0.32 per cent increase in private consumption in the long run and fixed investment by.053 per cent. GDP increased by 0.22 per cent and GNP by 0.24 per cent. Hyun also estimatesthat a 10 per cent increase in remittance leads to a decrease in the ratio on the current accountdeficit to GNP by 0.40 percent in the long run. He argues that the immediate effectof increase in remittances is to adversely affect exports due to increase in prices and wages but the net effect in the long run would be positive (Hyun 1984 in Haque 2006). Household work on migration and development is important gains for migrants as well as for sending and receiving countries. It also shows how OECD (Organization for Economic Co-operation and Development) countries policies can influence and optimise the potential benefits of inreased international labour or international migration.

Based on the description above, writer trying to learn more and discuss about how international migration and Remittances been as a one of important international migration motivation and it's effect on poverty and entrepreneurship, in this case are the international migration and Remittances phenomenon that can support and building of developing countries in current poverty and entrepreneurship in a thesis with the title:

“MOTIVATION OF INTERNATIONAL MIGRATION AND IT'S EFFECT ON POVERTY AND ENTREPRENEURSHIP (STUDY CASE : KERINCI REGION)”

1.2 PROBLEM DEFINITION

Based on the above description of the background problem can be formulated as follows:

1. What are the variable that affect international migration in Kerinci region?
2. And, what are the impact of remittances at Koto Salak and Koto Iman Region In term of Consumption and Investment?

1.3 OBJECTIVE RESEACH

Based on the formulation of the problem which has been described previously, the purpose of this study are:

1. To examine the variable that affect international migration in Kerinci region.

2. And to examine the impact of remittances at at Koto Salak and Koto Iman Region In term of Consumption and Investment.

1.4 BENEFIT OF RESEACH

The result is expected to provide benefits:

1. As input for the government and other stakeholders as decision makers in order to make appropriate policy and improve development in the economy.
2. For additional information, literature and comparison for future research.
3. For the writer is to train analyze a problem based on science and knowledge gained during studies at Andalas University.



CHAPTER II

LITERATURE REVIEW

2.1 INTRODUCTION

As described previously in Chapter I, Migration is the process from people that move from one region to another region, and move from one region to another region that included cross nationality or country origin to country selected its call international migration. In this chapter writer will explain theories as a base and description of international migration into 2 categories, cause and effect of migration that explain by Hamermers and Rees (1988) and the level of analysis that description by Hagen and Zager (2008).

2.2 THE CAUSE OF MIGRATION

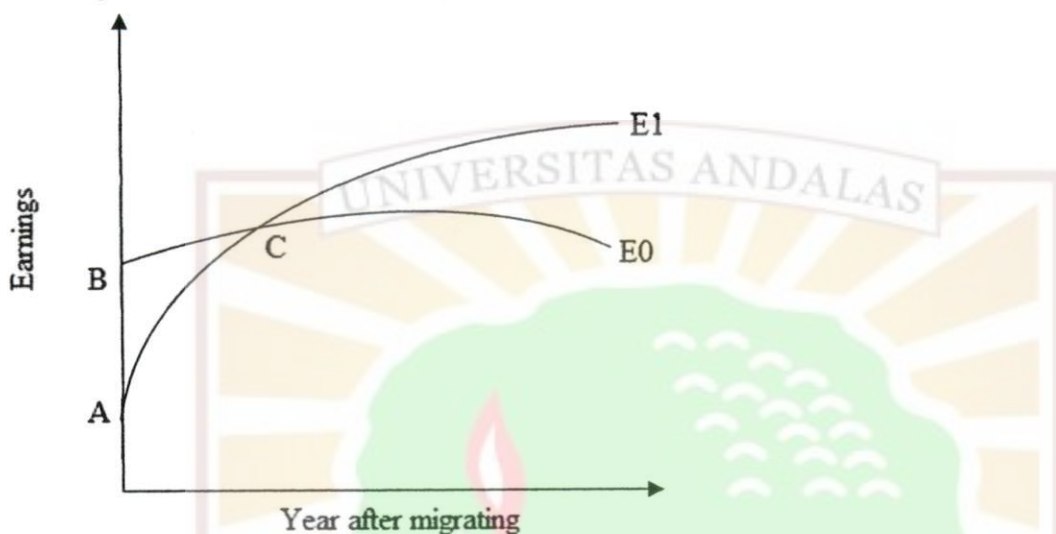
Migrations now knows as one of a important issue in economics matters. In trade liberalization due to recent year, international migration has been major concern in labour sending and receiving countries. As a result, improving in migration activity in several development countries highly increase cause of the desire from migration that can change living standard. Hamermes and Rees divided theories of migration decision as cause of migration into three group, individual migration decision-theory, individual migration decision-implication, and family migration decision.

2.2.1 INDIVIDUAL MIGRATION DECISION-THEORY

It is shortly apparent that economic motives are important in migration decisions where there are gross disparities in income levels, but it is not always must be decision by economic factor, Hamermes and Rees explained another factor and motive beside economic also gain in migration. Many migrants are

refugees from war or from political, religious, or racial persecution, and sometimes refugees blaze a path that is then followed by others whose motives are more largely economic.

Figure 2.1 The individual migration decision



Sources : Hamermes and Rees (1988).

Figure 2.1 shows the analysis of worker migration decision. Consider a worker whose possible stream of future earnings, household will earn a stream indicated by the point E0 if household remain in their current location. If household migrate to their best alternative location, household earnings will follow point E1 and the cost of migration includes foregone earnings, denoted by the nearly triangular segment ABC. Even though many migrants line up jobs before they move, many do not, so that the foregone earnings may be substantial, figure 2.1 also describes the decision-making process of household who consider migration but choose not to move, that choice may in many cases be made because of the prospect of substantial earnings that would be forgone.

The returns to migrant are shown by the area between E1 and E0 to the right of point C. The out-of-pocket cost of migration—transportation, costs of searching

for employment and other must also be included in the benefit cost calculation. As describe by Hamermes and Rees if the present value, the discounted returns minus the discounted cost, excess zero, worker should migrate, in an alternative calculation, they should migrate if the internal rate of return on the investment exceed their discount rate applied to income now compared to income in the future. The rule for migration is :

Migrate if the expected present value of earning in the new location minus the costs of migrating exceeds the present value of earning in the current location.

2.2.2 INDIVIDUAL MIGRATION DECISION-IMPLICATION

Hamermes and Rees conclude that variation in expected income and change in the probability of obtaining that change in unemployment and hiring rates and affect the streams of return. Uncertainly about these condition in potential migration destination gives any variation in them a far larger impact on the likelihood of migration than is produced by variations in income and unemployment at home.

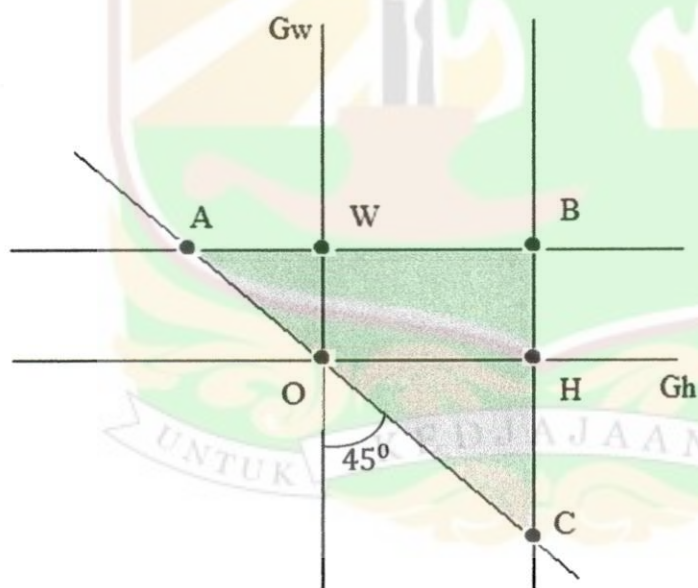
In term of cost, one of the ways to reduce physic cost is migrant behavior. The most obvious way is for migrant to congregate in particular neighborhoods in the destination cities and to establish their special taste. Another cost that must calculated is the cost of later visits home at times of illness or death in the family of for holiday, increased awareness of these costs as time passes helps account for the high rates of return migration that exist. Lack in information also cost that appear in migrant decision, people may have a good idea about condition in labor

market in the same region as their current location. More distant labor market, even with the same country, may be largely unknown.

2.2.3 FAMILY MIGRATION DECISION

After explain and discuss migration as a resulted from household decision (person) about economic advantages decision from a move, and then modified by physic cost that affect the decision, this family decision is further explanation of another variable that effect migration that described by Hamermes and Rees. It is based on husband and wife joint decision making considering migration, although some of their decision-making process may be noneconomic, much will be based on joint attempt to maximize their economic well-being.

Figure 2.2 The family migrant decision



Sources : Hamermes and Rees (1988).

The husband's net gain from migration, $G_h = Z^1 - Z^0$, is shown on the horizontal axis. The wife's net gain, G_w , which equals the different between her

discounted earning in the new location and that in the old, less her cost of moving, is shown on the vertical axis. Because the average woman's wages is below her husband's, the maximum net gain in her lifetime earning, OW , falls short of her husband's, which has a maximum of OH . The family's decision rule for migration is :

Migration if $G_h + G_w > 0$, if the move raises the present value of the family's net income.

Hamermes and Rees assumption any combination of G_h and G_w to the right of the 45° - line indicates a positive sum of the net gains. However, because the wife's maximum gain is limited to OW , and the husband's to OH , only those point below the horizontal line AB and to the left of the vertical line BC are possible. Thus the only sums of net gains that are both positive and possible are shown by the shaded triangle ABC .

Migration will be economically beneficial to both spouses economic prospect only for net gains in the rectangle $OWBH$. In a few case, indicated by the triangle OAW , the family will move with $G_h < 0$ and $G_w > 0$. In a large number of cases, shown by the large triangle OHC , the family will move with $G_h > 0$ and $G_w < 0$. Because men's wages are higher and their attachment to the labor force is stronger in most cases than those of their spouses, a family's voluntary decision to migrate will raise the family income but will reduce the wife's labor market opportunities much more often than it will the husband's.

2.3 EFFECT ON THE MIGRANT

Difficulty will be experienced by migrants when they can not adapt and do the job quickly, that is try to explain by Hamermes and Rees. Migrant in the new era

do not yet have some of the specialized skill that produce higher average earning, so they may have to accept lower wages. Hamermes and Rees also explain even after an initial period of unemployment has ended, migrant may be more expose to the possibility of future unemployment than nonmigrant.

That migrants left their home regions or countries, where economic conditions presumably were quite poor, whereas otherwise similar people did not, suggest that the relative gains from migration are greater for them than for the typical non migrant. Because of the monetary and psychic cost involved, the migration process on average selects worker who are inherently more able in ways that produce success in the new labour market.

2.4 LEVEL OF ANALYSIS

Theory of migration can be divided based on the level and focus. As described by Hagen and Zager Micro-level theories focus on individual migration decisions, which the theory of macro-level focus on aggregate migration trends and explain these trends with macro-level explanations, meso-level is between micro-level and macro-level and can explain on the household or community level (Hagen and Zager, 2008).

Table 2.3 Theories of migration defined by level of analysis

Micro-level	Miso-level	Macro-level
Migration cause: Individual values/ desires/ expectancies e.g. improving survival, wealth etc.	Migration cause/ <i>perpetuation</i> : Collectivities/ social network e.g. social ties	Migration cause/ <i>perpetuation</i> : Macro level opportunity structure e.g. economic structure (income and employment opportunities differential)

Sources : Faist (2000) and Hagen-Zacker elaboration in Hagen and Zager (2008)

Table above show that each level of theories of migration analysis has different migration cause and main theories. Micro-level, miso-level, and macro-level gain different in perpetuation and theories where used as references and referral that cause in micro, meso, and macro-level, it will lead to different affect in each level of analysis.

On the micro-level income differences and poverty undoubtedly push and pull potential migrants. Risks and dysfunctional credit markets in the home country could also be reasons for migration. Questions of power and prestige can also influence decision making, as well as other personal goals or values. Furthermore personal and household characteristics (e.g. marital status, education level) are very important in explaining the selectivity of migrants.

Looking at the meso level, migration is more likely to take place in a context of relative deprivation, i.e. in a community with higher levels of inequality. Migration is also more likely to take place if migration institutions have already been established or if migrant networks are available to the potential migrant. On the macro-level the demand for labour and migration laws are crucial in influencing the decision to migrate, but especially the destination of migrants.

Globalization and world-wide economic development may affect migration flows in many ways ranging from decreasing transportation costs to changing job prospects all over the world.

Finally, migration has many effects that in turn also influence the decision-making process of future migrants. Migration affects economic development in the origin and destination country and therefore changes potential pull and pull factors. For example high migration flows, might make labour scarce in the origin community and therefore improves the job prospects of people left behind. These people are less likely to migrate, as the benefits of migration are lower. Cumulative and circular migration refers to the fact that once migration is in place, it sustains itself. It has been shown that migrant institutions, social capital and networks that develop over time as more people migrate, reduce the costs and ease of migration for future migrants. Migrants send remittances home that might finance the migration costs of future migrants.

2.5 INVESTMENT THEORY

Investment is one of the most important parts of development economy in a bid to boost economic growth by increase productivity to generate output or value added, so that will enhance economic growth. Therefore, one component important indicator to see the success of the development is permanent establishment by the investment. Investment is basically divided into two, namely gross fixed capital formation and stock changes. Fixed capital formation includes the procurement, manufacture, and purchase of new capital goods, both domestically and abroad.

There are three different ways to see the development of investment from time to time (based on three groups of data). First, by highlighting the contribution of gross domestic capital formation in the context of aggregate demand, which saw donations and development of variable, **I** in the national income identity:

$$Y = C + I + G + (XM).$$

Data **I** is an overall data gross domestic investment, including investment by both private (domestic and foreign investments) and by the government. The second way is by observing the data domestic capital modal formation and foreign direct investment. It means that we only observe the investment only by private enterprise. The third way is by examining the development of investment funds channeled by the banking sector.

Investment also plays an important role in macroeconomics. First, the investment represents a significant component of expenditure and subject to change. Thus, major changes in investment will greatly affect the aggregate demand and ultimately resulted also in output and employment. Second, raise investment capital. With the construction of buildings or equipment purchases, potential output will increase, and long-term economic growth will also increase.

In Samuelson (1997) important elements in understanding the concept of investment are the result of sales, costs, and expectations. Below are descriptions for each element:

Investment activities provide additional sales revenue for the company only if the investment makes the company able to sell more products or produce more cheaply. This means, a very important determinant in investment is the overall amount of output (or GNP).

At the macro level, Keynes formulated the relationship between investments in national output. The investment accelerator model confirms that the rate of investment will be proportional to the change in output of the economy (Mankiw, 2003). This accelerator model creates the possibility that spending huge investment will fluctuate. If the investment is proportional to the change in national output Y , then if the economy is in recovery period, the investment will be positive, and if the economy is in recession, investment becomes negative. Thus, national income will have positive influence on investment. The higher the national income of a country, the greater the form of investment.

2.6 HYPOTHESIS

From the description of the theory and previous research that has been described, it can be hypothesized as follows :

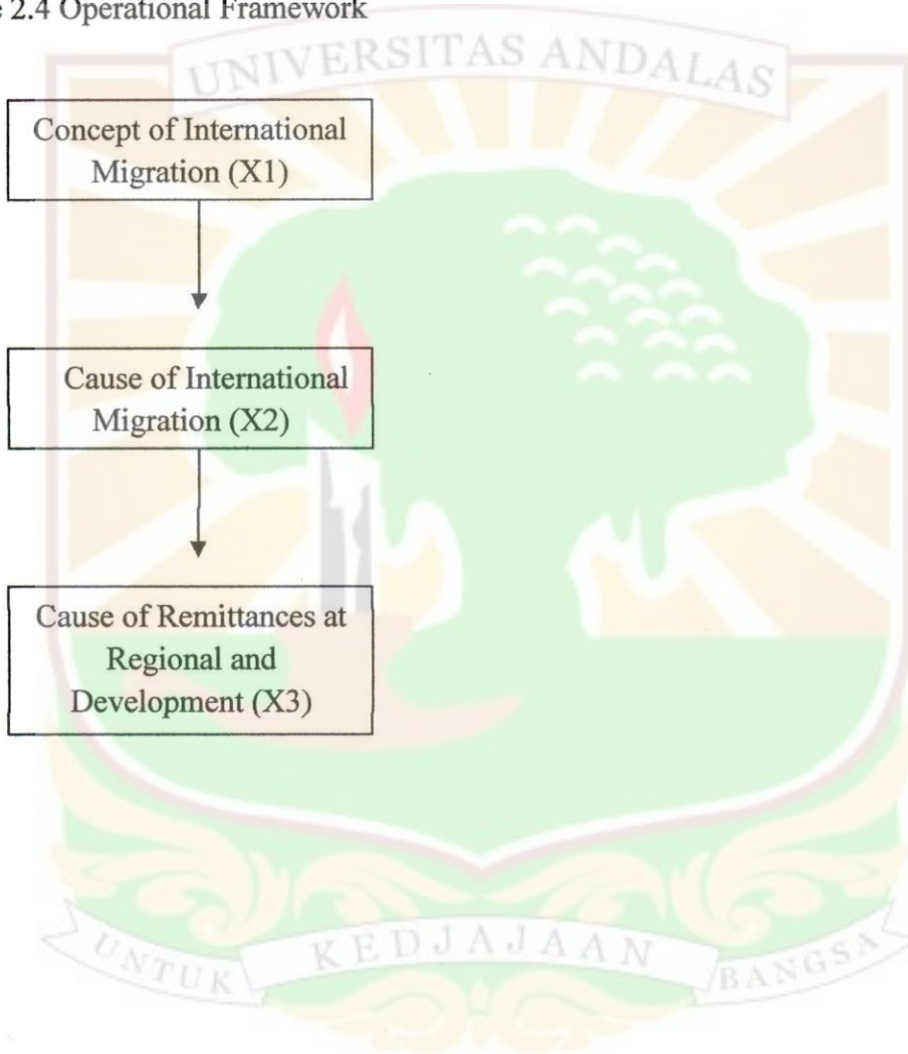
1. If it was developed and maximized, international migration and remittances received can be pattern and trends at international migration flow (in and out).
2. International migration and remittances can reduce poverty and decrease unemployment in term of development.
3. Increasing rate of international migration and remittances, the higher rate of investment.

2.7 FRAMEWORK OF OPERATIONAL THOUGHT

The independent variable in this study is the international migration, remittance, investment, changes in development, while the dependent variable is the micro and macroeconomy levels.

Development of the model in this study are as follows:

Figure 2.4 Operational Framework



CHAPTER III

RESEARCH METHODOLOGY

3.1 INTRODUCTIONS

Survey is a quantitative approach, while the ground gravity research is a qualitative approach to the data is primarily collected through interviews freely as proposed by Glaser and Strauss (1976). Based on the data from Koto Iman and Koto Salak Villages, Danau Kerinci Sub-Distrub, Kerinci Regency in november of 2012, from the size of the qouta sample set in this research, as much as 200 respondent, 5 of respondents never do international migration and remove from analyze, because in Koto Salak and Koto Iman Villages the villager have a high percentage on international migration to Malaysia so 200 number or respondent that collected by writer is large enough to analyze the international migration effect.

3.2 DATA COLLECTION

This research used data collection method as describe by Lofland, in Adha 2009 :

3.2.1 FIELD RESEARCH

Field research did with 3 step and activites, that is :

a. Getting in, that is a process getting in to research location. First of all writer introduce him self and socialization on porpuse to reduce social gap between respondent and writer (Koto Iman and Koto Salak Villager)

b. Getting along, that is a prosess gathering information from respondent in research location about international migration condition.

c. Logging the data, that is a process collect the data with activities :

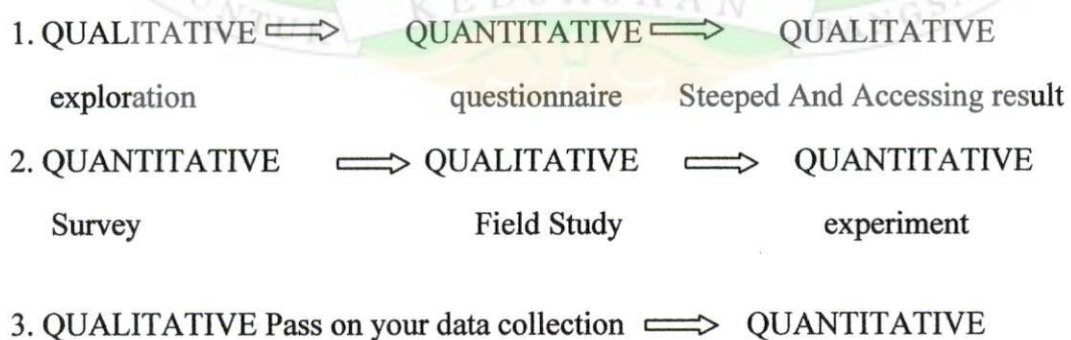
- Interview, asking the questions to house hold at Koto Iman and Koto Salak Villages.

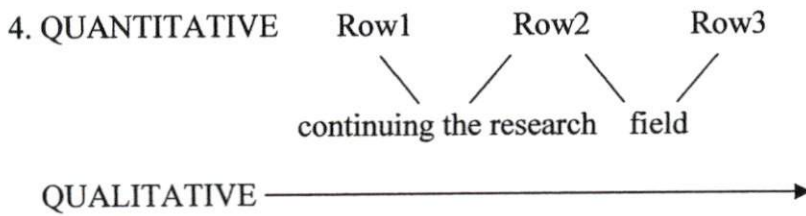
- Observation, doing observation at field research about the condition that happen on the filed such as what factor that affect international migration, how about the remittance used for and the others that need in research.

- A questionnaire was used to interview the author of the respondents or informants with questions semi-open method, namely a combination of open-ended questions with questions to gain information about international migration condition.

By Sofian and Tukiran (2012) an quantitative research method is intended for research that has been done to clear the problem and numerous populations that are less detailed discussion or analysis, qualitative research methods are more aimed at the problem is not yet clear at small population and the limited are. Both of these methods can be used simultaneously, alternating or combined as described by Gray (2009) model with four methods combined.

Figure 3.1 Four Methods Combined Model





Source: Gray 2009

In the authors use data collection approach Combined Quantitative and Qualitative model 1. qualitative as quantitative exploration continued with the conduct questionnaires and interviews as well as explore and access the results of the Qualitative models, with a set of concepts, definitions, and sample units to obtain and collect data in further detail at Koto Salak and Koto Iman Villages.

3.2.2 LIBRARY RESEARCH

Library research is a data collection that have a connection with research problem such as books, literature, or any reading material.

3.3 DATA RESOURCES

This research was exploratif research where data that collected gain by gettin on the field. Data used in this research is primary and secondary data.

3.3.1 PRIMARY DATA

Primary data is a data that collect from respondent answers in term of ionterview activities. Data collection from primary data is interview respondent and produce questionnaire that will help the process.

3.3.2 SECONDARY DATA

Secondary data gain from government publication and result from previously research. Secondary data also result from literature studies and reading article all right national or international.

3.4 POPULATION AND SAMPLE

3.4.1 POPULATION

Population is the total number of units of analysis characteristics and can be thought to be differentiated between the sample population to the target population, and in this research population is household that do or did international migration at Koto Salak and Koto Iman Villages.

3.4.2 SAMPLE

Sample determination did randomly, it's mean that every part of population has same opportunity to selected as sample. Sample determination did with seem how household participation in did or do international migration, and how international remittances especially remittances gain success in term of poverty and investment. This determination cause of there is no data that describe deeply on internatinal migration activities.

Because of that, with used purposive sampling the number of sample is 200 respondent because in Koto Salak and Koto Iman Villages the villager have a high percentage on international migration so 200 number or respondent that collected by writer is large enough to analyze the international migration effect. Total of sample divided into 2 categories that is respondents that has did international migration and respondents that still doing international. This categories used for

output that will be interpreted on an odd ratio model to determine risk of 2 categories that have different characteristics.

3.5 OPERATIONAL VARIABLE DEFINITION

Variables used in this study consisted of the dependent variable and the independent variables. The dependent variable is a variable associated with or influenced by other variables. The dependent variable in this study is the intention to return to Malaysia and remittance. While the independent variables are variables that are considered influential on other variables that is With the lack of influence of job (SEMPIT), parent influence (SAROTU), duration of stay (LAMA b), ages (UMUR a), and education level (EDU b), build house (MRUMAH), renovate house (RENOVASI), build new business (USABA), living cost (TUJUAN1) as described by table 3.1.

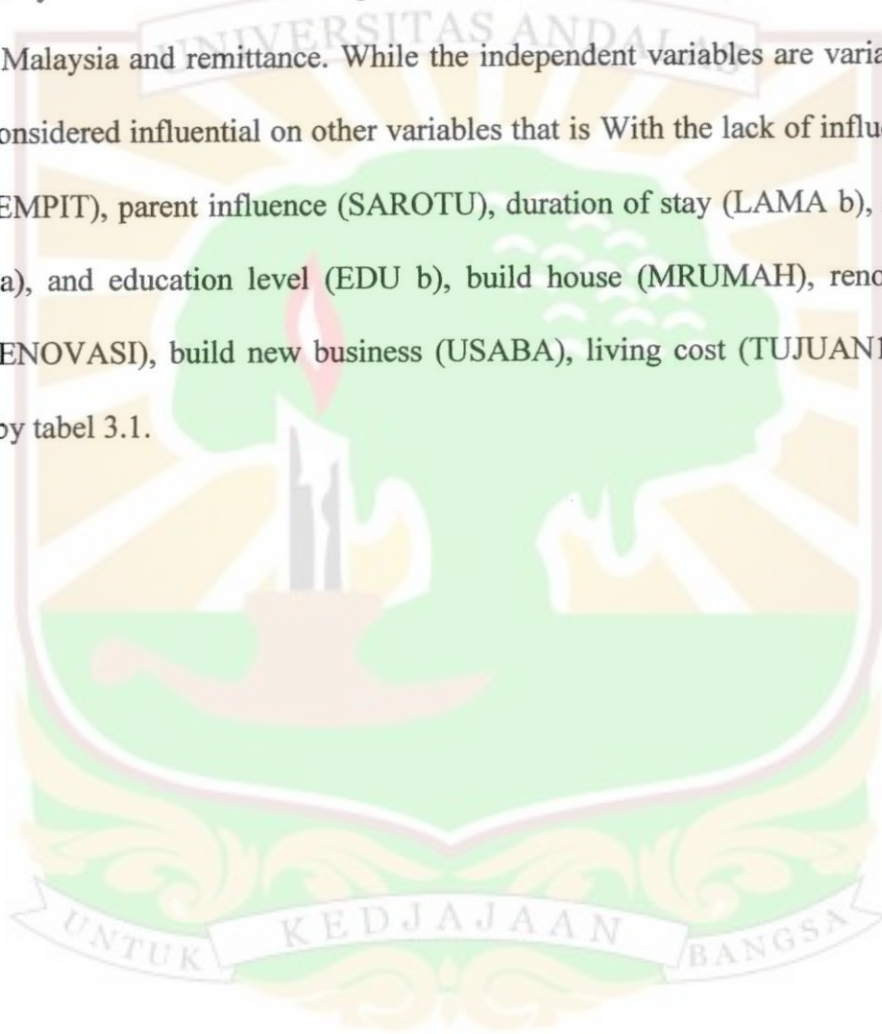


Table 3.2 Variable and Analyze Logistic Data Scale

Variable 1	Label 1
Dependent Variable Intention Repeat To Malaysia	1. Yes 0. No
Independent Variable	
1. Lack of influence of job (SEMPIT)	1. Yes 0. No
2. Parent influence (SAROTU)	1. Yes 0. No
3. Duration of stay (LAMA b)	1. 1-3 years 2. 4-5 years 3. > 6 years 0. others
4. Ages (UMUR a)	1 < 35 years old 2 35-44 years old 3 > 45 years old 0. others
5. Education level (EDU b)	1 < primary school 2 Senior high school 3 > senior high school 0 others
Variable 2	Label 2
Dependent Variable Sending Remittances	1. Yes 2. No
Independent Variable	
1. Build House (MRUMAH)	1. Yes 0. No
2. Renovate House (RENOVASI)	1. Yes 0. No
3. Build New Business (USABA)	1. Yes 0. No
4. Living Cost (TUJUAN1)	1. Yes 0. No

3.6 DATA ANALYZE TECHNIQUE

3.6.1 DESCRIPTIVE ANALYZE

Crosstabs analysis is an analysis that included in the description of the statistical categories in which display cross-tabulation or contingency table showing the joint distribution and testing a relationship between two or more variables from data collected at respondent of Koto Salak and Koto Iman Villages.

Some crosstabs statistics used for nominal scale data, but some of them also scale interval. In order to use the results of the crosstabs, we should be able to recognize what kind of data is according to the statistics of each and must also identify the level of measurement for the scale being studied.

3.7 LOGISTIC REGRETION ANALYZE

On research, there are several variables that often derived variables that are qualitative and quantitative. Logistic regression analysis is used to see the effect of independent variables on the dependent variable where the dependent variable is binary, ones and zeros. Respondents variables are binary scale variables alone yielded only two categories, such as $Y = 1$, for the event stated "yes" while for $Y = 0$, stating other events "no". For the independent variable (X) which is more than one so-called multiple logistic regression. According to Hosmer and Lemeshow (1989) in Azanova (2005) explain the logisctic regretion probability in factor that is :

$$\pi(x) = \frac{\exp(\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_p X_p)}{1 + \exp(\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_p X_p)}$$

Where the chances of $Y = 1$ or in this study is the level of success. By doing logit transformation of (x), obtained by a simpler equation, that is :

$$g(x) = \ln \frac{\pi(x)}{\{1 - \pi(x)\}}$$

$$g(x) = \ln \pi(x) - \ln(1 - \pi(x))$$

$$g(x) = \left\{ \ln \frac{\exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p)}{1 + \exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p)} \right\} - \ln \left\{ 1 - \frac{\exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p)}{1 + \exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p)} \right\}$$

$$g(x) = \ln \{ \exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p) \} - \ln \{ 1 + \exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p) \} -$$

$$\ln \left\{ \frac{1}{1 + \exp(\beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p)} \right\}$$

$$g(x) = \ln \beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p - \ln 1$$

$$g(x) = \beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p - 0$$

$$g(x) = \beta_0 + \beta_1 + \beta_2 X_2 + \dots + \beta_p X_p$$

The above equation is modeled on the following test:

$$G(X) = \text{Ln} \{p / (1-p)\}$$

Where, $\text{Ln} \{p / (1-p)\} =$ Odd ratio

$P =$ "Yes" is influenced by the independent variable

$1 - p =$ Chance from the other

$\beta_0 =$ Constants

$\beta_1 =$ Regretion Coefficient (β_1, β_2)

$X_1 - X_6 =$ Free Variable

$\varepsilon =$ Error

3.8 PARAMETER ANALYZE MODEL

Generally the purpose of analysis is to find a suitable model that has a strong link with the models with existing data. According to Hosmer and Lemeshow (1989) test the significance of parameters (Coefficient) can be partially used the Wald test using the following hypothesis:

$H_0 : \beta_j = 0$ (there is no effect with free spesific variable and respon variable)

$H_1 : \beta_j \neq 0$ (there is effect with free spesific variable and respon variable)

With Statistic analyze, that is :

$$w = \frac{\beta_j}{Se(\beta_j)}$$

Where β_j estimator assumption β_j and $Se(\beta_j)$ is a standard tool of estimators β_j . While the W statistic is distributed chi squared. H_0 rejected if $W > \chi^2_{\alpha}$; with α is a significant level selected. If H_0 rejected, means that the parameters are statistically significant at the significant level α

As for knowing the role of all the explanatory variables in the model together can be used to test the simultaneous or independent variables to define the overall hypothesis :

$$H_0 : \beta_j = \beta_1 = \beta_2 = \dots = 0$$

$$H_1 : \text{At least one } \beta_j \neq 0$$

With the test statistic $G = -2 \ln \left(\frac{\text{Likelihood}(\text{Model B})}{\text{Likelihood}(\text{Model A})} \right)$

Model B : model that only consists of constants only

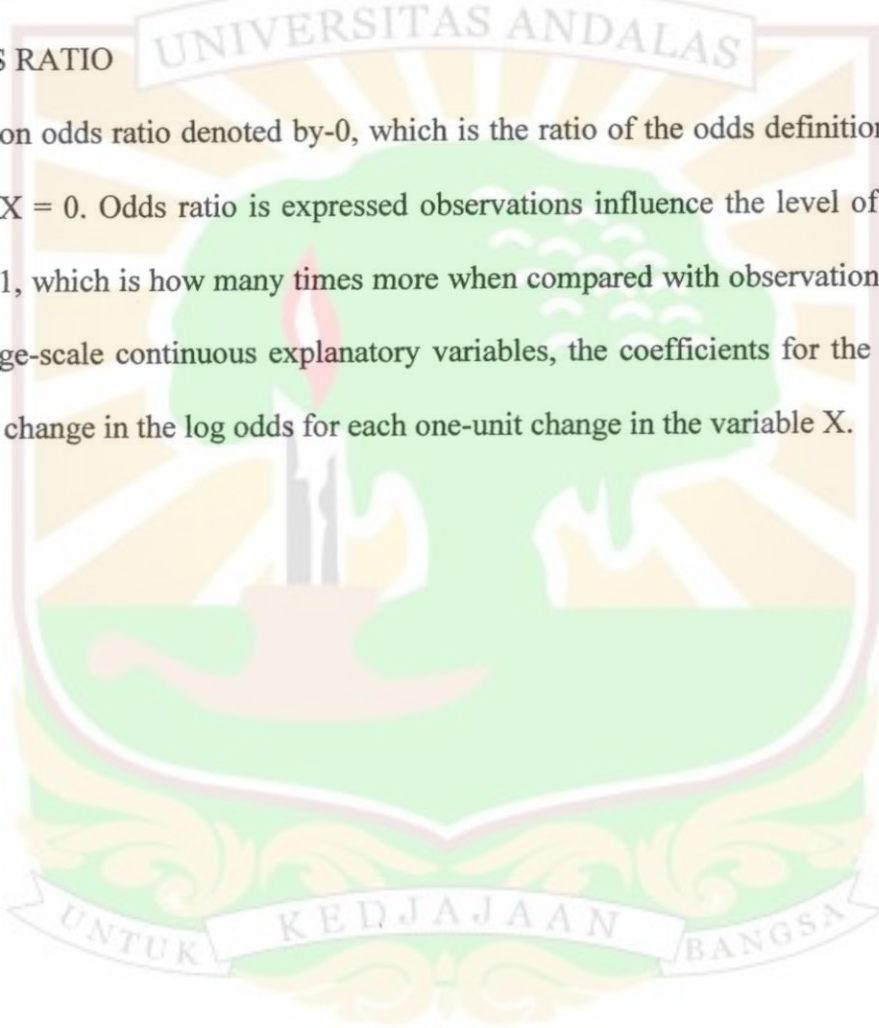
A : model that consists of all the variables

G statistic follows Chi-square distribution with p degrees of freedom so

that the hypothesis is rejected if $G > \chi^2_{0,05;db(r-1)(k-1)}$ or p-value less than 0,05.

3.9 ODDS RATIO

Common odds ratio denoted by-0, which is the ratio of the odds definition for $X = 1$ to $X = 0$. Odds ratio is expressed observations influence the level of risk with $X = 1$, which is how many times more when compared with observation $X = 0$. For large-scale continuous explanatory variables, the coefficients for the case indicate a change in the log odds for each one-unit change in the variable X.



CHAPTER IV

REGION RESEARCH

4.1 INTRODUCTIONS

Kerinci Regency was located between 10 40' South Latitude up to 20 26' South Latitude and among 1010 08' East Longitude up to 1010 50' East Longitude and this area has tropical climate with average temperature 22 0 C. Kerinci Regency has $\pm 3.808,50 \text{ Km}^2$ wide area located alongside Mountain Range, height of Kerinci Regency is between 500 metre until 1.500 metre from sea level.

4.2 DISTRICTS IN NUMBER

Kerinci Regency consist of 12 districts with 207 villages and 2 urban. Gunung Raya 15 villages and 1 urban, Batang Merangin 14 villages, Keliling Danau 20 villages, Danau Kerinci 14 villages, Sitingjau Laut 15 villages, Air hangat timur 16 villages, Depati Tujuh 14 villages, Gunung Kerinci 10 villages and 1 urbans, Siulak 27 villages, Kayu Aro 29 villages, and Gunung Tujuh 11 villages.

Koto Iman and Koto Salak villages is where the writer did observated and researched, where Koto Iman and Koto Salak one of Danau Kerinci villages districts. With combine this 2 villages, writer observation with quesioner and question to 195 house hold randomly. In this chapter writer will explain Koto Iman and Koto Salak in figure to describe about Koto Iman and Koto Salak villages deeply.

Table 4.1 Danau Kerinci Districts Area In Term Of Villages (2010)

Villages	Area (Km2)	Percentage Of Total
(1)	(2)	(3)
1. Sanggaran Agung	18,82	63,30
2. Talang Kemulun	11,25	37,84
3. Kt. Br. Sanggaran Agung	10,49	35,28
4. Pendung Talang Genting	15,71	32,84
5. Koto Tengah	23,04	77,50
6. Seleman	38,82	130,58
7. Tebing Tinggi	21,66	72,86
8. Tanjung Tanah	9,72	32,69
9. Koto Petai	22,79	76,66
10. Koto Salak	21,87	73,56
11. Simpang Empat	24,86	83,62
12. Cupak	20,88	70,23
13. Koto Iman	33,12	111,40
14. Ujung Pasir	24,87	83,65
TOTAL	297,9	982,01

Resources : Danau Kerinci Districts Office (2010)

Table 4.2 Household and Population Number In Term Of Sex in Danau Kerinci Districts (2010)

Villages	Household	Population	Male	Female
(1)	(2)	(3)	(4)	(5)
1. Sanggaran Agung	322	1.263	597	666
2. Talang Kemulun	193	698	376	322
3. Kt. Br. Sanggaran Agung	243	1.178	614	564
4. Pendung Talang Genting	279	1.137	583	554
5. Koto Tengah	353	1.130	566	564
6. Seleman	368	1.422	688	734
7. Tebing Tinggi	205	1.056	524	532
8. Tanjung Tanah	378	1.126	543	583
9. Koto Petai	349	974	496	478
10. Koto Salak	273	852	432	420
11. Simpang Empat	209	665	326	339
12. Cupak	466	1.686	824	862
13. Koto Iman	377	1.330	640	690
14. Ujung Pasir	411	1.172	582	590
Total	4.426	15.689	7.791	7.898

Resources : Danau Kerinci Districts Statistic (2010)

Tabel 4.3 Number of Families Pre Welfare and Welfare Detailed per village

Villages	Pre Welfare	KLS I	KLS II	KLS III	KLS III+
(1)	(2)	(3)	(4)	(5)	(6)
1. Sanggaran Agung	24	28	77	23	12
2. Talang Kemulun	25	190	50	14	11
3. Kt. Br. Sanggaran Agung	30	207	75	24	10
4. Pendung Talang Genting	30	253	66	23	6
5. Koto Tengah	34	310	96	17	7
6. Seleman	35	490	68	15	11
7. Tebing Tinggi	23	218	61	25	11
8. Tanjung Tanah	40	295	83	12	10
9. Koto Petai	22	288	53	13	15
10. Koto Salak	20	194	55	11	7
11. Simpang Empat	21	175	48	14	12
12. Cupak	50	455	72	18	10
13. Koto Iman	25	283	62	13	10
14. Ujung Pasir	38	325	55	15	12
Total	417	3.711	921	237	144

Resources : Villages Monografi (2010)

Table 4.4 Public Education in Danau Kerinci Districts (2010)

Desa	Kid Garden	Elementry School	Junior High School	Senior High School	University
(1)	(2)	(3)	(4)	(5)	(6)
1. Sanggaran Agung	-	2	1	1	-
2. Talang Kemulun	-	1			-
3. Kt. Br. Sanggaran Agung	-	1	1		-
4. Pendung Talang Genting	-	1	1		-
5. Koto Tengah	-	1	1		-
6. Seleman	-	2			-
7. Tebing Tinggi	-	1	2		-
8. Tanjung Tanah	-	-			-
9. Koto Petai	-	2	2		-
10. Koto Salak	-	1	1		-
11. Simpang Empat	-	3	1	1	-
12. Cupak	-	2			-
13. Koto Iman	-	1	1		-
14. Ujung Pasir	-	1	2		-
	-				-
	-				-
Total	-	19	13	2	-

Resources: Villages Monografi (2010)

Pictures of Koto Salak and Koto Iman :





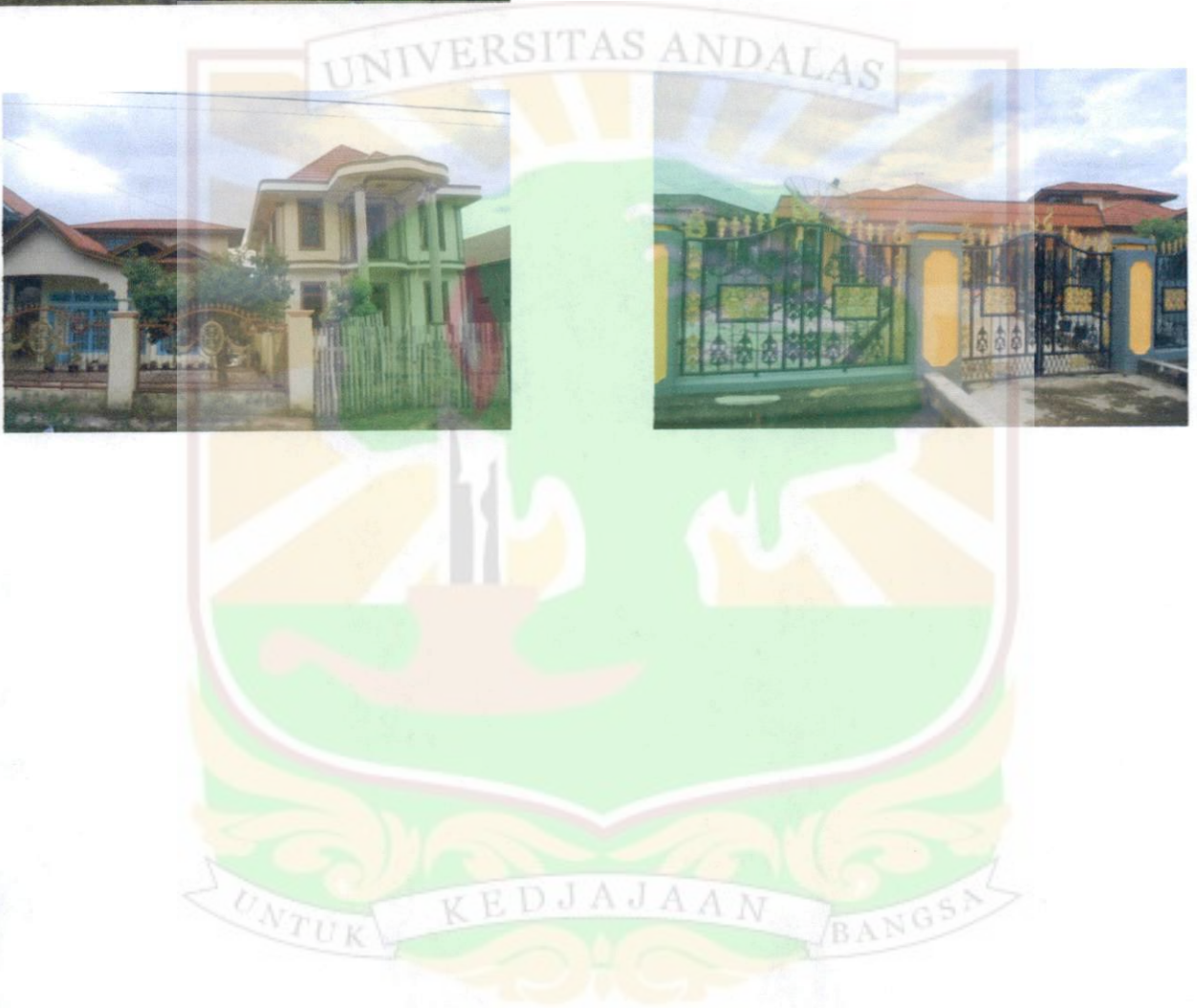
UNIVERSITAS ANDALAS



UNTUK KEDAJARAN BANGSA







CHAPTER V

CHARACTERISTIC OF RESPONDENT

5.1. INTRODUCTION

In this chapter writer will analyze the characteristic of respondents based on the data from Koto Iman and Koto Salak Villages, Danau Kerinci Sub-Distribusi, Kerinci Regency in november of 2012. With 195 respondent Writer divide respondent into 3 main Characteristics. The first one is relationship with head of the family, age and sex, second one is duration stay in Malaysia and education, and the last one is legal status and repeat migration.

5.2. CHARACTERISTIC

From the size of the quota sample set in this research, as much as 200 respondent, 5 of respondents never do international migration and remove from analyze. Characteristic causes of international migration that analyzed in this chapter include social-demographic variables and economy-social, like ages, sex, relationship with head of family, education, location of residence, long standing work in malaysia, age at first became migration worker, and others.

Generally migration experts agree that migration is selective in term of sex, age and education. This means that they are who move or migrate tend to have relatively higher productivity, output from the survey data in this analyze seems to support this basic hypothesis.

The data that collected from respondent divided into 3 categories based on relationship to head of household that is wife, head of the household, and parent in law where relationship with the head of the family is as much as 83,1 percent are heads of the house hold, and 16,4 percent is wife and one person is the parent of house holds. What interesting is that many respondents distribution as much as 47,1 percent of respondent are female heads of house hold family.

Tabel 5.1. Percentage Of Respondents By The Relationship To The Head Of Household

No,	Relationship With Head Of Household	Sex		Total
		Female	Male	
1	Wife	65,3	0,0	16,4
2	Head Of The Household	32,7	67,3	83,1
3	Parent in law	2,0	0,0	0,5
4	Total	100,0 (49)	100,0 (146)	100,0 (195)

Sources: Primary data

Based on percentages age and sex of respondent, a total of 45 percent of respondents is old aged, that is 45 years and over, as many as 37.9 per cent were medium aged (35-44 years), 23.1 percent of youth category (age less than 35 years). For women, the largest portion of the respondents is medium ages (35-44 years), which is 41.2 percent compared to 36.8 percent for men. Conversely largest portion of men respondent include old aged (45 years and over).

Tabel 5.2 , Percentages Of Respondents by Age And Sex

No.	Ages	Sex		Total
		Female	Male	
1	Less than 35 years old	23 ,5	22 ,9	23 ,1
2	35 - 44 years old	41 ,2	36 ,8	37 ,9
3	More than 45 years old	35 ,3	40 ,3	39 ,0
4	Total	100 ,0 (49)	100 ,0 (146)	100 ,0 (195)

Sources: Primary data

Table 4.3 presents the results of data processing associated with percentages of respondents by age at the first time of migration to Malaysia and sex. Approximately 60 percent of respondents ages under 35 years old, and only 13 percent were aged 45 years and above. By sex, women respondents showed that the proportion of younger age groups larger than in males, which is 74.5 percent versus 54.8 percent.

Tabel 5.3. Percentages Of Respondents By Age At The of First Time Of Migration To Malaysia and Sex

No.	Age At The of First Time Of Migration To Malaysia	Sex		Total
		Female	Male	
1	17 - 24 years old	23 ,5	21 ,5	22 ,1
2	25 - 34 years old	51 ,0	33 ,3	37 ,9
3	35 - 44 years old	11 ,8	31 ,2	26 ,2

4	More than 45 years old	13,7	13,9	13,8
5	Total	100,0 (49)	100,0 (146)	100,0 (195)
Sources: Primary data				

Migrants usually tend to have relatively higher education. It may also mean that the migrant has the quality of human resources is higher. Processed survey data of this study, like in Table 5.4, shows that the proportion of workers who had high school education or above was greater than in those with lower education, which is 48.7 per cent. While respondents who had complete primary school or less only by 30.3 percent. By sex, male respondents tend to be relatively well educated workers is higher than in women. Male respondents who had high school education or above was at 50.7 percent, while female respondents is 43.7 percent lower. It is also common at lower levels, where a greater proportion of female workers than male respondents.

Tabel 5.4. Percentages of Respondents by Highest Level of Education Level and Sex.

No.	Education	Sex		Total
		Female	Male	
1	Less Than Primary School	33,3	29,2	30,3
2	Senior High School	23,5	20,1	21,0

3	Higher Than Senior High School	43 ,1	50 ,7	48 ,7
4	Total	100 ,0 (49)	100 ,0 (146)	100 ,0 (195)
Sources: Primary data				

5.3. DURATION OF STAY IN MALAYSIA

Left their homeland to work abroad or international migration not only require a huge sacrifice for the monetary costs but also the psychological costs. The cost is obviously very difficult to measure psychological, but varies among fellow migrants. It is therefore an important question in this study is how long people can stay on the shoreline and left hometowns and how the old migrate correlation with variables of demographic-social and economy-social.

Table 5.5 shows the distribution of respondents by length of stay in Malaysia and Sex. It can be seen that overall the largest proportion of respondents stayed 3 years and under, amounting to 37.4 percent, between 4-5 years is 33.8 per cent and 6 years and older at 28.7 percent. By sex there is a tendency that women respondent tend to have a lower resistance than the male respondent, which is the proportion of respondents who stayed 3 years and under is at 45.1 percent versus 34.7 percent for men. In contrast, the percentage of respondents who stayed 6 years over larger men than women, which is 31.2 percent versus 21.6 percent.

Tabel 5.5. Percentages of Respondents by Duration Of Stay in Malaysia and Sex

No.	Duration Stay in Malaysia	Sex		Total
		Female	Male	
1	1 - 3 years	45 ,1	34 ,7	37,4
2	4 - 5 years	33 ,3	34 ,0	33 ,8
3	More Than 6 years	21 ,6	31 ,2	28 ,7
4	Total	100,0 (49)	100,0 (146)	100,0 (195)

Source: Processed primary data

5.4 LEGAL STATUS OF RESPONDENTS

As the allied nations, cannot be denied that many Indonesian citizens had relatives in Malaysia and even some become Malaysia citizens. The positive side of this condition is that Workers is not a lot experienced obstacles in adjustment (labor adjustment) to the working environment in Malaysia. However, the negative impact of the various facilities are many workers who enter and work in Malaysia without having a work permit.

Table 5.6 shows the distribution of respondents according to the ownership status of work permit and sex. Overall about 76 percent of the respondents did not have a permit when worked at Malaysia and is categorized as illegal immigrants. By sex, women respondents who do not have a 'permit' to work is greater than the male workers, 80.4 percent versus 74.3 percent. This is happen cause of household did not want to troublesome of document to get permit, she or he just

used the easy way but full of illegal activities. And the others reason why many international migration is illegal cause they dont understand how to get permit, they just agree with the third staff outside the goverment staff to get their permit access. And the last one is lack of mental with pure inspiration of household in term of do or did international migration, they choose illegal way cause they assumption that it's the easier way but illegal way is the dangerous way for them and they can get any trouble that affect the international migration at the future time.

Tabel 5.6. Percentages Of Respondents By The Status Of A Work Permit and Sex

No.	Permit Status	Sex		Total
		Female	Male	
1	Yes	19,6	25,7	24,1
2	No	80,4	74,3	75,9
3	TOTAL	100,0 (49)	100,0 (146)	100,0 (195)
Sources: Primary data				

5.5 REPEAT MIGRATION

One of interesting issue of this survey is that the majority of respondents, about 64.1 percent plan to return to Malaysia. By sex, the proportion of male respondents who want to work back in Malaysia is larger than the female respondents, which is 65.3 percent versus 60.8 percent. Table 5.7 shows that male

respondents tend to work longer hours than female respondents. For example, the percentage of male respondents who worked 7 years and above in the State receiving (Malaysia) more than female respondents, which is 26.0 percent versus 18.4 percent.

Tabel 5.7 Percentages of Respondents by Duration Stay in Malaysia and Sex

No.	Duration Stay in Malaysia	Sex		Total
		Female	Male	
1	1 - 3 years	51,0	32,9	37,4
2	4 - 6 years	30,6	41,1	38,5
3	More Than 7 years	18,4	26,0	24,1
4	Total	100,0	100,0	100,0
		(49)	(146)	(195)

Source: Processed primary data

CHAPTER VI

THE ANALYSIS OF THE CAUSE OF INTERNATIONAL MIGRATION

6.1. INTRODUCTION

In this chapter writer will analyze the causes of international migration and correlation of characteristic international migration at Kerinci Regency that is repeat migration, from 195 respondent, and in this case malaysia, as much as 64,1 percent or 125 people are plan to repeat migration. With intention to move to Malaysia as dependent variable, and sex, ages, education, duration of stay, lack employment opportunity, and family support as independent variable.

6.2 ANALYSIS OF THE INTERNATIONAL MIGRATION BETWEEN ECONOMIC VARIABLE AND INTENTION REPEAT TO MALAYSIA

6.2.1 SEX

Table 6.1 shows the distribution of the former Workers migrants respondents who want to come back again to work abroad by sex. Women respondents who want to go back again to work abroad amounted to 65.3 percent. This figure is slightly different to the male respondents who want to go back again to work abroad is as much as 63.7 percent. Although women's respondents has the possibility of return to workers is greater than the men respondents, the differences were not statistically significant. Implicitly this means that there are a number of other variables influencing recurrence international migration (repeat international migration) in the study area.

Tabel 6.1. Percentages of Respondents By Intention Return To Malaysia by Sex

No.	Intention Return To Malaysia	Sex		Total
		Female	Male	
1	No	34,7	36,3	35,9
2	Yes	65,3	63,7	64,1
3	Total	100,0 (49)	100,0 (146)	100,0 (195)

Source: Processed primary data

In-depth interviews also revealed that repeat in the area of international migration occurs a few times until the respondents dreams come true, as have its own permanent home is quite spacious and fully equipped with furniture, investing in land, and economic enterprises outside the agricultural sector. The next description will try to repeat how the relationship between international migration with a number of other economy-social variables.

6.2.2 AGES

Has been widely recognized that age is one factor that can influence the desire to wander, as show by Table 6.2 the percentage of respondents younger age groups who want to return to Malaysia higher than the other groups is 73.3 percent. And then the more higher the respondents age groups who want to migrate back the more lower the percentages, that is 63.5 percent and 59.2 percent respectively for the age group 35-44 years and 45 years and over. This trend

supports the hypothesis although the selectivity of migration by age, but did not show a statistically significant difference.

Tabel 6.2 Percentages of Respondents By Intention Return To Malaysia by Age Group

No,	Intention Return To Malaysia	Ages Responden			Total
		Less than 35 years old	35 - 44 years old	More than 45 years old	
1	No	26,7	36,5	40,8	35,9
2	Yes	73,3	63,5	59,2	64,1
3	Total	100,0 (45)	100,0 (74)	100,0 (76)	100,0 (195)

Pearson Chi-Square = 2,468 ; $\alpha = 0,291$
 Source: Processed primary data

6.2.3 EDUCATION

Theoretically migration is also associated with level of education, where migrants tend to be more educated than non-migrants. But in reality that migrant origin who migrated from Kerinci Regency is covering all educational level. Table 6.3 shows that the respondents who graduated from high school education show lowest percentages repeat migration is 60 percent, and those who graduated from junior high school education show the highest percentages which is 75.6 percent.

Tabel 6.3. Percentages of Respondents By Intention Return To Malaysia and The Highest Education Level Completed

No,	Intention Return To Malaysia	Education Level			Total
		Lower than Primary School	Senior high school	Higher than Senior High School	
1	No	37,3	24,4	40,0	35,9
2	Yes	62,7	75,6	60,0	64,1
3	Total	100,0 (59)	100,0 (41)	100,0 (95)	100,0 (195)

Pearson Chi-Square = 3,104 ; $\alpha = 0,212$
 Source: Processed primary data

6.2.4 DURATION OF STAY IN THE PREVIOUS MIGRATION

Table 6.4 shows the distribution of respondents according to repeat migration and long standing of shoreline different. Highest percentage of former migrant workers who want or plan back that has migrated over 4-5 years, amounting to 71.2 percent and the lowest is less than 3 years is 58.9 per cent. As for the group that had migrated 6 years and over, 62.5 percent want to migrate back to Malaysia. A trend that former migrant want to repeat migration shows that they got benefit from did international migration, mostly financial and there still targets are not reached. In addition, a number of driving factors and motivations to remigrate.

Tabel 6.4. Duration Of Stay Response to Intention Return To Malaysia

No,	Intention Return To Malaysia	Duration Of Stay			Total
		1 - 3 years	4 - 5 years	More than 6 years	
1	No	41,1	28,8	37,5	35,9
2	Yes	58,9	71,2	62,5	64,1
3	Total	100,0 (73)	100,0 (66)	100,0 (56)	100,0 (195)

Pearson Chi-Square = 2,370 ; $\alpha = 0,301$

Source: Processed primary data

6.2.5 LACK EMPLOYMENT OPPORTUNITIES IN THE COUNTRY ORIGIN

Lack of jobs can put pressure on wages remain to low. According to the neoclassical theory of the main causes of international migration is because there is a wage gap between the regions of origin and destination countries. Table 6.5 shows the distribution of respondents according to the conditions of employment in the area of origin and the desire to repeat migration is 77.8 percent.

Tabel 6.5. The Lack Of Influence Jobs On the Country Origins Of Respondents and Intention Return To Malaysia

No.	Intention Return To Malaysia	Lack Influence Of Job On The Country Origin		Total
		Otherwise	Yes	
1	No	66,7	22,2	35,9
2	Yes	33,3	77,8	64,1
3	Total	100,0	100,0	100,0
		(60)	(135)	(125)

Pearson Chi-Square = 35,657 ; $\alpha = 0,0001$
 Source: Processed primary data

6.2.6 FAMILY SUPPORT

Discussion resulted with family also drove respondents in term of international migration and Table 6.6 and Table 6.7 shows that the factor urges parents and siblings significant effect on the interest of respondents to intention to move to Malaysia. Show that 78,0 percent respondent intention to move to Malaysia by parent advise, and only 22,0 percent respondent say no to intention move to Malaysia. Otherwise from relative advise factor show 72,1 percent respondent intention to move to Malaysia and only 27,9 percent who said did not to intention to move to Malaysia.

Tabel 6.6 Factor Of Parent Influences In the Country Origins Respondents Against Intention Repeat to Malaysia

No,	Intention Repeats To Malaysia	Parent influence factor		Total
		Other	Parent advise	
1	No	50,5	22,0	35,9
2	Yes	49,5	78,0	64,1
3	Total	100,0 (95)	100,0 (100)	100,0 (195)

Pearson Chi-Square = 17,228 ; $\alpha = 0,0001$
 Source: Processed primary data

Tabel 6.7 Relative Influence Factor Against Respondents Intention Repeat to Malaysia

No,	Respondents plan to return to Malaysia	Relative Advise		Total
		No	Yes	
1	No	42,2	27,9	35,9
2	Yes	57,8	72,1	64,1
3	Total	100,0 (109)	100,0 (86)	100,0 (195)

Pearson Chi-Square = 4,269 ; $\alpha = ,039,$
 Source: Processed primary data

6.3 REGRESSION LOGISTIC ANALYSIS

Social economic factors that affect tested with Logistic Regression model. next one is used Binary Logistic Regression with 2 categories or binomial on dependent variable (1=yes and 2=no). This test used for see how free variable that include in model affect the dependent variable and how it produce the output of respondent decision in term of intention return to Malaysia.

With the lack of influence of job (SEMPIT), parent influence (SAROTU), duration of stay (LAMA b), ages (UMUR a), and education level (EDU b) from respondents observation. Result from the test will answer this survey method that factors affected respondents intention to move at Koto Salak and Koto Iman villages.

For test all of model, used by compare value from -2 log likelihood at beginning (Block number : 0) with second -2 likelihood (Block Number : 1). Value -2 log likelihood at first block that is block number : 0 as much as 254.602. for value at -2 log likelihood at second block that is block number = 1 as much as 210.283. it can be assumption that value -2 log likelihood at second block (block number = 1) decrease when compare to value -2 log likelihood at first block number (block number = 0). It's mean that second model from regression is better at probability prediction.

Table 6.8 Block 0 : Beginning Block

Iteration	-2 Log likelihood	Coefficients
		Constant
Step 1	254.613	-.564
0 2	254.602	-.580
3	254.602	-.580

Source: Processed primary data

Table 6.9 Block 1 : Method Enter

Iteration	-2 Log likelihood	Coefficients					
		Constant	SEMPIT	SAROTU	LAMA_b	UMUR_a	EDU_b
Step 1	211.731	1.054	-1.733	-.072	-.521	-.456	-.476
1 2	210.294	1.250	-1.958	-.119	-.692	-.603	-.657
3	210.283	1.270	-1.977	-.126	-.709	-.618	-.679
4	210.283	1.270	-1.977	-.126	-.709	-.618	-.679

Source:primary data

Logistic regression result at intention repeat to Malaysia with overall percentages as much as 64.1 percent. It's can be assumption that intention repeat to Malaysia affected by factor that include in model that is sex, ages, education, duration of stay, lack employment opportunity, and family support.

Table 6.10 Overall Percentages Value

Observed			Predicted		
			Intention Repeat To Malaysia		Percentage Correct
			Yes	No	
Step	Intention Repeat To	Yes	125	0	100.0
0	Malaysia	No	70	0	.0
Overall Percentage					64.1

Interpretation of the coefficients in the logistic regression model takes the form of an adjusted odds ratio or the probability (probability-adjusted) output is written in exponential $\text{Exp } B$ or B which can be seen in the following table

Tabel 6.11 Results of Logistic Regression Estimation

No,	Variables	B	S.E.	Wald	df	Sig.	Exp(B)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	SEMPIT	1.244	.565	4.843	1	.028	3.468
2	SAROTU	.107	.451	.057	1	.812	1.113
3	LAMA_b	.794	.381	4.341	1	.037	2.213
4	UMUR a	.595	.427	1.937	1	.164	1.812
5	EDU_b	.580	.461	1.583	1	.208	1.786
6	Constant	-1.351	.360	14.121	1	.000	.259

Resources : Processed primary data

6.4 LOGISTIC REGRESSION ESTIMATION RESULT

The following are the results of logistic regression analyzes socio-economic factors that influence the level of intention to move in Kerinci Region. The following is an explanation of the results based on the output table 5.8 above, it will be discussed on the estimation of each independent variable.

6.4.1 LACK EMPLOYMENT OPPORTUNITIES

Shown in table 6.8 calculation results obtained greater than significant probability 0.05 that is 1.244, but it does not mean that this factor did not impact at all, just not too big. Slope of this variable is positive, where the higher the level of lack employment opportunities, will have an impact on the intention repeat to Malaysia, and, the lower the level of lack employment opportunities will be less likely to intention to move. Based on the odds ratio for 3468 gives the sense that the limited opportunities for employment opportunity has intention to move almost 3,468 times more than those who do not intention to move.

6.4.2 FAMILY SUPPORT

Results of logistic regression coefficient, variable family support had no significant effect on the level of intention to move. Shown in table 6.8 calculation results obtained greater than significant probability 0.05 that is 0.107. Insignificant number of these factors does not mean no effect at all, but the effect is not so great. Slope of this variable is positive. The greater the level of family support variables, the higher the intention to move, and so on the contrary. Based on the odds ratio for the variable family support means the 1,113 respondents who had a chance of intention to move 1,113 times higher than those who did not.

6.4.3 DURATION OF STAY

Duration of stay variable had no significant effect on the level of intention to move. Shown in table 6.8 calculation results obtained significant probability greater than 0.05 is equal to 0.794. Insignificant number of these factors does not mean no effect at all, but the effect is not so great. Slope of this variable is positive. The greater the level of variable duration of stay, the higher the intention to move, and so on the contrary. Based on the odds ratio for the variable family support means the 2,213 respondents who had a chance of intention to move 2,213 times higher than those who did not.

6.4.4 AGES

Age is one variable that did not significantly affect the level of intention to move. Shown in table 6.8 calculation results obtained significant probability greater than 0.05 is equal to 0.595. . Slope of this variable is positive, where the higher age level, will have an impact on the intention to move, and so on the contrary, the lower the level of limited employment opportunity will be less likely to intention to move. Based on the odds ratio of 1,812 gives the sense that the limited opportunities for employment opportunity has intention to move almost 1,812 times more than those who do not intention to move.

6.4.5 EDUCATION

Shown in table 6.8 calculation results obtained significant probability greater than 0.05 is equal to 0580, significantly greater than the probability, but it does not mean that this factor did not impact at all, just not too big. Slope of this variable is positive, where the higher the education level, will have an impact on the intention to move, and so on the contrary, the lower the level of education it

will be less likely to intention to move. Based on the odds ratio of 1,786 gives the sense that the limited opportunities for employment opportunity has intention to move almost 1,786 times more than those who do not intention to move.



CHAPTER VII

ANALYSIS ON IMPACT OF MIGRATION

7.1 INTRODUCTIONS

Most experts agree that international migration is a strategy of the struggle of life (livelihood strategy) of the marginal migrant sending countries (sending countries). However, there are differences among the experts whether remittances from migrants are used for the purpose of consumption or related to lifestyle and investment objectives (economics productive). In relation to that in a study designed questions related to migration respondent motivation to work abroad and the use of remittances.

7.2 IMPACT OF REMITTANCES ON CONSUMPTION AND INVESTMENT

Table 7.1 shows the distribution of respondents according to the motivation to migrate abroad, the main motivation of respondents to migrate abroad is to improve family income which amounted to 66.7 percent agree on this, then followed by the motivation to improve the home (62.1) and strategy of the struggle of life (61.5).

Meanwhile, when asked about the motivation of collecting capital to open their own business, as many as 57.4 percent of respondents agreed, investment motivation is slightly higher than the motivation to development their own homes and furnish the house, while with regard to the motivation to increase knowledge only 51.8 percent agreed, from the figure above it can be concluded that the

motivations of consumption, social and lifestyle a bit more dominant than economic motivations or investment.

Furthermore, among the socio-economic variables, gender variables are the most influential international migration motivation, First, regarding the motivation stragi life struggle of women workers are 75 percent in favor compared with 50 percent of male workers, a significant difference to the value of $\chi^2 = 5,398$ at 2 percent confidence level ($\alpha = 0,02$).

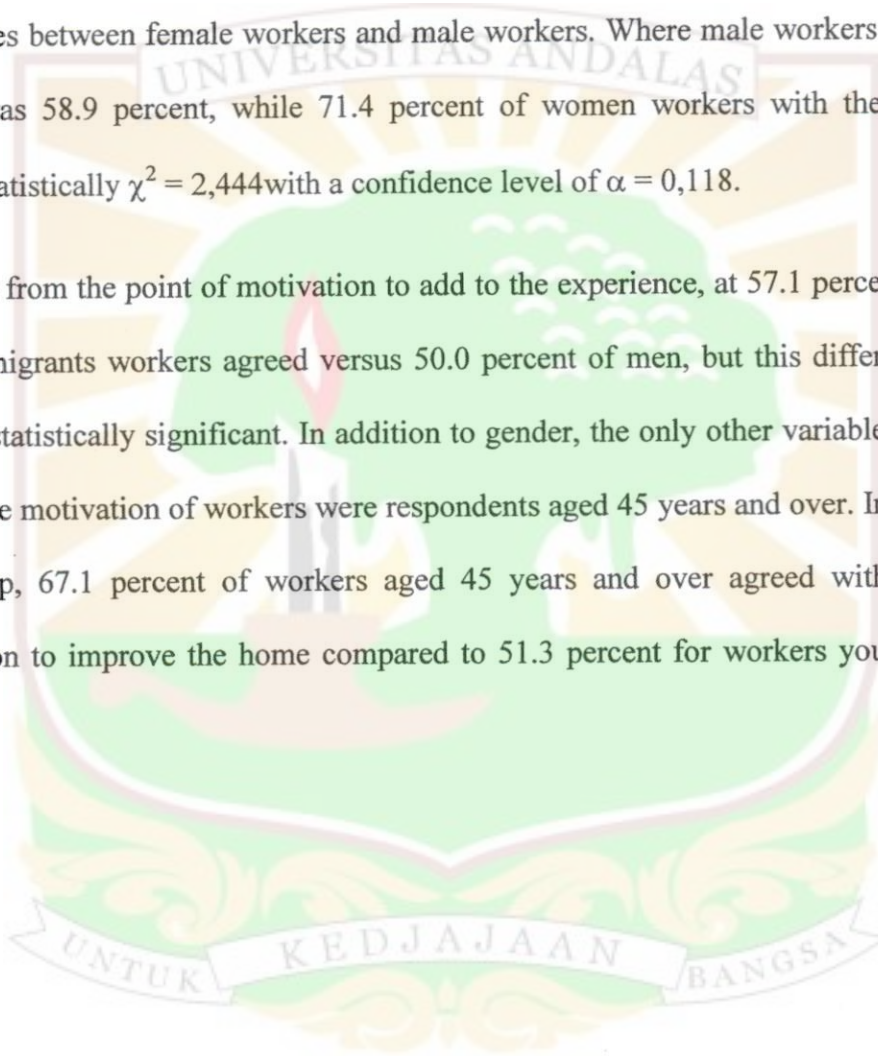
With regard to the motivation to support or strengthen the family economy, women migrant workers amounted to 83.7 per cent agreed that differ quite large with male workers, that only 61 percent agreed. This difference was highly significant with a confidence level of 0.5 and chi-square person $\chi^2 = 8,518$. Next, the motivation to own or build their own homes there are also significant differences between female workers and male migrant workers, which is 79.6 percent versus 49.3 percent, with a chi-square value of $\chi^2 = 13,715$; $\alpha = 0,0001$.

Then, significant differences between women are migrant workers and male migrant workers also in terms of motivation to improve housing and motivation to complete home furnishing, to repair the house or settlement house workers 77.6 percent of women compared to 50.7 percent in favor of male workers , this difference was highly significant with $\chi^2 = 10,832$ at $\alpha = 0,001$. Meanwhile, in terms of motivation complement perobat home, 75.5 percent of women workers agreed while male workers only 49.3 percent, a significant difference is the value of $\chi^2 = 10,212$ at $\alpha = 0,001$ confidence level. The conclusion that can be drawn from the analysis above is that women workers showed significantly higher

consumption motivation than male workers. Motivation consumption here include ownership and renovation of houses and furniture, and strengthen the family economics.

Furthermore, from the standpoint of the investment motive, namely motivation raise capital to start a business, large spotless rooms there were no significant differences between female workers and male workers. Where male workers who agreed was 58.9 percent, while 71.4 percent of women workers with the test results Statistically $\chi^2 = 2,444$ with a confidence level of $\alpha = 0,118$.

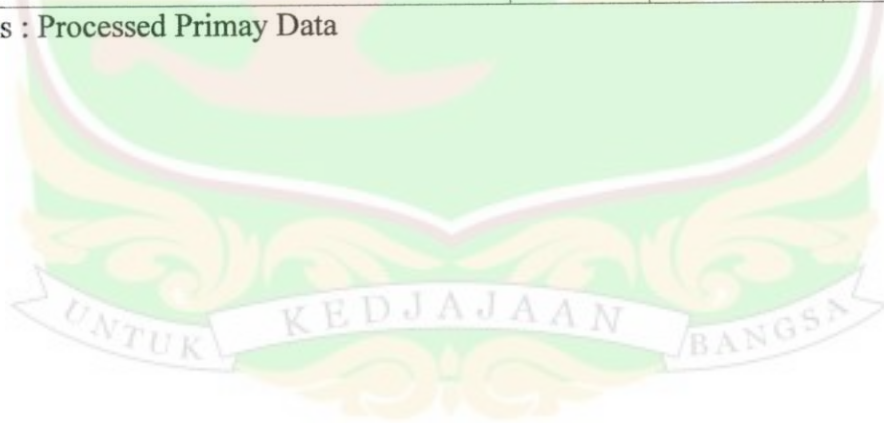
While from the point of motivation to add to the experience, at 57.1 percent of women migrants workers agreed versus 50.0 percent of men, but this difference was not statistically significant. In addition to gender, the only other variable that affects the motivation of workers were respondents aged 45 years and over. In this age group, 67.1 percent of workers aged 45 years and over agreed with the motivation to improve the home compared to 51.3 percent for workers younger age.



Tabel 7.1 Distribution of respondents according to the motivation to migrate abroad

No,	Motivation migrants to emigrate	1.Agree	2.Disagree	Total
1	a. Struggle for life strategy	61,5	38,5	100,0 (195)
2	b. Want to support / help the family economy	66,7	33,3	100,0 (195)
3	c. Want to build your own home	56,9	43,1	100,0 (195)
4	d. Want complete home furnishings	55,9	44,1	100,0 (195)
5	e. Want to renovate / repair homes	62,1	37,9	100,0 (195)
6	f. Want to raise capital to start your own business	57,4	42,6	100,0 (195)
7	g. Adding a new experience	51,8	48,2	100,0 (195)

Resources : Processed Primay Data



Tabel 7.2 The relationship between international migration motivation and gender

Variables	Attributes	Sex		Total
		Female	Male	
(1)	(2)	(3)	(4)	(5)
motivational strategies struggle for life	Disagree	24,5	43,2	38,5
	Agree	75,5	56,8	61,5
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 5,398$; $\alpha = 0,02$				
motivation to support family economic	Disagree	16,3	39,0	33,3
	Agree	83,7	61,0	66,7
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 8,518$; $\alpha = 0,004$				
motivation to build their own homes	Disagree	20,4	50,7	43,1
	Agree	79,6	49,3	56,9
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 13,715$; $\alpha = 0,0001$				
motivation to complete home furnishings	Disagree	24,5	50,7	44,1

	Agree	75,5	49,3	55,9
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 10,212$; $\alpha = 0,001$				
wants to raise capital for business	Disagree	28,6	41,1	37,9
	Agree	71,4	58,9	62,1
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 2,444$; $\alpha = 0,118$				
to improve housing	Disagree	22,4	49,3	42,6
	Agree	77,6	50,7	57,4
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 10,832$; $\alpha = 0,001$				
want to add new experiences	Disagree	42,9	50,0	48,2
	Agree	57,1	50,0	51,8
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 0,75$; $\alpha = 0,387$				
Resources : Processed Primay Data				

Tabel 7.3 Distribution of respondents according to age group and the motivation to improve housing

To improve housing	Variable	Ages		Total
		Other	More than 45 year old	
	Agree	48,7	32,9	42,6
	Disagree	51,3	67,1	57,4
	Total	100,0 (119)	100,0 (76)	100,0 (195)
$\chi^2 = 4,763$; $\alpha = 0,029$				
Resources : Processed Primay Data				

Tabel 7.4 Perceptions of the latest delivery destinations by sex.

Variable name	Attribus	Sex		Total
		Female	Male	
(1)	(2)	(3)	(4)	(5)
Send for the purpose of everyday living expenses	Disagree	14,3	35,6	30,3
	Agree	85,7	64,4	69,7
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 7,910$; $\alpha = 0,005$				

Send the money to help with the costs of treatment	Disagree	30,6	54,8	48,7
	Agree	69,4	45,2	51,3
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 8,587; \alpha = 0,003$				
UNIVERSITAS ANDALAS				
Send money for the purpose of school fees	Disagree	28,6	45,2	41,0
	Agree	71,4	54,8	59,0
	Total	100,0 (49)	100,0 (146)	100,0 (195)
$\chi^2 = 4,196; \alpha = 0,041$				
Resources : Processed Primay Data				

7.3 REGRESSION LOGISTIC ANALYSIS

Factors that affect tested with Logistic Regression model, next one is used Binary Logistic Regression with 2 categories or binomial on dependent variable (1=yes and 2=no). This test used for see how free variable that include in model affect the dependent variable and how it produce the output of respondent decision in term of remittances.

With the build house (MRUMAH), renovate house (RENOVASI), build new business (USABA), living cost (TUJUAN1), from respondents observation.

Result from the test will answer this survey method that factors affected respondents intention to move at Koto Salak and Koto Iman villages.

For test all of model, used by compare value from -2 log likelihood at beginning (Block number : 0) with second -2 likelihood (Block Number : 1). Value -2 log likelihood at first block that is block number : 0 as much as 90.160. for value at -2 log likelihood at second block that is block number = 1 as much as 71.608. it can be assumption that value -2 log likelihood at second block (block number = 1) decrease when compare to value -2 log likelihood at first block number (block number = 0). It's mean that second model from regretion is better at probability prediction.

Table 7.5 Block 0 : Beginning Block

Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	104.358	-1.754
	2	91.169	-2.438
	3	90.172	-2.692
	4	90.160	-2.724

Source: Processed primary data

Table 7.6 Block 1 : Method Enter

Iteration	-2 Log likelihood	Coefficients				
		Constant	MRUMAH	RENOVASI	USABA	TUJUAN1
Step 1 1	96.636	-1.592	.078	-.207	.035	.764
2	76.560	-2.103	.246	-.503	.057	1.402
3	72.217	-2.242	.477	-.808	.111	1.678
4	71.628	-2.252	.632	-.958	.152	1.724
5	71.608	-2.254	.667	-.984	.159	1.728
6	71.608	-2.254	.668	-.985	.159	1.728
7	71.608	-2.254	.668	-.985	.159	1.728

Source: Processed primary data

Logistic regression result at remittances with overall percentages as much as 93.8 percent. It's can be assumption that remittance affected by factor that include in model that is build a house, renovate house, build new business, and living cost.

Table 7.7 Overall Percentages Value

Observed		Predicted		
		Sending Remittances		Percentage Correct
		Yes	No	
Step 1 Sending Remittances	Yes	183	0	100.0
	No	12	0	.0
Overall Percentage				93.8

Source: processed primary data

Interpretation of the coefficients in the logistic regression model takes the form of an adjusted odds ratio or the probability (probability-adjusted) output is written in exponential Exp B or B which can be seen in the following table

Tabel 7.8 Results of Logistic Regression Estimation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a MRUMAH	.668	.767	.759	1	.384	1.951
RENOVASI	-.985	.731	1.817	1	.178	.373
USABA	-1.480	.841	3.100	1	.078	.228
TUJUAN1	1.728	1.028	2.826	1	0.93	5.630
Constant	-2.254	.778	8.388	1	.004	.105

Source: Processed primary data.

7.4 LOGISTIC REGRESSION ESTIMATION RESULT

The following are the results of logistic regression analyzes socio-economic factors that influence the remittance in Kerinci Region. The following is an explanation of the results based on the output table 5.8 above, it will be discussed on the estimation of each independent variable.

7.4.1 BUILD HOUSE

Shown in table 7.8 calculation results obtained greater than significant probability 0.05 that is 0.668, but it does not mean that this factor did not impact at all, just not too big. Slope of this variable is positive, where the higher the level build house opportunities, will have an impact on the remittances sending, and,

the lower the level of build house opportunities will be less likely to remittances sending. Based on the odds ratio for 1.951 gives the sense that build house opportunity has remittances used 1.951 times more than those who do not send remittances.

7.4.2 RENOVATE HOUSE

Results of logistic regression coefficient, variable renovate house had no significant effect on the level of intention to move. Shown in table 7.8 calculation results obtained greater than significant probability 0.05 that is 0.985. Insignificant number of these factors does not mean no effect at all, but the effect is not so great. Slope of this variable is negative. It's mean that respondents used remittances for renovate house or not is not affected respondent to send remittances with odd ratio as much as 0.373.

7.4.3 BUILD NEW BUSINESS

Build new busisness variable had no significant effect on the level of intention to move. Shown in table 7.8 calculation results obtained significant probability greater than 0.05 is equal to 1.480. Insignificant number of these factors does not mean no effect at all, but the effect is not so great. As same as before the slope of this variable is negative. with odd ratio as much as 0.228 It's mean that respondents used remittances for build new business or not is not affected respondent to send remittances.

7.4.4 LIVING COST

Living cost is one variable that did not significantly affect the level of sending remittances. Shown in table 7.8 calculation results obtained significant probability greater than 0.05 is equal to 1.728. Slope of this variable is positive, where the

higher living cost level, will have an impact on the remittances sending, and vice versa, the lower the level of living cost will be less likely to remittances sending. Based on the odds ratio of 0.105 gives the sense that the living cost has intention to send remittances 0.105 times more than those who did not send remittances.



CHAPTER VIII

CONCLUSION AND SUGGESTION

8.1 CONCLUSION

From the affect intention return to Malaysia factor that affected, writer gain result the first is female percentages greater than male percentage, it's mean that female respondent interm of male respondent high percentage of willing intention to Malaysia. Second is according to aged, writer found that the younger group of age more higher intention return to Malaysia than other group of aged, younger respondent will choose return to Malaysia than older respondents.

Third is Education level, educational level that getting higher percentage is high school level compare than other education level, it's mean that percentages intention repeat To Malaysia affected by higher education of respondent. Fourth is Migrant will choose duration of stay at Malaysia at long period of time for getting more remittances, respondent will choose repeat migration to gain more remittance to collect money from their decision do or did international migration. The last is lack of job opportunities and family support, also affected the migrant decision, may be this is the main reason respondent do or did international migration and cause of different situation at country origin to country selected.

From the point of remittances used the test results showed that first there was no statistically significant relationship between age of respondents and the motivation to leave. After re-grouping, the only significant relationship between age and motivation to wander is the relationship between respondents aged 45 years and over with a motivation to repair the house. Where proporsi respondents

aged 45 years and over who agree with the motivation to improve housing amounted higher than other motivation.

Second regarding the gender variable perceptions of respondents on the use of remittances for the purpose of assisting the daily living expenses, medical expenses sick family member, and helping children's school fees. The respondents' perceptions of the goals of the last deliveries by sex. First, female respondents agreed with the aim of sending money to help with the cost of everyday living. Second, perceptions of sending money to help with the costs of treatment there is also a significant difference between female respondents and men.

Third, differences in perception between female respondents and male respondents also significantly associated with the purpose of sending money to help with school fees. Thus it can be concluded that the description reinforces the conclusion that remittances have a greater impact on consumption than investment. This impact is influenced by variables of sex, especially female respondents.

8.2 SUGGESTION

A decision to undertake international migration can not be separated from the advice and experience of people who have previous international migration. It can be concluded that the age of productive labor with low education, sex differences in particular women and hopes to turn the welfare of international migration can be done, but must be with clever planning and saving to send money home. It's need more socialization from government to migrants for better output and result.

The first is government must socialization to the household that will do international migration they must get permit and not illegal emigrant, cause if they choose to be a illegal migrant, they will find trouble in the future when they do international migration. And illegal emigrant will gain negative social condition at country selected, interm of wage or income, interm of condition and treatment from the boss, etc. Second one is government must socialization the household specialized skill, cause of that skill they can gain more income when they do international migration in the future, because the income different is higher from skilled labour and un-skilled labour.

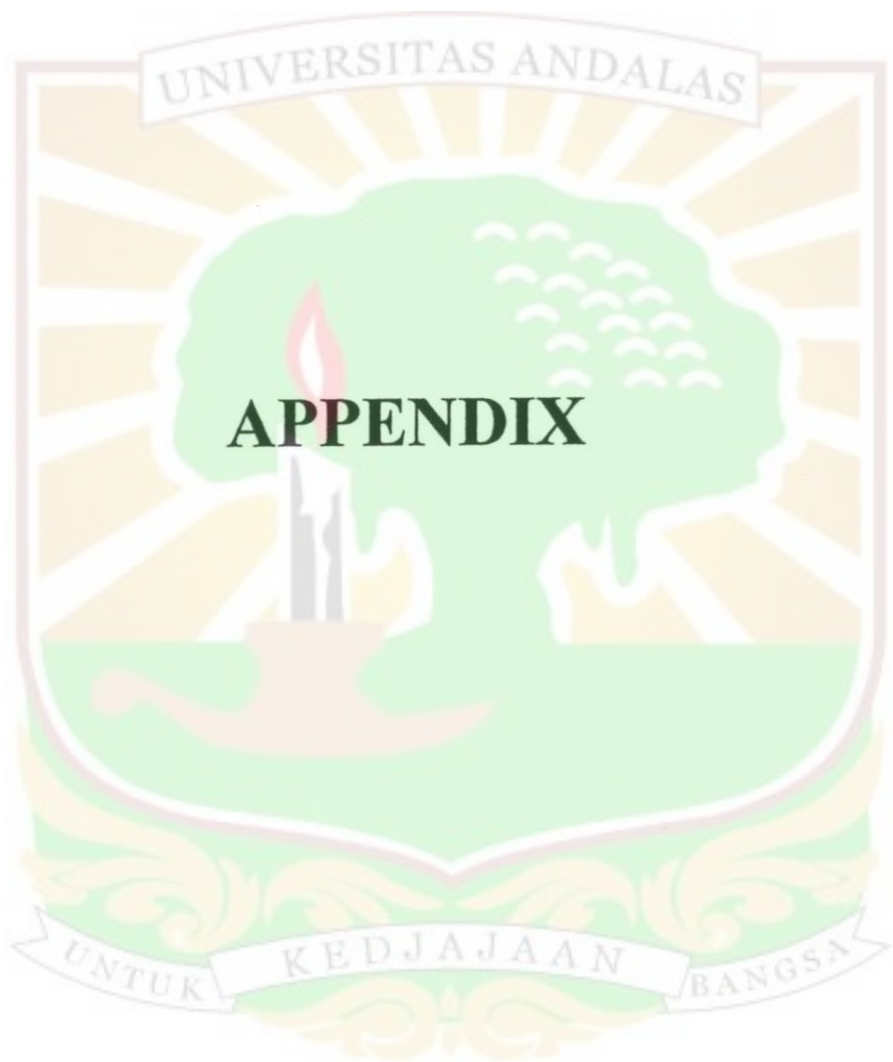
Remittance can not be a success without good savings and consumption good, remittance takes a fairly long period of time to be able to enjoy the results and can not be enjoyed with a short-term and planning, unfortunately migrants used remittances more to consumption or life style, not investment. It's also need socialization from government to change the mind of migrant that investment also important than consumption only, it can change the welfare and open new job opportunity. And the last, international can be alternative option for unemployment to get a job and increase welfare from lack of job opportunities at country origin.

- Glaser, Barney G. And Anselm L. Strauss. 1997. *The Discovery of Grounded Theory; Strategies for Qualitative Research*. New York : Aldine.
- Gray, David E. 2009. *Doing Research in the Real World*. New Delhi : Sage Publications Ltd.
- Gregory Mankiw (1985). "Small Menu Costs and Large Business Cycles: A Macroeconomic Model of Monopoly". *Quarterly Journal of Economics* (The MIT Press). doi:10.2307/1885395. JSTOR 1885395.
- Gregory Mankiw, David Romer, and David Weil (1992). "A Contribution to the Empirics of Economic Growth". *Quarterly Journal of Economics* (The MIT Press). doi:10.2307/2118477. JSTOR 2118477.
- Gregory Mankiw (1998). *Principles of Economics* (1st ed.). Fort Worth, Texas: Dryden Press. ISBN 0-03098238-3.
- Gregory Mankiw (2006). *Principles of Economics, 4th Edition*. South-Western College Pub. ISBN 0-324-22472-9.
- Gregory Mankiw (2006). *Principles of Economics* (4th ed.). South-Western College Pub. ISBN 0-324-22472-9.
- Gregory Mankiw (2011). *Principles of Economics* (6th ed.). Cengage Learning. ISBN 978-0-538-45305-9.
- Gregory Mankiw (2010). *Macroeconomics (7th Edition)*. Worth Publishers. ISBN 978-1-4292-1887-0.
- Hagen-Zanker, Jessica, 2008. "Why do people migrate? A review of the theoretical literature," MPRA Paper 28197, University Library of Munich, Germany.
- Haque, N.U., and A. Jahangir. 1999. "The Quality of Governance: Second-Generation Civil Reform in Africa." *Journal of African Economies* 8.
- Haque, N.U., and S.-J. Kim. 1995. "'Human Capital Flight': Impact of Migration on Income and Growth." IMF Staff Papers. International Monetary Fund, Washington, DC.
- Hosmer, D. W. and Lemeshow S. (1989). *Applied Logistic Regression*. New York: John Wiley & Sons, Inc.
- Hosmer, David W., Jr., Lemeshow, Stanley. 2004. *5 Resensi*.

Van Hear, Nicholas. Bakewell, Oliver and Long, Katy. 2012. DRIVERS OF MIGRATION. *Migrating out of Poverty*. Research Programme Consortium, Working Paper 1. University of Oxford.

Walpole, Ronald E. 1993. *Pengantar Statistika*. Jakarta : PT Gramedia Pustaka Utama.





APPENDIX

APPENDIX I

Regression Logistic Analysis

Block 0 : Beginning Block

Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	254.613	-.564
	2	254.602	-.580
	3	254.602	-.580



APPENDIX II

Regression Logistic Analysis

Block 1 : Method Enter

iteration	-2 Log likelihood	Coefficients					
		Constant	SEMPIT	SAROTU	LAMA_b	UMUR_a	EDU_b
Step 1	211.731	1.054	-1.733	-.072	-.521	-.456	-.476
1 2	210.294	1.250	-1.958	-.119	-.692	-.603	-.657
3	210.283	1.270	-1.977	-.126	-.709	-.618	-.679
4	210.283	1.270	-1.977	-.126	-.709	-.618	-.679



APPENDIX III

Regression Logistic Analysis

Overall Percentages Value

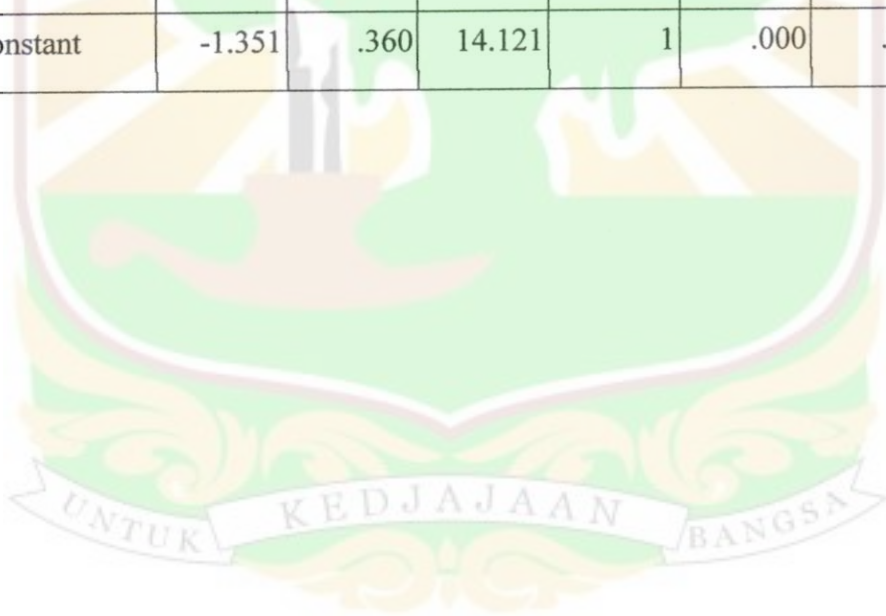
Observed			Predicted		
			Intention Repeat To Malaysia		Percentage Correct
			Yes	No	
Step	Intention Repeat To	Yes	125	0	100.0
0	Malaysia	No	70	0	.0
Overall Percentage					64.1



APPENDIX IV

Result of Logistic Regreition Estimation

No,	Variables	B	S.E.	Wald	df	Sig.	Exp(B)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	SEMPIT	1.244	.565	4.843	1	.028	3.468
2	SAROTU	.107	.451	.057	1	.812	1.113
3	LAMA_b	.794	.381	4.341	1	.037	2.213
4	UMUR_a	.595	.427	1.937	1	.164	1.812
5	EDU_b	.580	.461	1.583	1	.208	1.786
6	Constant	-1.351	.360	14.121	1	.000	.259

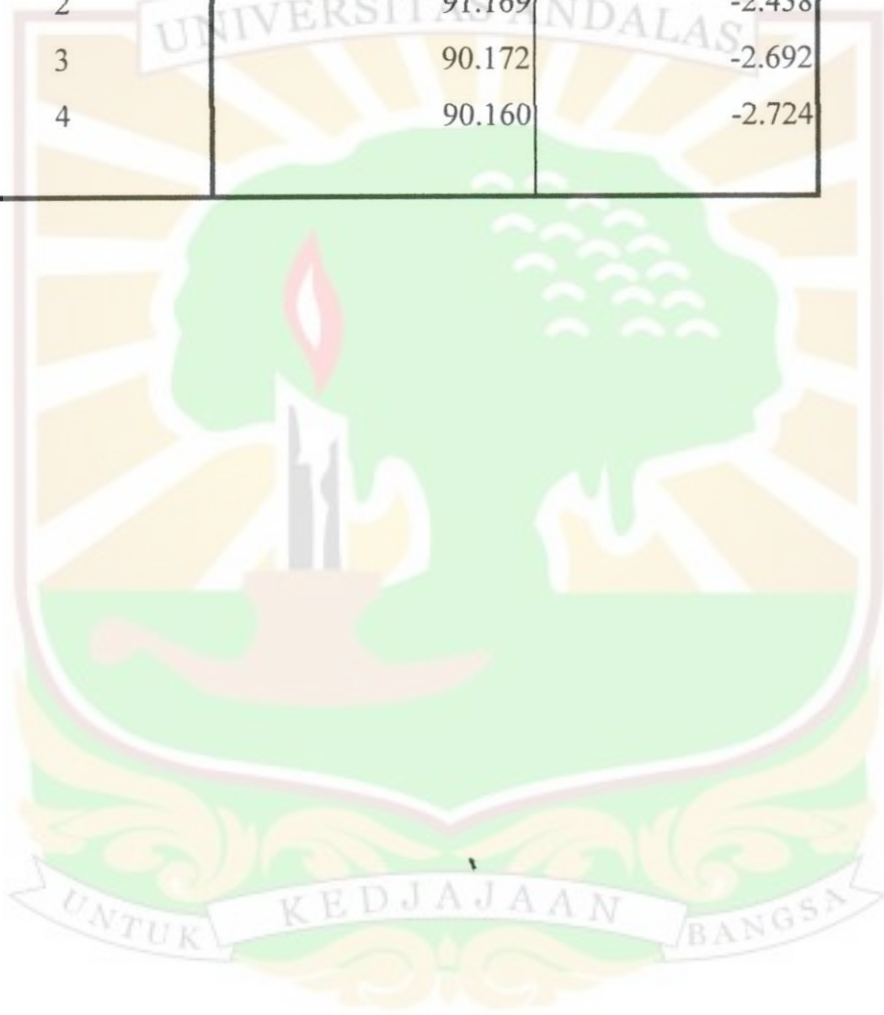


APPENDIX V

Regression Logistic Analysis

Block 0 : Beginning Block

Iteration		-2 Log likelihood	Coefficients
			Constant
Step 0	1	104.358	-1.754
	2	91.169	-2.438
	3	90.172	-2.692
	4	90.160	-2.724



APPENDIX VII

Regression Logistic Analysis

Overall Percentages Value

Observed		Predicted		
		Sending Remittances		Percentage Correct
Yes	No	Yes	No	
Step 1 Sending Remittances	Yes	183	0	100.0
	No	12	0	.0
Overall Percentage				93.8



APPENDIX VIII

Results of Logistic Regression Estimation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a MRUMAH	.668	.767	.759	1	.384	1.951
RENOVASI	-.985	.731	1.817	1	.178	.373
USABA	-1.480	.841	3.100	1	.078	.228
TUJUAN1	1.728	1.028	2.826	1	0.93	5.630
Constant	-2.254	.778	8.388	1	.004	.105

