

Sustainable Mountain Development Series

# Investing in Sustainable Mountain Development

Opportunities, Resources and Benefits

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Cover photo: Construction of Khimti–Betali road, Nepal (P. Starkey)

# The power of translocal networks and remittances



Andreas Benz

The importance of remittances in supporting development is well known and has been proven in many case studies. However, the case of Gojal in northern Pakistan shows that remittances unfold their real power only through being invested in education in and outside the migrant's places of origin, and through the communities' expansion of translocal social networks that link families across a multitude of places.

Aga Khan Higher Secondary School for Girls in Karimabad, Pakistan (A. Benz)

The rural high-mountain region of Gojal, home to about 20 000 inhabitants of Ismaili faith, has achieved impressive developments and advancements of people's well-being since the 1940s. At that time the region faced extreme poverty, recurrent famine and pervasive illiteracy. Today, education and gender equality in Gojal have reached a level that is virtually unparalleled in other rural areas of Pakistan. Among a range of conducive factors such as state and non-state interventions and improved road access, the people's mobility and migration strategies were key to enabling these developments.

Migration from Gojal gained momentum in the 1940s with the region's integration into Pakistan. Initially the Gojali migrants focused on Karachi, where they found support from the local Ismaili community. They soon spread to other lowland cities and continuously expanded their migration networks. They maintained their strong intra-communal ties, backed by a pronounced corporate Ismaili and Gojali identity. The income of the mercenaries and unskilled labourers of the first generation of migrants was used to enable other family members to acquire higher education in the cities. After their graduation, this second generation often built highly skilled professional careers, in turn supporting a next generation's migration for their higher education and subsequent professional careers. This triggered an upward spiral of rising education levels and increasing income among the Gojalis (Table). Survey data show that Gojali households on average spend about one-third of their disposable income on education, provoking an exceptional rise in higher education and professional employment.

In the migrants' places of origin, their remittances were also used for other purposes, such as modernizing agricultural production or establishing small-scale enterpris-



*"The big development started when the first educated migrants came back to the region with their professional skills and knowledge. A huge number of our professional people returned and joined the education and health sector. They focused on our area and obviously that was a big change for development. And again they assisted their families and the other people in the village in going for further professional education, particularly also women."*

Khuda Dad, government officer from Gulmit, Gilgit

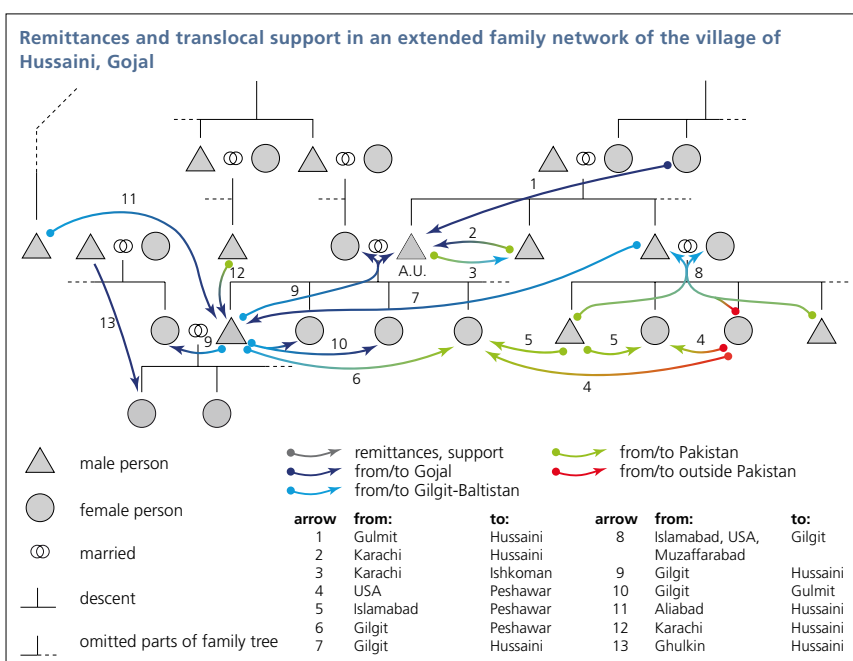
## Lessons learned

| The education status of the two Gojali villages of Hussaini and Passu |        |                 |                 |              |
|---|--------|-----------------|-----------------|--------------|
|   |        | Pakistan (2011) | Hussaini (2012) | Passu (2012) |
| Mean years of education (25+ years)                                   | Male   | 6.2             | 9.4             | 11.0         |
|   | Female | 3.1             | 5.8             | 6.6          |
| Adult literacy rate (14+ years)                                       | Male   | 67.0%           | 88.3%           | 95.8%        |
|   | Female | 42.0%           | 71.0%           | 75.8%        |
| Share of university graduates in population (25+ years)               | Male   | 10.1%           | 30.4%           | 38.6%        |
|   | Female | 4.9%            | 14.2%           | 16.7%        |
| Multidimensionally poor (in % of population)                          |        | 44.2% (2012/13) | 3.7%            | 3.1%         |

Data sources for Pakistan: UNESCO UIS online database, OPHI Country Briefing June 2015: Pakistan; for Hussaini and Passu: Survey Benz 2012

es (e.g. general stores, restaurants, hotels, transport services or transborder trade). These business ventures were often set up by returning migrants investing their saved earnings from labour migration. Remittances were also used for subsistence and house construction. Overall, the importance of agriculture declined in favour of off-farm income generation, which now forms the central pillar of Gojali livelihoods. The share of income from agriculture has fallen, from 54 percent in the mid-1990s to 37 percent in 2005 in the Gilgit district [1], and to about 20 percent in the villages of Hussaini and Passu. As local investment opportunities are limited, investments in education and professional careers outside Gojal have in the long run contributed more to mountain development and people's well-being than local investments.

Currently, about one-third of Gojal's population is absent as migrants. Members of households, family networks and village communities are spread across a multitude of places but have remained closely interconnected through strong social ties and exchange flows. Remittances flow not only from migrants' target to sending regions, but also between third places outside Gojal. This is well illustrated in the example of A.U.'s household from Hussaini where many support flows were directed not to Hussaini, but to family members staying in third places. Based on the well-established norms of mutual assistance and income redistribution among the Gojalis, the success of one migrant became beneficial to many others.



- Investing remittances in education provides the key to professional employment, rising income and increased well-being.
- Migration results in mountain families being spread across a range of places, with remittances not only flowing back to migrants' sending regions but also to third places. A substantial part of mountain development takes place outside mountain regions.
- Development planning and policies seeking to advance human-centred development should provide not only a conducive framework to invest remittances in the sending region but also account for the translocal social networks reaching far beyond the region in focus.

