Recruitment constitutes an important part of the process of temporary labour migration in Asia. Existing literature explicitly suggests that the rapid development of recruiting agencies and migrant networks has accelerated the growth of labour migration in Asia. However, most existing literature tends to focus on either the role of agencies or the role of networks in the recruitment process, not both simultaneously. Likewise, the economics of recruitment is almost inseparable from labour recruitment in Asia but it remains an area of peripheral interest in existing literature. This study argues that a holistic approach, meaningfully combining migrant networks and recruitment agencies, to highlight both the operational and economic aspect of recruitment, is needed to better understand the complexity of migrant recruitment dynamics in Asia. Focusing on the recruitment experiences of Bangladeshis in the GCC states, this study examines the operational as well as economic aspects of recruitment. This paper reveals how migrant networks and recruitment agencies adapt to the changing practices of recruitment to funnel migrant workers to the GCC countries. Further, it explains how constellations of interests at different points in the system create the conflicts and contradictions throughout the recruitment process.

1 Dr Md Mizanur Rahman is Research fellow at the Institute of South Asian Studies (ISAS) in the National University of Singapore (NUS). The author can be reached at isasrmm@nus.edu.sg. The views expressed are those of the author and do not necessarily reflect those of the institute.
Introduction

Throughout history, demand for foreign labour has been met in a variety of ways such as enslavement, bond and, later, recruitment. Following the abolition of both slavery and the indentured servitude system, it is the recruitment process which is now widely practised for obtaining supplies of labour internationally (Prothero, 1990). Recruitment constitutes an important part of the processes of Asian labour migration (Arnold and Shah, 1986; Eelens and Speckmann, 1990; Shah, 1994a). It is dominated by private recruiting agencies and migrant networks which act as intermediaries between prospective workers and foreign employers (Skeldon, 1997; Shah and Menon, 1999; Martin, 2005). Whether it is an authorised or unauthorised form of labour migration, the role of recruitment is vital in channelling migrant workers across international borders. In particular, recruitment has made it possible to sustain the circulation of millions of migrants in the Gulf Cooperation Council (GCC) states in the last four decades as well as surface the GCC countries as one of the largest regions utilising labour migrants globally in the 21st century (Kuptsch, 2006; Eelens and Speckmann, 1990; Shah, 2010; Esim and Smith, 2004).

In the six member countries of the GCC (Bahrain, Kuwait, Qatar, Oman, Saudi Arabia and the United Arab Emirates), migrant workers outstripped the local workforce in the 1980s (Suter, 2005: 28). The number of migrant workers increased from 9 million in 1990 to an estimated 13 million in 2005 (Dito, 2008: 6). Migrants constituted a majority of the labour force in all the GCC countries, with the average for the year 2004 being close to 70 per cent (Kapiszewski, 2006:4) and for the year 2008 being close to 77 per cent\(^2\) (Winckler, 2010:12; Baldwin-Edwards, 2011:9). In general, international migrants are invited under a specific labour migration programme called Kafala system in the Gulf states. The kafala system restricts family reunification for unskilled migrants, ties them to a single employer, disallows them from marrying locals, and enforces other restrictions on rights and movements so that the migrants stay as transient workers in the Gulf countries (see for details, Dib, 1988; Longva, 1999; Shah 1994b, 2008; Esim and Smith, 2004; IOM, 2004).

Existing literature explicitly suggests that recruitment agencies and migrant networks play a critical role in recruiting transient labour in the GCC countries (Arnold and Shah, 1986; Eelens and Speckmann, 1990; Eelens et al 1991; Shah and Menon, 1999; Gamburd, 2000; Zachariah, et al., 2001; IOM, 2004). However, these studies concentrate on other communities and the Bangladeshi migrant community is often neglected. Bangladeshis have played a role in the Gulf labour markets since the mid-1970s. Since then, Bangladesh has emerged as one of the major labour-contributing countries from Asia. According to the Bureau of Manpower, Employment & Training (BMET), around 5.3 million Bangladeshi

\(^2\) Calculated from data provided by Winckler, 2010:12 and Baldwin-Edwards, 2011:9.
migrants were employed in the GCC states between 1976 and 2010.³ Despite being a major labour-contributing country for the GCC states, such recruitment in Bangladesh has, thus far, received inadequate attention from the scholarly community. This study attempts to fill that gap.

On the theoretical and conceptual level, most existing literature on labour recruitment tends to focus either on migrant networks or on recruiting agencies in the GCC countries, offering an inadequate analysis of the overall recruitment procedures. Apart from this, the largest part of existing studies also tend to highlight either operational or economic aspects of recruitment and provide small, village-level survey data to support the economics of recruitment at the national level. Instead of studying the role of recruiting agencies and migrant networks separately, this study takes an innovative approach by reflecting on both recruiting agencies and migrant networks in the recruitment process. The roles of recruiting agencies and migrant networks are compared and contrasted to offer further insights into variations within the operational dimension of recruitment. Drawing upon national level migrant household data, the study provides the economic cost of recruitment and distribution of recruitment costs across different actors within the system. In doing so, this study attempts to provide a holistic understanding of Bangladeshi labour recruitment in the GCC countries.

This study is broadly divided into two parts: operational and economic aspects of recruitment. In the operational dimension of recruitment, the study covers a wide range of issues such as recruitment structure, licensed manpower recruiting agencies and their recruitment methods, and migrant networks and their respective methods. In the economics of recruitment, the study explains methods of payment for recruitment cost and provides the economic cost of recruitment to the Gulf counties. Before addressing the broader recruitment issues, the next section offers theoretical and conceptual issues, describes data sources with information about socio-demographic features of studied migrants which is followed by a description of Bangladeshi migration to the Gulf countries and an elaboration of Kafala system.

Theoretical and Conceptual Issues

In temporary migration of labour in Asia, several institutions come to assist prospective migrants to move intra-regionally for work: employers who recruit prospective migrants directly, public employment services working to match local workers with foreign jobs, migrant networks with access to foreign labour markets and private fee-charging agents (Martin, 2005; Martin, 2006; Kuptsch, 2006). They together form a recruitment structure that facilitates this overseas migration. Migrants may consult with and use the services of any of these labour intermediaries and, in some cases, more than one. However, over time the roles

³ Bureau of Manpower, Employment and Training, Bangladesh (BMET) is responsible for record-keeping and granting permission to overseas job seekers. BMET posts vital migration statistics online www.bmet.org.bd. Accessed on 24 July 2011.
of a direct employer and public employment services have substantially declined and the roles of networks and private agents have increased globally (Martin, 2005: XII). In Asia, the role of direct employment and public employment services for low-skilled migrant workers has almost disappeared because of the rising number and increased diversity of migrants, and efficiency in recruitment of labour through networks and private agencies (Ullah and Rahman, forthcoming).

Network analyses have generated enormous literature, explaining how it facilitates and sustains labour migration across international borders (Massey et al, 1987; Boyd, 1989; Faist, 2000). Existing studies demonstrate that non-migrants, migrants and returnees are linked to one another through ‘social and symbolic ties’ that offer the social bedrock for sustained migration flows across international borders (MacDonald and MacDonald, 1974; Gurak and Caces, 1992; Shah, 1995; Shah and Menon, 1999; Rahman, 2009). Social ties are often defined as a continuing series of interpersonal transactions to which participants attach shared interests, obligations, expectations and norms such as family and kinship ties, while symbolic ties are a perceived bond to which participants attach shared meanings, memories and future expectations such as regional, national, ethnic, religious and lingual ties (for details, see Faist, 2000). The content of social and symbolic ties that Thomas Faist identifies as obligations, reciprocity and solidarity contribute to the evolution of migrant networks and the sustenance of the migration flows across international borders (Faist, 2000). In networked migration, basic human relationships adapt to play new roles in the migration process. In short, many migrants move because others with whom they are connected had previously migrated.

In social network literature, social reward and social debt are usually seen behind the working of network-assisted migration (Boyd 1989; Faist, 2000). However, there have been some changes in the modalities of contemporary labour recruitment, especially low level migrant worker recruitment in Asia. The rising and disturbing trend in labour recruitment is the emergence of ‘visa trading’ in various Gulf countries (Shah, 2008; De Bel Air, 2011). Due to the great supply of foreign workers and the intense competition between recruiting agencies, recruiting agents and migrant brokers need to pay kafeel to procure work visas for migrant workers. This development of visa-trade has transformed the modality and scale of transactions for intermediaries of both migrant networks and recruiting agencies alike. Forced by market pressures, actors of migrant networks are now required to charge fees for Gulf visas, leading to the commercialisation of network-assisted recruitment. Currently, network-assisted recruitment is increasingly run for both non-material and material rewards, if not solely non-material reward.

The other key intermediary of labour recruitment is private recruiting agencies that become formally involved in serving prospective migrants for a fee. Recruitment agencies act as private gatekeepers, managing the modalities that condition access for individuals seeking overseas employment (Goss and Lindquist, 1995). A recruiting agency is a national level contact point for a foreign recruiting agency or foreign employers. Recruiting agencies
usually have control over information that allows them to negotiate with prospective migrants and their potential employers. They introduce prospective migrants to foreign partners (employers and other recruiters). There may be as many as several thousand recruiting agencies in each major source country in Asia if both licensed and unlicensed recruiting agencies are counted (Martin, 2006; Baruah, 2006; Lian and Rahman, 2006). Considering their role in the recruitment process, some scholars refer to networks as the ‘engines of migration’ (Phillips and Massey, 2000) and other scholars refer to recruiting agencies as the ‘other engines of migration’ (Hernandez-Leon, 2005:2). Some set rules and regulations control the behaviour of the recruiting agency while traditional social control mechanisms ensure the conduct of migrant network members.

To explain the recent changes in recruitment practices, scholars offer some mid-level concepts such as ‘migration institution,’ ‘migration industry’ and ‘merchants of labour’ (Castles and Miller, 2008; Goss and Lindquist, 1995; Kuptsch, 2006). For instance, Jon Goss and Bruce Lindquist present the concept of ‘migrant institution’ which is drawn on Anthony Giddens’ structuration theory (Goss and Lindquist, 1995). Migrant institution is conceived as ‘a complex institution consisting of knowledgeable individuals and agents of organisations (from migrant associations to multinational corporations) and other institutions from kinship to the state’ (Goss and Lindquist, 1995: 336). The argument is that the institution operates to facilitate overseas migration because brokers profit from the price and potential migrants are willing to pay, whether in terms of material payment or social debt. These organisations, such as recruiting agencies, benefit from fees charged in advance.

An International Labor Organization (ILO) study on migrant workers and facilitators of migration develop the concept of ‘merchants of labour’ to refer to public and private agents who move workers over national borders for economic rewards (Kuptsch, 2006). These merchants of labour include relatives who finance a migrant’s trip, provide housing and arrange for a job abroad, as well as public employment services and private recruitment agencies. Literally, it includes all intermediaries who make profit out of migrant workers. Another concept which has been in use for quite a while is ‘migration industry’ and it embraces a wide range of people who earn their livelihood by organising migratory movements (Castles and Miller, 2008:201). Such individuals include travel agents, labour recruiters, brokers, interpreters, housing agents, immigration lawyers, human smugglers and all others who extract fees from potential migrants for their services. One thing that is common for merchants of labour and actors in the migration institution and industry is the service fees that they charge to the prospective migrants.

The terms ‘recruitment fees’ and ‘economic cost of recruitment’ demand a conceptual clarification. They can be interchangeable when used in areas of expenses such as airfares, government fees, insurance, medical checkups, passport fees, short-term training, agency fees (official and unofficial) and other potentially required expenses. However, they differ in methods of payment.
For instance, in some sending countries, prospective migrants do not need to pay any amount of cash for recruitment upfront. All expenses associated with recruitment mentioned above are paid initially by the recruiting agencies. Later, recruiting agencies may deduct the paid expenses from the first several months of wages of the migrant worker. For instance, an Indonesian domestic worker typically pays around six to 10 months of her wages to the recruitment agency operators for working in Singapore, Hong Kong and Malaysia (Rahman, 2008). This method of repayment is commonly found among Asian female domestic workers (Wee and Sim, 2004; Jones and Pardthaisong, 1998). However, South Asian male migrants usually enjoy the privileges of active expenses in the recruitment process, by choosing service providers themselves and paying them upfront. The quality of choosing the service providers and paying the incurred expenses upfront justifies calling it ‘economic cost of recruitment’ rather than the seemingly binding ‘recruitment fees’. This study is advanced in the context of this economic aspect of recruitment.

Data Sources

This research draws from qualitative data from both Bangladesh and a number of receiving countries in the GCC states and quantitative data from a national level migrant household survey conducted in Bangladesh. For the qualitative data, the author interviewed Bangladeshi migrant workers and migrant brokers in the UAE and Qatar, and Bangladeshi returnees, subagents and agents in Bangladesh between 2008 and 2010. A national level survey entitled ‘Bangladesh Household Remittance Survey,’ which was performed by the International Organisation for Migration in Dhaka with the financial support from Department for International Development – the United Kingdom (DFID-UK) in 2009, is the source for this study’s quantitative data.

The survey interviewed households across the country through a nationally representative sample of migrant households from all six administrative divisions of Bangladesh. A ‘migrant household’ was defined as a household that had at least one of its members currently living/working abroad during 2009. In total, the number of migrants accounted for in the survey was 12,893. Of these 12,893 represented migrants, approximately three-quarters of the surveyed migrants (n=9292) were working in the GCC countries.

Of the 9,292 Gulf migrants in the sample, 98.5 per cent were males and 1.5 per cent females. Approximately 48 per cent of the migrants were working in Saudi Arabia, 34 per cent in the UAE, 8 per cent in Kuwait, 5 per cent in Oman, 3 per cent in Qatar and 2 per cent in Bahrain. Overall, nearly three-fourths of the migrants were in their 20s and 30s with the average age being 32. Although Bangladeshi migrants to the GCC countries were predominantly males migrating alone, they were not necessarily unmarried. Approximately 63 per cent of migrants were married with wives remaining in Bangladesh. Of these married migrants, 87 per cent
had children. Wives left behind were primarily homemakers, taking care of children and in-law families. For most of these families, remittances were the only source of income for these households.

The major categories of occupations that these migrants were engaged in in the GCC countries were construction, janitor, driving, factor work, restaurant or hotel work (cleaners, waiters), general labour and gardening. The educational attainments of the surveyed migrants were low. Approximately 30 per cent of migrants received only one to five years of schooling while 50 per cent completed six to 10 years. Of the remaining 20 per cent migrants, half had no formal education while the other half attained secondary and other vocational certificates. Approximately 34 per cent of migrants were living between one and two years, 22 per cent between three and five years, and 23 per cent between six and 10 years. The remaining one-fifth of those surveyed had been working abroad for a period of 11 years to 21 years (in some cases more). On average, the duration of stay of migrants was 6.27 years. Given the average duration of stay, it is probably safe to note that Bangladeshi migration to the GCC countries has been matured over time to give birth to complex recruitment procedures supported by both recruiting agencies and migrant networks.

**Bangladeshi Labour Migration to the GCC Countries**

The 1973 oil boom and the subsequent undertaking of an unprecedented number of development projects led to an extremely rapid increase in the demand for foreign labour in the Gulf countries (Arnald and Shah, 1986; Birks et al. 1988; Winckler, 2010). The growth of foreigners in the GCC countries has progressively increased since 1975. Foreigners were estimated to be nearly one million (10 per cent) of total Gulf population in 1975, around eight million (37 per cent) in 1990 and around 17 million (43 per cent) in 2010 (Fargues, 2011:11).

Obviously, all migrant workers are foreigners; however, all foreigners are not necessarily migrant workers as the GCC countries offer family visas (for spouses and children) for skilled and professional foreign talent.

Among Arab countries, there was considerable labour mobility in the pre-1973 era (Humphrey, 1991; IOM, 2010). However, the introduction of Asian labour migrants in the post-1973 period marked a shift from predominance of Arab labour migration to Asian labour migration in the oil-rich Gulf states (Arnold and Shah, 1986; Humphrey, 1991; Winckler, 2010). Since 1975 Asian workers have gained an increasing share of the migrant labour market; between 1976 and 1981 annual labour migration flows of Asian workers increased sevenfold, from 146,000 to more than a million with Asian countries representing the majority of sending countries to the Gulf (Humphrey, 1991: 47). Asian labour sending countries accounted for more than 63 per cent of the migrant worker stock in the Gulf states in 1985 (Birks et al., 1988: 268). Currently, Asia is the major human resource-contributing region for the GCC states.
The first official recording of labour migration flows to the GCC countries was initiated by the Bureau of Manpower, Employment & Training (BMET) in 1976. According to BMET, the formal recruitment of Bangladeshi labour to the GCC countries started in the mid-1970s and by 1980, nearly 80,000 migrants had gone to the GCC countries for work. The number of migrants reached nearly 1 million between 1981 and 1990, around 1.9 million between 1991 and 2000, and approximately 2.4 million between 2001 and 2010. Almost half of the total migrants joined the labour market of Saudi Arabia. The other countries are the UAE, Kuwait, Oman, Qatar and Bahrain. The majority of Bangladeshis are unskilled male migrants. A small number of Bangladeshi women have also joined in the labour markets of the Middle East, Southeast and South Asia (Maldives); the rate of female migration, according to a recent BMET report, is from 3 to 5 per cent at the national level.

**Labour Recruitment in the Gulf – Kafala System**

The Gulf countries have developed a sophisticated migration management system that shares two common stances on international migration: protectionism and the absence of any project for integrating immigrants into society (Fargues, 2006:18). Philippe Fargues suggests that the Gulf migration policy is protectionist in two different ways: by making the entry of foreign workers more difficult and by giving priority to the employment of nationals commonly known as ‘emiratisation, Saudisation, Qatariisation, Kuwaitisation, Bahrainisation and Omanisation’ initiatives (Fargues, 2006). There is almost a general consensus that these policies have not fully achieved their goals (Toledo, 2006; Dito, 2008). The Gulf countries see migrants as transient workers and, therefore, are unwilling to integrate migrants into the mainstream Gulf society.

Labour recruitment in the GCC countries takes place in a system, popularly called *kafala* or sponsorship (Longva, 1999; Colton, 2010; Shah, 1994b; Baldwin-Edwards, 2011; De Bel-Air, 2011). In a *kafala* system, a migrant is sponsored by an employer who is a GCC citizen and who assumes full economic and legal responsibility for the employee during the contract period. Kafeel may be an individual, a placement agency, or a company/institution. The *kafeel* (sponsor-employer) signs a form whereby he or she declares that the foreigner works for him or her, undertakes to inform the immigration department of any change in the labour contract such as expiry, renewal or cancellation, and pledges to repatriate the employee upon termination of the contract (for details, see Longva, 1999). The migrant worker thereby is tied to his or her *kafeel*. The system works such that the migrant worker can work only for him or her for a specific period. *Kafeels* often hold their employees’ passports and other travel documents.

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5 BMET, Bureau of Manpower, Employment and Training, is a government body and in charge of monitoring outflows of migrant workers.
documents and sometime exploit them by denying proper wages and conditions of employment to them (Colton, 2010).

Recently, Françoise De Bel-Air offers a two-fold classification of kafeels: small or occasional kafeels and big kafeels (De Bel-Air, 2011:3). ‘Small’ kafeels operate within small-scale, person-to-person frameworks such as employment of domestic workers. However, ‘big’ kafeels usually set up national level networks and possess adequate means and recourses to lobby for ‘work visas’. Many big kafeels are believed to be involved in visa trading (De Bel-Air, 2011:3). Since visa trading generates kick-back fees for kafeels, it has become a multi-million dollar industry in the Gulf (Shah, 2008). In the UAE, for instance, a work visa for an Indian is sold for around US$2,000 (or AED7,500) (Shah, 2008:9) and for a Pakistani around US$2,700 to US$3,000 (AED10,000 to AED12,000)\(^7\) (Gulf News, April 13, 2004). The scale of visa trading is massive. The Saudi Minister of Labour reported that 70 per cent of the visas issued by the government are sold on the black market and the government has been determined to crack down on this particular trade (Arab News- Saudi Arabia, 29 April 2004; cited in Shah, 2008:9).

In the kafala system, a change of kafeel is not impossible but entails hurdling bureaucratic procedures. Once the employment relationship is broken, foreign workers become illegal residents. Foreign workers are not allowed to marry or be involved in sexual relationships; domestic workers’ physical bodies are under medical surveillance to detect sexual activity. The overall emphasis in the kafala system is on control and ‘flexibility’ in response to local labour market fluctuations.

The kafala system has been met with much criticism over the years. For instance, it is accused of encouraging corruption, visa trafficking, as well as import of workers widely outpacing labour market needs (Migration News, November 2001 cited in De Bel-Air, 2011:10). The system ensures additional lucrative incomes for local sponsors and, despite some genuine interests, governments in the Gulf countries have not introduced a meaningful change in the visa-trading system, largely because of pressure from business elites and clan members (De Bel-Air, 2011; Shah, 2008).

It is worth mentioning that the sponsorship system is not unique in the GCC countries. This approach to temporary migration management with some parallel purposes and control mechanisms can also be found in East Asia and Southeast Asia (Chan and Abdullah, 1999; Ruhs, 2002; Piper, 2004; Asis and Piper, 2008). Temporary migration programmes are, in essence, a demand-driven system that serves the interests of both parties – employers and migrants (Rahman, 2008). On the one hand, it is efficient in satisfying the needs of employers and therefore is capable of generating higher benefits for the host country. On the other hand, it is economically beneficial for migrants and their home countries because it spawns

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remittance that directly goes to the migrants’ families who genuinely require it. More importantly, it opens up the opportunity for millions of unemployed individuals from developing economies to earn wages and relevant working experiences overseas and employ these benefits upon return.

The Operational Aspects of Recruitment

Recruitment Structure

In the recruitment process, prospective migrants in Bangladesh use the services of four public and private institutions -- BMET, Bangladesh Overseas Employment Services Limited (BOESL), recruiting agencies and migrant networks -- and together they form a semi-coherent system of governance that facilitates smooth flows of labour overseas. The Bangladeshi government’s most prominent structure regulating migration is known as BMET, established in 1976. The BMET issues and renews the licences of recruiting agencies, grants permission to agencies to recruit, provides immigration clearances after verifying visa papers and employment contracts, looks after the welfare of Bangladeshi workers abroad and manages many other functions related to training of workers and promotion of migration overseas. Currently, BMET is under the administrative control of the newly established Ministry of Expatriates’ Welfare and Overseas Employment.

While the BMET supervises and controls recruitment, actual recruitment takes place through three other channels: a government-run organisation called BOESL, private recruiting agencies and migrant networks. The government-run organisation for overseas employment, BOESL, established in 1984, is mainly involved in migration of high-skilled professionals overseas. The role of BOESL in skilled and professional migration is not necessarily significant. Out of 179,910 professional migrants who took up overseas placement between 1976 and 2008, only 14,811 professional migrants found jobs through BOESL. The agency coordinates with Bangladeshi missions abroad in assessing the needs of labour and puts up advertisements in newspapers for recruitment. BOESL is seen as a model institution in the manpower sector to work in healthy competition with private agencies.

Private recruiting agencies have emerged in response to the growing demand for labour overseas in the late 1970s. There are around 700 licensed private recruiting agents in Bangladesh. The government regulates recruiting agencies through a combination of economic leverage and bureaucratic requirements. Recruiting agencies assisted nearly 37 per cent (2.33 million) of a total stock of 6.26 million overseas job placements between 1976 and

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Recruiting agencies have a guild known as the Bangladesh Association International Recruiting Agencies (BAIRA), formed in 1984 with a view to catering for the needs of licensed recruiting agencies. BAIRA is also involved in welfare of migrants overseas. They have launched two insurance schemes: one is for workers before their departure and the other is for their families left behind, through BAIRA Life Insurance Company Limited. BAIRA is also setting up a modern Medical Testing Centre with elaborate facilities for migrants who need to undergo medical tests before leaving the country.

Personal connections form a crucial avenue for overseas placement in Bangladesh. Personal connections assisted 62 per cent (3.88 million) of a total of 6.26 million overseas job placements between 1976 and 2008. The growth of migration through personal connections is cumulative. More and more migrants have started taking the services of personal networks over the years, for instance 524 migrants took the services of personal networks in 1976, which escalated to 16,585 in 1980, 63,121 in 1990, 130,686 in 2000 and 665,092 in 2008. As per the survey data, nearly 58 per cent of the surveyed migrants (9,292) took the services of personal networks to migrate to the GCC countries. Recruiting agencies served the remaining 42 per cent.

Recruiting Agencies: Work Visa

Migration for work though a recruiting agency proceeds as follows (see Figure 1): A recruiting agency in a Gulf country places a ‘demand letter’ to their counterpart in Bangladesh, asking for a certain number of migrants for certain occupations. A recruiting agency in Bangladesh approaches the BMET for initial clearance. Once the agency receives the clearance, it searches out prospective migrants and asks them to submit passports, pictures, biographic information, working experiences (including relevant certificates) and a partial payment to begin the recruitment process. At this juncture, the Bangladeshi recruiting agency contacts its counterpart in the Gulf for visa processing. The potential sponsor-employer will then secure the visas from the relevant authority and pass the visas to the recruiting agency in the receiving country. This foreign recruiting agency then sends the visas to the recruiting agency in Bangladesh. From the time the potential migrant gives his passport to the agency to the time he or she flies out can be as short as a few weeks or as long as several months.

Although a general overview of how recruiting agencies work may seem simple, the actual recruitment procedures are much more complex and multi-layered. Along with formal recruiting agents, some informal agents located in different points throughout the system come to assist the recruitment procedures. Generally, most prospective migrants hail from

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villages in Bangladesh, but recruiting agencies based in the capital city of Dhaka encounter difficulty in locating prospective migrants who might be suitable for particular jobs and ready to pay the required fees. As a result, the recruiting agents rely overwhelmingly on a group of middlemen called sub-agents, who act as mediators between a prospective migrant and a licensed recruiting agent. For an extra fee, these sub-agents help prospective migrants find jobs and help agencies find prospective workers in a more timely fashion. Although the position of sub-agents in the official structure is nominal, they play a critical role in matching the demand for specific labour and the supply of such labour.

The sub-agents approach prospective migrants and convince them to take up the particular offer in the GCC countries. The true hurdle of this job is the sub-agents’ ability to earn the trust of prospective migrants. Given the fact that migration can be a few-thousand-dollar project, a prospective migrant from a village prefers to deal with someone who embodies trust such as rural religious, economic and political elites so that they have a local contact to approach in cases of fraud and exploitation. Sub-agents are generally based in small cities or villages and have good contacts with these elites, if they themselves are not already elites themselves. Sub-agents assist prospective migrants with a wide range of activities such as paperwork, passports, bank accounts, medical checkups and transportation to the airport. In addition to facilitating the actual migration process, they sometimes vouch to the traditional moneylenders that their potential clients have already secured jobs in the Gulf and therefore are eligible for credit. They can even act as guarantors for some potential migrants who otherwise could not secure loans for migration, transgressing (wrong, suggest surpassing) the role of sub-agents beyond simple matching task.

**Personal Connections: Urro or Flying (Work) Visa**

As migration matures, many potential migrants learn more about the process of migration and the way to seek alternative services for jobs in the GCC countries. Instead of finding jobs with agencies, many potential migrants seek jobs arranged with sponsor-employers in the Gulf countries through some migrant brokers already connected by social and symbolic ties. Migrant brokers or what Bangladeshi migrants call ‘dalal’ (broker) or ‘adam babshahi’ (human-trader) are usually former migrant workers living in the Gulf countries for a considerable length of time and have greater access to local recruitment structure and visas.

A working visa arranged through personal networks is called ‘urro’ or a flying (work) visa’ as it flies directly from a migrant broker in the Gulf countries to a prospective migrant in Bangladesh, bypassing local recruiting agencies and their sub-agents. This is different from getting a visa through a recruiting agency. In the recruiting agency-operated recruitment, a sponsor-employer passes the visa to a foreign recruiting agency, which later goes to the Bangladeshi recruiting agency and finally to the prospective migrant.
Arranging a ‘flying visa’ usually proceeds as follows (see Figure 1): A migrant broker finds a job for a friend or relative with usually his kafeel or kafeel’s network of friends and relatives. After successfully identifying a potential kafeel, the migrant broker arranges a photocopy of a passport, a portrait photograph and other relevant papers depending on the profile of employee (skilled or unskilled) to pass to the potential kafeel (sponsor-employer) for a work visa. Once a work visa is procured, the migrant broker sends it to the potential migrant in Bangladesh and asks to finish all local procedures such as medical check-up and BMET clearance before flying to the particular Gulf country within a stipulated period (usually less than three months). The flying visa benefits the mediating contact as he charges a commission to the potential receiver and the kafeel as he saves agency fees in his country of origin, in addition to kickback fees in most cases.

More importantly, the strategy of procuring a working visa through personal connections shows an individual migrant’s ability to circumvent bureaucratic procedures and rising costs of Gulf migration. Since procurement of a ‘flying visa’ does not involve local mediators in Bangladesh, especially the sub-agents and agents, the ‘flying visa’ benefits the potential migrant who receives it. Depending on the nature of ties (social or symbolic ties) between a prospective migrant and migrant broker, the amount of the fees for and timing of payment can vary considerably. The direct benefit of a ‘flying visa’ is that the recipients usually pay part of the set fees out of the wages of the first several months in the destination country, forestalling indebtedness to moneylenders in Bangladesh. Although the ever-increasing costs of recruitment have made it difficult for many poor potential migrants to secure jobs in the Gulf countries, a thriving trade in ‘flying visas’ has opened the door of affordable employment for a growing number of Bangladeshis in the GCC countries.

It is important to note that the Bangladeshi migration to the Gulf countries is deeply rooted in the social process organised through networks and forged through everyday interpersonal connections (Rahman 2010). It is founded on a social organisation infrastructure that includes common bonds of kinship and friendship, which are adopted and transformed through the reciprocity of mass migration. A landless villager in Bangladesh may be poor in financial capital but is often rich in social resources (social capital) inherent in such close knit connections. The beauty of social capital is that it is convertible into other forms of capital such as financial capital or access to overseas employment. The actual merit of personal connections is that it increases affordability of Gulf migration for those in the social stratum who may not otherwise envision undertaking such a costly venture.

From Flying Visa to Free Visa

Apart from ‘flying visa’, there is another type of visa, popular among potential Bangladeshi migrants in the Gulf countries, called a ‘free visa’. This type of visa is an invention of migrant brokers in the Gulf countries involved in the trade of work-visas. Although there is
no official category of visas called ‘free visas’ in the Gulf countries, the term is widely used among migrant communities. Pakistanis and some Indian Muslim migrants call it ‘azad’ (free) visa. This unofficial category of visas allows a potential migrant to enter a GCC country for work under the kafala system, but the sponsor-employer (kafeel) who officially sponsors the migrant does not offer paid work. A migrant on ‘free visa’ is free to find his own job in any sector of the economy although it is illegal to work in other sectors or with a sponsor-employer other than one’s own\textsuperscript{12} (Shah, 2008:7). In other words, a ‘free visa’ is legal but, paradoxically, when a free-visa holder starts working for others, he becomes illegal by law and vulnerable to deportation.

A ‘free visa’ is also obtained through similar procedures described for the personal networks and recruiting agencies earlier. Both migrant brokers and recruiting agents are involved in the trade of ‘free visas’ in Bangladesh. As there is no legal job available for a ‘free visa’ holder, a ‘free visa’ is cheaper than a ‘flying visa’. Many migrant brokers do not recommend ‘free visas’ to their close relatives for fear that they may lose social credibility and respect in their communities of origin in case the ‘free-visa’ holders do not find gainful employment and encounter deportation. Being for-profit organisations, recruitment agencies dominate the ‘free visa’ market. Like many ‘work visas’ and ‘flying visas’, ‘free visas’ also generate kick-back fees for sponsors/kafeels and this has perhaps given birth to such a dubious category of visas in the Gulf. The benefit of a ‘free visa’ is that the holder can bargain with his labour and get a good deal. However, the trade-off is that if the free visa holder is caught during working hours by the law-enforcement authority, the holder is exposed to deportation. Several Gulf countries have pledged to tackle the issue of ‘free visas’ and have taken action against people who have abused the system to bring in thousands of foreigners and enabled them to stay for a monthly monetary sum (Pakkiasamy, 2004).

Figure 1: Conceptualising Recruitment of Bangladeshi Labour to the Gulf States

\textsuperscript{12} Gulf News, ‘Kuwaitis speak out against crimes related to “free visa”’, 2 January 2011.
The Economic Aspects of Recruitment

In the case of Asian migration to the Gulf countries, wages have fallen and agency recruitment costs have risen. To explain this situation in the Gulf countries, Gamburd has attributed changing international economic dynamics to a shift in agency fees and wages (Gamburd, 2000: 63). The benefits of Gulf migration dwindled in the 1980s when employer-sponsors lowered commissions paid to recruiting agencies in the Gulf countries (Gamburd, 2000). Since the Gulf countries opened the door for migrant labour from the Maghreb, Mashreq and Asian regions, there has been a high demand for the limited number of jobs in the Gulf, creating a competition among labour-source countries and among recruiting agencies in these source countries.

With an apparently endless supply of surplus labour in source countries across the regions hoping to work in the Gulf states even with reduced benefits, agencies of these countries have often bargained away workers’ benefits in order to secure jobs and stay in business. Agencies in sending countries have to charge higher fees from potential migrants often in order to pay competitive commissions to Gulf recruiters. From the early 1970s until the mid-1980s, most sponsor-employers paid airfare, passport and medical costs for prospective overseas migrants. However, by the late 1980s, in addition to recruitment fees most Asian migrants had to handle these charges for employment in the Gulf, causing the rise of recruitment costs over time.

As mentioned earlier, prospective migrants are required to make some form of upfront payment regardless of the channel of recruitment. A set fee (official and unofficial fees for visa procurement) and other expenses such as passport fees, medical check-ups, government fees (for clearance), insurance, airfare and other transportation costs are some of the major areas of expenses although there are some exceptions. For instance, close relatives (such as brothers or cousins) in network-assisted migration sometimes pay the set fees from their first few months of wages. However, in recruiting agency-assisted migration, a prospective migrant is typically required to pay a full amount of set fees before departure for a destination country.

The economic cost of recruitment for a Bangladeshi migrant who seeks employment in the GCC countries is on average BDT195,237 (US$2,750, exchange rate as of 2010). The highest average cost is BDT221,683 (US$3,132) for Bahrain and the lowest is BDT174,021 (US$2,458) for Kuwait. This average cost of migration is higher than the cost set by Bangladesh government. The Bangladesh Government sets BDT84,000 (US$1,230) as a maximum recruiting charge for migrants going to the Gulf states (Martin, 2010:12). Given the average cost of migration, it is obvious that recruiting agencies largely ignore this maximum.

Given the high cost of migration, this study delves into distribution of recruitment expenses. For the convenience of understanding, the study divides the economic cost of recruitment into
formal fees and intermediary fees. Formal fees include government fees, passport fees, air tickets, wage earners’ contribution, and other relevant mandatory service fees in Bangladesh. Intermediary fees include both recruiting agency and migrant broker fees and other facilitators’ fees such as sub-agents and network members who link a prospective migrant with the recruiting agency or migrant broker overseas. On average recruitment cost of US$2,750 for each migrant, formal fees represent around 23 per cent (US$633) of the economic cost of recruitment while the intermediary fees are nearly 77 per cent (US$2,117).

The fee for intermediaries is excessively high as a kickback regardless of channels of recruitment. Some Bangladeshi recruiting agents and migrant brokers reported the kickback fee of between US$1,500 and US$1,800 for each work visa. However, the kickback fee varies depending on the sector of economy. The kickback fees for work in construction sector is reported to be the lowest as it is more demanding and less rewarding, and the service sector is the highest as it is less demanding but more rewarding. The practice of kickback fee is widely reported in the Gulf news media and academic work13 (see also, De Bel-Air, 2011; Ruhs, 2002; Shah, 2008). The kickback fee, intermediary fee, and sub-agent fee are charged unofficially without receipts, leaving no trace for documentary proof and legal recourse.

When the rising cost of migration was discussed with the actors at different levels, they often turned their discussion of unethical behaviour towards other actors in the institutional structure. While sub-agents blamed recruiting agencies for corruption, recruiting agencies condemned sub-agents for charging extra commissions and giving false promises, thereby inflating the recruitment cost. Bangladeshi recruiting agents also condemned Gulf recruiting agents for skimming off a great deal of the recruitment costs and vice versa. These different perspectives reveal conflicts and contradictions within the recruitment structure in the Bangladesh-Gulf migration corridor.

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**Figure 2: Distribution of Economic Cost of Recruitment**

<table>
<thead>
<tr>
<th>Formal fees and/ or expenses (government fees, passport fees, medical check-up fees, air ticket)</th>
<th>23 % (USD 633)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediary Fees (recruiting agent, migrant brokers, subagents &amp; others)</td>
<td>77 % (USD 2,117)</td>
</tr>
</tbody>
</table>

Economic Cost of Recruitment of a Migrant to the GCC States: USD 2,750 (n=9292)

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13 *Gulf News*, ‘Illegal visa trade still flourishes’, 13 April 2004; *Gulf News* Call for tougher rules to curb visa trade, 12 October 2003
Conclusion

This paper has argued that development of the recruitment industry has made it possible to hire millions of foreign workers in the GCC countries over the years. This study has shown how recruitment of labour takes place across international borders by scrutinising both the operational and economic aspects of recruitment through the example of Bangladeshi labour recruitment in the GCC states. In doing so, it illustrates the role of both institutional and network players in the recruitment process. It continues to elaborate on the kafala system that forms the legal basis for labour recruitment in the GCC countries. The study notes that the basic principles of the kafala system such as tying migrants with a single employer, forbidding them from marrying locals, restricting family reunification, offering renewable work visas, and viewing migrants as disposable and transient are also seen in other migrant-receiving countries in Southeast and East Asia. The policies of entries and exits for migrant labour are mostly dictated by the economic imperative and informed by the principle of minimal social disruptions in the host countries.

This study has explained how the recruitment structure of Bangladesh has evolved over time and facilitated the channelling of more than five million migrants to the Gulf countries between 1976 and 2010. The study has identified four major players -- BMET, BOESL, recruiting agencies and migrant networks -- in a semi-coherent system that governs and facilitates migration of labour from Bangladesh to the GCC countries.

However, it has also been shown that recruiting agencies and migrant networks are the actual players in labour recruitment representing nearly 38 per cent and 62 per cent, respectively. Recruitment agencies and migrant brokers have different but complementary role in the overall recruitment process. Recruiting agencies work in collaboration with their counterparts in the Gulf countries and use sub-agents to reach potential migrants. They are formal profit-making organisations helping prospective migrants to find jobs in the Gulf labour markets.

In recruitment through networks, a migrant broker in a Gulf country secures a work visa, known as a ‘flying visa’, for a prospective migrant in Bangladesh. Prospective migrants and migrant brokers are often connected by social and symbolic ties. A migrant broker charges fees for services but full down payment is not always required depending on the level and strength of ties; a prospective migrant may pay off a part of the set fee after working in the destination country for the first few months. Migrant brokers have also invented other type of visas, called ‘free visa’. to meet the ever-increasing requests from relatives and community members in the origin society. A ‘free-visa’ sponsor is not morally liable to offer paid jobs to the ‘free-visa’ holder; the holder is free to find his own employment. ‘Free visa’ holders can bargain their labour costs but take the risk of premature deportation. Both migrant brokers and recruiting agencies are involved in ‘free visa’ trade.
The economics of recruitment have shown the cost of recruitment in the Gulf countries and the financial benefits it generates for different actors in the recruitment process. The average cost of migration was US$2,750. With regard to areas of expenses for recruitment, 23 per cent of the recruitment cost was spent on government fees, agency fees, passport fees, airfares and other related expenses while the remaining 77 per cent was appropriated by intermediaries such as recruitment agents, migrant brokers, sub-agents and other facilitators. The study has pointed out that intermediary fees also contain kickback fees which are inherent in the recruitment cost in the Gulf countries regardless of the channels of recruitment. Nearly two-thirds of the intermediary fees could be the kickback fee that a prospective migrant shoulders in order to secure a job in the Gulf.

This study has attempted to provide valuable insights into the recruitment of Bangladeshi migrants in the GCC countries, especially the operational and economic aspects of recruitment. However, it cannot shed adequate light on some other aspects of recruitment such as political economy of international labour recruitment, visa trade, or their constellations of interests at different points in the system. Indeed, more research is required to understand the conflicts and contradictions surrounding labour recruitment for the Gulf countries.

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