

**ROLE OF REMITTANCE IN IMPROVEMENT OF RURAL LIVELIHOOD IN
NEPAL**

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LETTER OF RECOMMENDATION

This is to certify that the thesis work entitled “**Role of Remittance in Improvement of Rural Livelihood in Nepal**” has been prepared by Bhim Prasad Khatiwada under my supervision. As a supervisor, I forward this thesis for its final evaluation and approval as per the rules of the department.

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APPROVAL LETTER

This is to certify that the thesis work entitled "**Role of Remittance in Improvement of Rural Livelihood in Nepal**", has been prepared by Mr. Bhim Prasad Khatiwadahas been accepted for partial fulfillment of the requirements of the Master's Degree of M.A. in Sociology by the evaluation committee.

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Bhim Prasad Khatiwada

DECLARATION

I hereby declare that the present thesis entitled, "**Role of Remittance in Improvement of Rural Livelihood in Nepal**", is my original work done for partial fulfillment for the requirement of the degree of M.A. Central Department of Sociology, T.U. under supervision of Prof. ManahariDhakal. All the ideas borrowed from the different authors are well acknowledge. The result of this thesis has not been presented or submitted anywhere else for the award of any degree for any other purposes. I assure that no part of the content of this thesis has been published in any forms before.

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ABSTRACT

This study entitled "Role of Remittance in Improvement of Rural Livelihood in Nepal" (A case study of Bardagoriya Rural Municipality - 1 kattipur village Kailali District, Nepal) is conducted with the objectives of analyze the impact of remittance in rural livelihood, access the contribution of remittance in poverty reduction in rural area and analyze the factors related to the use of remittance in Bardagoriya Rural Municipality - 1 kattipur of Kailali District. This study is mainly based in the primary information and the data were collected using the techniques of household survey with the help of questionnaire and interview. There were 345 households in this Kattipur village. Out of total households 150 households were receiving remittance money. Among them 30 households were selected as the sample for the study. In the study area it was found that Tharu, Brahmin, Chhetri, Damai, Thakuri, Magar, and others were the major ethnic group in the study area. Remittance was the main occupation of this study area. Out of 30 respondents, 40% has gone to foreign labour migration due to unemployment, 26.7% family debt, 6.7% conflict, 3.35 for entertainment and 23.3% for others. And from this data we can explain that the major problem of our country is unemployment which is major cause of brain drain of Nepalese intellectual and technical as well as man power. After receiving the remittance the numbers of households receiving higher closed variables are increasing that is 9 households' falls under Rs.500000 to Rs.700000 annual income and above Rs.700000 annual income 12 households' falls respectively. After receiving remittance concrete houses are highly increased to 70% and Thatch houses decreased to 6.7%.

From the study area we can conclude that all the households who were receiving remittance are getting benefit. Their access to health and education and economy has increased. Likewise it also helps in net saving. The remittance is not using properly in productive sector if the households properly invest in productive sector it will help to develop rapidly which helps in rural development. All households were very positive towards remittance income. The living standard of the people is gradually changing. People are now getting the proper health facilities and their educational status is also gradually increasing.

Some recommendation from our side like the income coming from remittance should be utilized in productive sector like business, agriculture, etc. there should be some vocational training institution in the local area for their skill development and so on

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CHAPTER I

INTRODUCTION

1.1 Background of the study

Nepal is one of the top recipients of remittance in the world, with remittance accounting for a significant portion of the country's GDP. Remittance has played a vital role in improving the livelihoods of many Nepali households, particularly in rural areas where access to resources can be limited Basnett, (2014). The authors note that remittance has contributed to a wide range of positive outcomes for rural households in Nepal, including increased access to education and healthcare, improved housing conditions, and increased investment in agriculture. Paudel, (2018). The authors note that while remittance has played a significant role in reducing poverty and inequality in Nepal, there are also potential negative effects, such as increased dependency on overseas income and potential strains on family relationships. Overall, these articles highlight the important role of remittance in improving rural livelihoods in Nepal. However, it is important for researchers and policymakers to consider both the positive and negative effects of remittance and develop strategies to mitigate any potential negative impacts. By doing so, policymakers and healthcare providers can work to develop more effective strategies for improving rural livelihoods and reducing poverty and inequality in Nepal.

Nepal is one of the top recipients of remittance in the world, with remittance accounting for a significant portion of the country's GDP. Remittance has played a vital role in improving the livelihoods of many Nepali households, particularly those in rural areas. Subedi, (2013). The authors explore the ways in which remittance has improved the livelihoods of rural households in Nepal, including increased access to education and healthcare, improved housing conditions, and increased purchasing power for goods and services. Bhandari and Gautam, (2018.) The authors examine the ways in which remittance has contributed to the development of agriculture in rural areas of Nepal, including increased investment in agricultural production and improved access to credit. Overall, these articles highlight the important role of remittance in improving rural livelihoods in Nepal. Remittance has provided a source of income and increased access to resources, which has made a significant impact on the lives of many Nepali households. However, it is important for researchers and policymakers to consider potential negative impacts, such as increased dependency on overseas income and potential strains on family relationships, and develop strategies to

mitigate these impacts. By doing so, policymakers and healthcare providers can work to develop more effective strategies for improving rural livelihoods and reducing poverty and inequality in Nepal.

Bhandari and Sharma (2015). The article begins by noting that remittance has become the backbone of the Nepali economy, with millions of Nepali people living and working abroad and sending money back home. The authors explore the role of remittance in the Nepali economy, highlighting its impact on poverty reduction, investment and consumption, and human development. The authors note that remittance has contributed significantly to reducing poverty in Nepal, particularly in rural areas where access to resources can be limited. Remittance has also played a vital role in increasing investment and consumption, leading to improved living standards for Nepali households. Furthermore, the authors argue that remittance has contributed to human development in Nepal, particularly in terms of increasing access to education and healthcare. The authors note that remittance has enabled many Nepali households to invest in education and healthcare, leading to improved human capital and long-term economic growth. However, the authors also note potential negative impacts of remittance, such as increased dependency on overseas income and potential strains on family relationships. The authors argue that policymakers must consider these potential negative impacts and develop strategies to mitigate any negative effects. Overall, "Remittance and Its Impact on the Nepali Economy" provides a comprehensive overview of the role of remittance in Nepal's economy and society. The article highlights the positive impact of remittance on poverty reduction, investment and consumption, and human development, while also acknowledging potential negative impacts. By doing so, the article provides a valuable contribution to the study of remittance in Nepal and offers important insights for policymakers and healthcare providers.

Adhikari (2017) The article begins by noting that rural livelihoods in Nepal are facing significant challenges due to factors such as climate change, political instability, and economic globalization. The authors argue that livelihood diversification is a key strategy for building resilience and improving livelihood outcomes in rural Nepal. The authors provide a detailed analysis of the factors that influence livelihood diversification in Nepal, including social and cultural factors, economic conditions, and environmental factors. The authors argue that successful livelihood diversification requires a comprehensive approach that takes into account these complex and interconnected factors. The authors also provide case studies that illustrate successful livelihood diversification strategies in different parts of Nepal. These

case studies highlight the importance of community-based approaches, as well as the need for supportive policies and infrastructure. Overall, "Livelihood Diversification and Rural Resilience in Nepal" provides a valuable contribution to the study of livelihoods in Nepal. The article highlights the challenges facing rural livelihoods in Nepal and the importance of livelihood diversification for building resilience and improving livelihood outcomes. The case studies included in the article provide valuable insights into successful livelihood diversification strategies, and offer important lessons for policymakers and healthcare providers working to improve livelihoods in Nepal.

A remittance is money sent to another party, usually in another country. Typically the sender is a foreign worker and the recipient is a relation in the recipient's home country. Remittance represent one of the largest sources of income for people in low-income and developing nations. Regarding the word formation the term is derived from the word remit meaning to send back. thus in simple words remittance refers to the act of transferring or sending certain amount of money by one party to the other. Most often people consider the transfer within the country also comes under the same. As the trend of foreign migration is escalating mostly among the working age group more so from the developing nation the word remittance today has become a common household term as a non resident nation people face the need to their families for different purpose of life. (Chris B Murphy 2022).

Poverty alleviation is a major agenda for sustainable development in developing countries like Nepal. However, the agenda of poverty alleviation not only includes the income raising activities but also constitutes the broadest opportunities in the socio-economic development of the country. Poverty itself is a problem of both developing and underdeveloped countries, but the level of poverty with its magnitude is different. Thus, it is a worldwide phenomenon but different in its magnitude from one country to another. Nepal is a small landlocked agricultural country suffers from the problem of mass poverty and unemployment. High population growth rate and increasing dependency on the backward agriculture are attributed for its slow growth rate. Among them, mass poverty is the main characteristic. In Nepal, poverty is based on two aspects; per capita income and twelve basic needs. Defining poverty with the per capita income approach, Nepal's GNI Per Capita is US\$ 1090 till the year 2019 as of World Bank. Further, around 18.7 percentages of its population lives below poverty line (Nepal Economy, CBS, NRB, WB, 2017/18). This clearly shows that poverty is in large magnitude in Nepal. Another approach of poverty in Nepal is basic needs approach where poverty is defined as the unavailability of basic requirements like clothes, shelter and food.

He mentions that a person needs an average daily intake of 2256 calories and value of the lowest actual daily consumption of other necessities in Nepal (Chhetri, 2004). If any person can't get that required number of calories, he could be rated as poor. Due to the very high level of poverty, the Social Index of Nepal is also very low, and its human development rank is 142nd (HDI Report, 2020). Nepalese economy has tremendous potentiality for sustainable high level of growth based on prime foundation of Nepalese economy, which are water resources, tourism, human resources and remittance and biodiversity. Poverty, unemployment, high population growth rate and dependency on agriculture are the main characteristics of Nepalese economy. In the present situation remittance is playing vital role to reduce poverty level of Nepal to the downward ranges, especially in rural areas where there is no other opportunities to earn and get employment without agricultural sector. But due to the lack of proper government policy to encourage the remittance income in the productive sectors almost 70 percent of remittance money is used in unproductive sectors like house building land buying and other luxurious goods. Poverty is the major burning problem of both developing as well as underdeveloped countries in this present world, only the difference in its magnitude and type of it. It is a worldwide phenomenon and, however it differs in its magnitude from one country to another.

The way in which foreign remittances are used can produce wide multiplier effects in the reduction of poverty. While there are differences among countries on how foreign remittances are spent, evidence shows some similarities in the order of priorities among the recipient families and sending migrants. Household consumption represents most of the amounts transferred. Then it strongly assists to increase their living standards and as well as the reduction of poverty. They used those transferred foreign remittances for their purposes such as, savings and small investments, long term household requirements (house building, loan payments, and inputs for family self-sustained agriculture activities), to obtain health and educational facilities (medical services, studies and insurance), to purchase home comfortable items (telephone services, home appliances, furniture and transport), direct household consumptions (water, electricity, and food). However, the major part of foreign remittance inflows is often used for current consumption; it has been argued that foreign remittances are an unproductive source of income. Foreign remittance receiving households spend more money on consumption than non-foreign remittance receiving households. However, since foreign remittance receiving households often have a larger income in total it should have expected that their consumption are higher. Accordingly, it is important to

compare the difference in proportions of the spending patterns between foreign remittance receiving and non-foreign remittance receiving households when studying the impacts of foreign remittances. Indirectly it highlights, it has an effect to reduce the poverty level of the country or else improve their standard of living. Nepal is one of the major beneficiaries of foreign remittances. Entering the capital and some other regional cities in Nepal has been operating many travel agent companies. It states an indication of the importance of migration to the Nepalese society. The large inflows of money to Nepal from the Nepalese who live and work abroad, mainly in the Middle East, Europe, and South East Asia have made foreign remittances an important part of the Nepal.

In case of Nepal, which is a small landlocked and agricultural country, suffers from the problem of mass poverty and unemployment. High population growth rate and increasing dependency of the backward agriculture are attributing for its slow growth rate. Among them mass poverty is the main characteristic. Poverty can be defined in two way. The situation where individual can afford the minimum requirements like feeding, lodging and clothing is called absolute poverty. In order to measure absolute poverty, minimum requirements or basic need goods are defined at first. And then the amount of money needed for buying minimum requirement goods is calculated. Persons who can't expenses that amount are classified as absolute poverty. But relative poverty is not the study of affording minimum goods. In fact, it is equality or inequality of income distribution. Relative poverty exists when lower group holds higher amount of income and vice versa (Rubyusta, 2012)

In this present situation remittance is playing very vital role to reduce poverty level of Nepal, especially in rural areas where there is no other opportunities to earn and get employment without agricultural sector. We have achieved some mentionable outcomes in the field of social sectors like education, health, life expectancy because of continuous flow of remittances. But due to the lack of proper government policy to encourage the remittance income in the productive sectors: almost 80 percent of the remittance money is used in the unproductive sectors in addition to this, in this context we shouldn't forget that the flow of remittances is causing income inequalities in Nepal. The people who are migrated to other countries for work and earn money are certainly helping to reduce poverty level of rural areas. (Acharya, 2012)

Remittances affect poverty levels and household income through two different channels. First, the direct channel in which remittances act like cash transfers and households can

directly spend the money on poverty reducing activities. Second, the macro channel in which remittances work as macro stabilizer in the economy by providing foreign exchange that can lead to capital formation and increased employment. However, it is also argued that the economy at macro level can also suffer in the form of loss of labour supply in which huge amount of human capital is embedded. This is referred to as “brain drain” hypothesis. Nevertheless, costs associated with brain drain should not very high due to prevailing high unemployment/underemployment rates and low levels of skill acquisitions in developing countries (Khan, 2008).

David Seddon, Ganesh Gurung and Jagannath Adhikari (1998) During the second half the 1970s the recorded value of money sent back from abroad more than doubled from Rs. 90.7 mn in 1974-75 to Rs 216.8 mn by 1980-81. Over the next decade, the official value of foreign remittance increased three-fold, the official value of 676.8 mn by 1989-90 this was just under half of the value of tourist receipt and a seventh of total exports. Despite their considerable increase the value of remittance as a proportion of total foreign exchange earnings declined as tourism and exports grew. Even so, it has been estimated that in the mid-1980s, Nepal was gaining nearly \$47 million annually as foreign exchange from British Gurkhas as salary, remittances and pensions, and Indian currency worth \$100 million from those in the Indian Army.

With hindsight, my academic interest in the livelihood approach was characterised by a continuous commitment to contributing, on the one hand, to a sound scientific conceptualisation of the way of life of poor people in the Global South and on the other hand, to developing effective support mechanisms to enhance their livelihoods. The latter does not necessarily imply my unqualified support to development as a hegemonic project of modernity (ScHuurman 2001, 61–62), nor does it deny the uncomfortable feeling that many development practitioners experience “that they are continually fashioning discourses and policies that do not reflect the realities they face in projects and local settings” (BüScHer 2008). This paper and the 7th International Lecture in Development Geography are reflections of that interest. This paper wants to pay tribute to an important actor-oriented perspective in development studies – of which geography of development is one of the constituting disciplines – that strongly influenced development oriented research and development practice. It deals with the original outlines of the livelihood approach and its subsequent critique and evolution. In the first section, the basics of the original livelihood approach are discussed, as well as the development cooperation context around the turn of the

millennium in which it emerged. The second section deals with the broader popularity of the livelihood approach in academic research, the initial critique it met and how this was overcome. In the third section, 346 Vol. 66 · No. 4 the neglect of power relations of the approach is discussed. This section also demonstrates how the following generation of livelihood studies managed to come to grip with that shortcoming and developed an understanding of the operation of power in livelihood strategies that can effectively contribute to livelihood enhancement. The fourth section identifies another shortcoming, i.e., the continuous production of studies presenting almost endless variations of local livelihoods. This section argues for the rise of another type of livelihood studies which aims – through metaanalysis of the multitude of livelihood studies available and through comparative research – at broader generalisations that may challenge existing theories.

1.2 Statement of the Problem

Is to explore the impact of remittance on rural livelihoods in Nepal, particularly in terms of improving economic development and reducing poverty and inequality. While remittance has been shown to have a positive impact on the Nepali economy and on poverty reduction, there is still a need for more targeted research that focuses specifically on the impact of remittance on rural livelihoods. Subedi(2013). The authors note that while remittance has contributed to a wide range of positive outcomes for rural households in Nepal, there is still a need for more research that explores the specific impact of remittance on rural livelihood security. Bhatta and Ahmadi,(2017). The authors note that while remittance has played a significant role in reducing poverty in Nepal, there is still a need for more targeted research that explores the specific impact of remittance on rural poverty reduction. Overall, the statement of problem for the thesis topic "The Role of Remittance in Improving Rural Livelihoods in Nepal" highlights the need for more targeted research that explores the impact of remittance on rural livelihoods in Nepal, particularly in terms of improving economic development and reducing poverty and inequality. By addressing this statement of problem, researchers and policymakers can work to develop more effective strategies for improving rural livelihoods and reducing poverty and inequality in Nepal.

In this twenty first century the age of globalization has become a milestone of development for any developing country. The prevailing political instability, political unrest, growing unemployment all over the country there has been increasing trend of foreign employment. Remittance has played a important role in poverty reduction. Various reports and planning

documents published in recent times have attributed the dramatic fall in absolute poverty to the flow of remittance of Nepal. According to NLSS (Nepal living standards survey – III) the percentage of all households receiving remittance in Nepal during the year 2010/11 was 65.8 % percent. More than 29 percent of household have at least one absentee currently living abroad (NLSS 2011). This study tries to show the importance of remittance in rural development as well as Nepalese economy. Remittance contribute for the economic development if it is utilized in productive sector. If we concentrate on the poverty situation of our country, its magnitude is very large especially in the rural areas. Most of the people are migrated to the other countries for work and earn only for the existence of their family. In rural areas we can find that most of the lower and middle class families are drowned in debt. If any member of that family is migrated to other countries, the family usually gets rid of debt. So remittance income is playing very vital role in the rural economic situation.

1.3 Research Question

This study designed to address the following research tries to analysis what was the role of remittance in Bardagoriya rural municipality In this regard this study is designed to address the following questions, which are related to remittance and its proper economic use:

- I. How the remittance is being utilized to sustain livelihood and household level in Nepal?
- II. What is the impact of remittances at household level in Nepal?

1.4 Objectives of the study

The main objective of the study is to examine the role of remittance in rural poverty reduction of the study area. The specific objectives of the study are:

- I. To assess the contribution of remittance in livelihood and household level in the rural area.
- II. To examine the impact of remittances on household level of Bardagoriya rural municipality.

1.5 Significance of the study

Nepal is one of the top recipients of remittance in the world, and remittance has played a significant role in the economic development of the country. However, there is still a need for more targeted research that explores the specific impact of remittance on rural livelihoods in Nepal. One of the key significance of this study is that it can help to inform policymakers and healthcare providers about the impact of remittance on rural livelihoods in Nepal. By understanding the specific impact of remittance on rural communities, policymakers and healthcare providers can develop more effective strategies for improving rural livelihoods and reducing poverty and inequality. Additionally, this study can help to inform the development of more effective remittance policies and programs in Nepal. By understanding the specific needs and challenges faced by rural communities, policymakers and healthcare providers can develop policies and programs that are better suited to addressing the unique needs of these communities. Moreover, this study can contribute to the broader international debate on the impact of remittance on economic development and poverty reduction. By exploring the specific impact of remittance on rural livelihoods in Nepal, this study can provide valuable insights into the potential benefits and challenges of remittance as a development strategy in other countries facing similar challenges. Overall, the significance of the study on "The Role of Remittance in Improving Rural Livelihoods in Nepal" is that it can provide valuable insights into the impact of remittance on rural communities in Nepal, inform policymaking and program development, and contribute to the broader international debate on the impact of remittance on economic development and poverty reduction.

Many Studies have shown that remittance is playing very importance role to reduce poverty and uplift living standard in rural area of our country. Especially in those area of Nepal where there is limited job opportunity to earn money to fulfil their basic needs. This study is very significant to those (professional, students, teacher etc.) who want to know about the remittance and its role in rural poverty reduction.

The research finding have also valuable for the government and policy makers to make remittance policy and implementation. This study or research helps to know about the use of remittance in study area. Finally, it support the future researcher to make more research out of it.

1.6 Limitations of the study

The study is a macro-level study of Bardagoriya rural municipality 1 kattipur of Kailali district .Every study carries some limitation, which is unavoidable. The main limitation of the study is as follows:

The present analysis is concentrated in a particular area of Bardagoriya rural municipality -1 Kattipur village of Kailali District.

This study is based on a sample size of the study area; it may not be helpful to make a general conclusion.

- I. out of total household 150 households were receiving remittance money; only 30 households are taken as a sample for the study.
- II. The present analysis is concentrated in particular area of Bardagoriya Rural Municipality -1 Kattipur village of kailali District.

1.7 Organization of the Study

The study has been organized into six different chapters including references and questionnaires. The first chapter is about introduction that deals with the background of the study, statement of problem and research question, objectives of the study, organization of the study. The second chapter covers the literature review including both theoretical reviews on remittance, studies on remittance and research gap. The third chapter is about the research methodology which refers to selection of study site, research design, nature and sources of data, universe and sampling procedure, techniques of data collection (survey and interview) and process and data analysis etc. Chapter four and five covers the data presentation and analysis of the study. Lastly, summary and conclusion are included in the six chapter.

CHAPTER II

LITERATURE REVIEW

A review of the literature comprises the existing literature and research related to the present study to find out what had already been studied. According to Wolf & Pant “The purpose of reviewing the literature is to develop some expertise in One’s area, to see what new contribution can be made and to review some idea for developing research design”. This portion has been divided into four parts:-

2.1 Theoretical Review

Remittance is the transfer of money from a person working in a foreign country to their home country. In Nepal, remittance has become a significant source of income for many families. According to the World Bank, Nepal received approximately \$8.1 billion in remittances in 2019, which accounted for over 25% of the country's GDP (World Bank, 2020). Remittance has had a profound impact on the Nepali economy, as it has helped to reduce poverty and provided financial stability to many households. Several studies have shown that remittances have played a crucial role in improving access to healthcare and education, and reducing child labor and domestic violence (Adhikari, 2019; Nepal Rastra Bank, 2019). However, there are also concerns about the long-term impact of remittance on the Nepali economy. Some experts argue that it may lead to a dependence on foreign income and discourage investment in domestic industries. Additionally, remittance inflows are often volatile, and they can be affected by global economic conditions, political unrest, and natural disasters. Despite these challenges, remittance continues to be an essential part of the Nepali economy, and it is critical to ensuring the well-being of millions of families. Therefore, policymakers must create policies that encourage economic growth and investment while also safeguarding the interests of remittance-dependent households.

In Nepal, livelihood is the means by which individuals or households generate income, and sustain themselves through various economic activities. Livelihoods can be defined as the capabilities, assets, and activities required for a means of living. It encompasses all activities related to earning a living, including work, employment, self-employment, and entrepreneurship. Livelihoods can take many forms, including farming, fishing, livestock rearing, small-scale industry, and service-oriented businesses. In rural areas, agriculture remains the primary source of livelihood for many people, while in urban areas, people

engage in various non-agricultural activities to generate income. Livelihoods are essential for the well-being of individuals and households, as they provide a source of income, food, and other basic necessities. The World Bank estimates that approximately 25% of the Nepali population is living below the poverty line, which means they lack the resources to meet their basic needs (World Bank, 2020). Poverty can impact people's ability to access livelihood opportunities, which can further exacerbate their financial situation. In recent years, there has been a growing recognition of the importance of sustainable livelihoods, which means promoting economic activities that are environmentally sustainable, socially equitable, and financially viable. This approach seeks to promote economic development that benefits people while also preserving the natural environment and cultural heritage.

Rural livelihoods are a crucial aspect of Nepali society, with a significant portion of the population working in agriculture and related fields. Subedi notes that while agriculture remains the mainstay of rural livelihoods in Nepal, increasing population pressure, climate change, and resource depletion have led to a decline in land productivity and crop yields. This has led to food insecurity and poverty in many rural areas, particularly among marginalized communities. To address these challenges, Subedi suggests that there is a need for greater investment in rural infrastructure, such as irrigation systems, roads, and markets, as well as improved access to credit and financial services. Additionally, she argues that there is a need for greater support for women and youth in agriculture, who often face significant barriers to accessing resources and markets. Despite these challenges, Subedi also notes that there are many opportunities for innovation and growth in rural livelihoods in Nepal. For example, the growing demand for organic and sustainable products presents an opportunity for farmers to adopt new techniques and technologies to increase their yields and improve the quality of their crops. Overall, Subedi's article highlights the importance of supporting rural livelihoods in Nepal and suggests several strategies for addressing the challenges facing these communities. By investing in rural infrastructure and supporting innovation and growth, Nepal has the potential to achieve greater food security and economic prosperity in the years to come.

The emigration, immigrant working or foreign employee has become the integral part of each society. Furthermore, the massive involvement as the foreign employment from less developing countries to the developed one is a common aspect of today's world. So, being the integral aspect there are several studies for causes for emigration, emigrant work and its economic consequences like income generation, remittance and social-cultural and

economical transformation. These studies are in the form of either books or articles. This chapter tries to detail the conceptual theoretical concept regarding the definition of emigrant work, remittance and consequences brought by remittance in term of poverty elimination or economical growth. Remittance means the transferring money from one place to another. Generally remittance refers to that portion of migrants' earning sent from the migration destination to the place of origin. The term "remittances" is normally limited to denote monetary and other cash transfers transmitted by migrant workers to their families and communities. In this way remittance is the amount transferred by workers abroad to support their families back home. In the actual sense present day Nepalese economy is characterized by Remittance Economy(NRB, 2006)

The foreign remittances mean transfer of funds, usually from a buyer to distant seller using instrument of transfers such as check draft or funds" or else it says "some of money that is sent to somebody in order to pay for something." Optimistic view says "foreign remittances are positive to the receiving household/countries, it could alleviate poverty and promote economic development and ease pressure on governments with large external deficits to engage in difficult structural reforms". On the other hand pessimistic view says foreign remittances should not encourage because it is detrimental to the growth and development of the recipients/receiving counties. Also they say it is irresponsible for excessive consumption, import dependency or unproductive investment in housing and land. It exacerbates the dependency of receiving communities. However, both views serve as the backbone for the development of theories on remittances.

This paper attempts to determine the impact of remittance on rural poverty in Nepal using the micro data set of household risk and vulnerability survey 2016 – 2018. The cross sectional analysis has been carried out using a dataset of 2018 with 5,645 households across 50 districts of Nepal. The log regression model has been used to determine the relationship between poverty and remittances. About 38 percent of rural households received remittances in 2018. About 65 percent of households headed by females received remittance compared to 30 percent of households headed by male counterparts. About 41 percent, 31 percent, and 32 percent of households living in the Hilly region, Terai, and Himalayan region respectively received remittance in 2018. About 1 in every 5 households in rural Nepal are poor. The probability of households falling into poverty reduces by 4.8 percent with a one percent rise in household assets. Remittance receiving households are 2.3 percent less likely to get caught in poverty as compared to remittance non-receiving households. The probability of

households plunging into poverty decreases by about 1.1 percent with every 10 percent increase in remittance inflows to households. Remittance is a major source of foreign exchange earnings in many low and middle income countries (LMICs)¹, and are on the rise. In 2018, remittance flows to LMICs reached \$529 billion, an increase of 9.6 percent over 2017 (World Bank Group, 2019). With the continuous rise in the transfer of money and goods sent by migrant workers, remittance is now gathering huge attention in global forums across the world. For example, remittance is recognized as one of the indicators of Sustainable Development Goals (SDGs), and the discussion on helping remittance-receiving families leverages the positive impact on development (International Fund for Agricultural Development, 2017) which is constantly evolving. Remittance is now considered equally important as foreign direct investment, official development assistance and international trade for development activities because the amounts of remittances flowing to LMICs are now more than three times the size of official development assistance and higher than the foreign direct investment (World Bank Group, 2019).

The SDGs target 17.3 mobilizes additional financial resources for developing countries from multiple sources. It has two indicators; and the volume of remittance as a proportion of total Gross Development Product (GDP) is defined as one of the two indicators. (Inter-Agency and Expert Group on Sustainable Development Goal Indicators, 2016). With the incorporation of remittance as one of the indicators into SDGs, national governments have acknowledged the importance of remittance and the way it shapes the development outcomes. Subsequently, the remittance sent by a migrant worker to his/her family back to the country is considered as vital to reach the SDGs commitments because it contributes significantly as a support for hundreds of millions of people across the globe. International Fund for Agricultural Development (2017) suggests that the fundamental contribution of migrant workers to their families and communities and to the sustainable development of their countries of origin be duly acknowledged.

International migration has become one of the main sources for earning foreign currency and it has played pivotal role in minimizing the unemployment problem in Nepal. Earning of migrant labors called 'remittance' entered into Nepal long ago when Nepalese youths joined British Army known as 'Gurkhas'. But the Labor Act 1985 came as a boon for facilitating foreign employment and opening up avenues for the private sector (Shrestha, 2008). Enactment of foreign Employment Act 1985, provision of distributing passport from related district administration offices and high demand of labor in foreign labor market, especially in

Gulf countries added fuel to the growth of international migration of Nepalese labor force. According to CBS (2008), out of the 23 percent of the households receive remittance and per capita remittance in Nepal is 4,042 Nepalese rupees. Following detail shows short snap-shot about the fact of remittance in Nepal. Today the term remittance has taken a central place in debates among development experts all over the world owing partly to the fact that its volume is growing at an exponential rate in recent years. The renewed debate started particularly after 1990s when it was observed that the dependency theory and structural views on remittances, which dominated the decades of 1970s and 1980s and maintained a pessimistic view on remittances, witnessed a downfall. The dependency theorists were of the view that remittance never contributes to the development of underdeveloped countries mainly for the reason that international migration encourages brain drain from the developing countries depriving them of the human capital that they desperately need to meet their development goals. Prior to the dependency and structural views, however, the developmentalist and neoclassical thinkers during 1960s and 1970s had maintained optimistic views on remittances believing that capital and knowledge transfers by migrants would help achieve development needs of least developed countries in the world. The same views have taken incarnation at the start of this century bringing back the debate about remittances on the floor once again. Neoclassical economics: macro theory (arguably the body of theory most familiar to World Bank staff) views geographic differences in the supply and demand for labour in origin and destination countries as the major factors driving individual migration decisions. Among the assumptions of this model are that international migration will not occur in the absence of these differentials, that their elimination will bring an end to international movements, and

KATHMANDU, May 12: Nepal has received remittance amounting to over Rs 724 billion in the nine months of the current fiscal year, 2021/22, a 0.6 percent decline as compared to the corresponding period last year, according to data published by the Nepal Rastra Bank on Wednesday. The figure had increased by 16.5 percent during the same period in the previous FY, 2020/21.

Similarly, remittance in USD has declined by 2.2 percent to stand at over USD 6.05 billion. The figure had seen a rise by 13.1 percent in the previous fiscal year.

Till the review date, the number of Nepali people aspiring for foreign jobs who got their final work permit (institutional and individual—new and certification) has increased by 74.9 percent to hit 256,031 as compared to 74.9 percent decrease in the previous FY.

The concept of foreign remittance had been linked to the theory of migration. Its definition linked to its motives, effects, and uses, kind of transfer and channel of funds transfer. BerhaneTewolde, (2005) said “foreign remittance as monetary and non-monetary items that migrants earn while working abroad and sent back to their families living in their homeland”. However, according to the Technical Subgroup on movement of persons, they agreed the following four definitions of foreign remittances. The views on the responses to poverty by the different schools of thought are highly influenced by the definition that each of them utilizes. It is thus essential to consider departures from the particular definitions each one of them adopts. For example, while Joseph Rowntree Foundation (2013) defines poverty as the situation where "a person's resources (mainly their material resources) are not sufficient to meet minimum needs (including social participation)", the World Bank in one of its definitions emphasizes more specific conditions such as "malnutrition", "illiteracy" and "disease", it also mentions "human decency" (Coudouel et al., 2002). Some of these aspects are of course more relevant to poor countries and their impact on mortality and educational opportunities of the poor, is still noticeable. Furthermore, the concept of poverty has typically been framed by accompanying qualifiers such as the absolute and the relative poverty. Most work focused as a relative poverty is the key concept (Townsend, 1979) but Sen. (1983) and other authors contend that absolute poverty, defined in terms of human capabilities in place of income or commodities, should have the relevant concept instead. (Berhan, 2005)

A standard which is measured in terms of the society in which an individual lives and which therefore differs between countries and over time” Relative poverty refers to the position of an individual or household compared with the average income of the Nations. If the total income of the nation increases, the relative poverty line also increases, although the real value of the income of the poor does not change. Relative poverty measurement indicators are usually used to measure the depth of poverty. It shows that how far the mean income of the poor lies below the poverty line.

Historically, Nepalese people established their business and work with the neighbouring countries like Tibet, China and India. In Lichhavi period, promoted Nepalese arts and popularity by Bhirkuti in China and many artists designers worked there. Artistries

Araniko invited by Kuble Khan for the constructing temples and Stupas in China. These histories show that the Nepalese were working in neighbouring countries and sent the earned amount to their motherland. At that period, Nepal was rich for culture, arts, heritage and also economically Malla regime too. Nepalese carried on the job continuously focusing trade between neighbouring countries.

Revenstein (1985) was the first person to attempt forming migration theory. Revenstein law of migration is also known as push-pull factor of migration, still predominates as framework of migration analysis, push factors are: land tenure system, unfavourable for of trade, wide dispersion of poverty and income, pressure of rural poverty in income, pressure of rural poverty in general and so on. Pull factor are employment, education and other facilities are opportunities known as bright light. On the other hand, push factor migrant from their place and origin and on the other hand pull factors migrant to pace of destination.

According to Department of Foreign Employment, Government of Nepal in between the FY 1994 / 95 – 2011 / 12, total number of Nepalese who went to work abroad is 2465699, among them 773940 people went to Malaysia (highest), 690395 people opted to go to Qatar (second highest) and 64219 people went to Kuwait (third highest). Similarly, in the present FY 2076 / 77, at the end of July, 79680 people went to work formally in different countries among them 78887 people are male, and 793 people are female. The first version of the report, Labour Migration for Employment - A Status Report for Nepal: 2013/14 set out a format for generating quantitative information with regard to labour migration, mainly through the presentation of trends, following the enactment of the Foreign Employment Act (FEA), 2007. These trends show large-scale labour migration from Nepal albeit the movement was concentrated in the Gulf Cooperation Council (GCC) countries and Malaysia. Labour migration to these seven countries ac-counted for 85.10 per cent of all labour migration between fiscal years 2065/66 and 2076/77.

Azam (2016)), the results unfold that both foreign remittance and aid are the notable factors of economic growth, in which the former plays a positive role, while the latter plays a negative role in the process of poverty alleviation during the period under the study. The empirical evidence validates that foreign remittances have a convincing and statistically significant effect on poverty alleviation. The finding signifies that there are considerable conceivable benefits related with foreign remittances for poor people. Therefore, the significance of remittance inflows needs not to negate in terms of growth expansion and

poverty mitigation, which successively enhance the economic and social conditions of the migrant origin country. This present study maintains that foreign remittances must have accepted as an anti-poverty device.

2.2 Empirical Review

Thapa and Acharya (2017) in *Remittances and Household Expenditure in Nepal: Evidence from Cross-Section Data*, article- they conclude that remittance recipient households tend to spend more on consumption, health and education as compared to remittance non-receiving households. Although the findings do not clearly provide evidence of either the productive or non-productive use of remittances, expenditures on non-food investment categories, such as durable goods, health and education, are more apparent among remittance-receiving households compared to remittance non-receiving households, which signal the prospect of a sustainable long-term welfare gain among the former.

Avenue of literature has studied the impact of remittance flow on poverty with positive results. Remittances have largely contributed to reduce poverty although it has also increased inequality (Portes, 2009). Lokshin et al (2007) studied the work related migration and poverty reduction in Nepal between 1995 and 2003 and concluded that almost one fifth of poverty reduction between the studied year could be attributed to migration and remittance flow to Nepal. Without migration, the number of poor household would increase, the mean per capita expenditure would decrease and the living standard would be lower. The authors have forecasted correctly that migration and remittance flow would gain importance in the coming years due to the increased volume hence help to reduce poverty further. According to World Bank (2012), one third to one half of poverty reduction in Nepal can be attributed to remittances'. Another IMF study of 101 countries from 1970-2003 found a strong link between remittance flow and poverty reduction in both poverty headcount ratio and poverty gap (World Economic Outlook, 2005,p-76). Similar results were found by IFAD study of 14 countries in Asia-Pacific region 1980-2009, that remittance flow has promoted economic growth and reduced poverty through direct effects (IFAD, 2012).

Adams and Page (2005) studied the impact of remittance and migration on poverty in 71 developing countries. Their results showed that remittance and migration significantly reduce the poverty in developing countries in terms of level, depth and severity'. The data showed that 10% increase in remittances will drop the portion of people living in poverty by 3.5%. Banga and Sahu (2013) found that remittance reduce poverty significantly. However, the

extent is higher in countries where remittances exceed 5% of GDP. The Remittance Matrix of World Bank (2013) shows that there are 17 countries in the world where Remittance consist of more than 5% of real GDP. These countries are all developing countries including Nepal. The authors highlight that the flow of remittances should take place regularly to have a positive and sustainable impact on poverty reduction

Haas, Hein De. (2007) Because of the important contribution of remittances to welfare, it has been argued that remittances are a safety net for relatively poor areas (Jones 1998a). This “private” foreign aid seems to flow directly to the people who really need it, does not require a costly bureaucracy on the sending side and “far less of it is likely to be siphoned off into the pockets of corrupt government officials” (Kapur 2003:10). Jones (1998b), therefore, stated that there is probably no other more “bottom-up” way of redistributing and enhancing welfare among populations in developing countries. While there is certainly an element of truth to this logic, there is also a clear danger of unrestrained optimism concerning the potential of remittances to reduce poverty and inequality. First, there is a tendency to overestimate the magnitude of migration and remittances. In fact, international migrants comprise only about 3 per cent of the world’s population and, in 2001, remittances represented only 1.3 per cent of total gross domestic product (GDP) of all developing countries (Ratha 2003:10). These figures are enough to put the argument that remittances alone can generate take-off development into a more realistic perspective. Second, the observation that remittances significantly contribute to income stability and welfare in developing countries does not necessarily imply that they contribute to poverty alleviation. This issue is related to the selectivity of migration. Because of the costs and risks associated with migration, it is generally not the poorest who migrate the most, and certainly not internationally. As migration is a selective process, most direct benefits of remittances are also selective and tend not to flow to the poorest members of communities (Centre for Development Research 2002:2; Schiff 1994:15) nor to the poorest countries (Kapur 2003:7–8).

The main beneficiaries of remittances are lower or middle-income countries, which receive nearly half of all remittances worldwide (Kapur and McHale 2003). The shares of remittances to GDP tend to be rather high in typical emigration countries such as Mexico, Morocco or the Philippines, and even higher in some small countries, especially island economies in the Caribbean, the Pacific or the Atlantic (for example, Cape Verde) (Kapur 2003:10). Although middle-income countries receive most remittances, in relative terms they tend to be more important to small and sometimes very poor countries (such as Haiti, Lesotho, Moldova and

Tonga), which often receive more than 10 per cent of their GDP in remittances (World Bank 2006:89). In other poor countries, such as Somalia, official remittance figures are not available, but are likely to be very high relative to GDP.

There are some empirical studies have explored and proved migrants' remittances constitute a supplement of income for households, it is logical to consider that these flows can have a direct negative effect on poverty in countries of origin. For example, the macroeconomic studies of Adams and Page (2005), of Spatafora (2005), or the more recent one of Gupta et al. on sub-Saharan Africa (2009), show the positive role played by migrant remittances on poverty reduction. Similar results have been obtained by country case studies: Egypt (Adams 1991), Lesotho (Gustafsson and Makonnen 1993), Burkina Faso (Lachaud 2004), or Ghana (Adams, Cuecuecha and Page 2008). Many researchers examined the channels through which migrants remittances can affect poverty in origin countries. The main channel enlightened is growth. The effect of remittances on growth pass through the balance of payments, the exchange rate, the private investment (by alleviating the credit constraint of households), or through the multiplier effect" they can have on the households which do not receive remittances.(Adams & Page, 2005)

.Khanal and Kanel (2005) has conducted on study on entitled, "Remittance Income and Minimization of Economic Fluctuations" which was sponsored by IPRD, Kathmandu, found that during 1996-2004, remittance income increased by more than three and a half folds. Also, among the remittance –receiving households, the share of remittance income went up to 31.9percent from 23.4percent during the same period. The share of remittance income in private consumption and import of goods reached 14.6 and 41.8 percent respectively in 2003.The large inflow also helped to overcome the worsening current account deficit. In the view of imports from third countries, private consumption being highly influenced by remittance income. Remittance income has contributed considerably to raise revenue, stabilize prices and augment output in the economy. Thus, a detailed empirical analysis evidently proved that remittance income is playing a crucial role in minimizing the vulnerability of the economy and also supporting long-term growth to some extent.

Gaudel, (2007) argued that many workers from Nepal going abroad for employment are no doubt young, energetic, laborious and enthusiastic. They do hard work for earning large remittance income to support their families. However, the down side of remittance reflects the view that remaining young generation for long time outside without family should have

increase their vulnerability and ultimately they have a tendency to leave their homeland. Thus, in order to recover the loss of economically active labour force to recover the loss of economically labour force to the domestic economy, they should have encouraged to come back again with skilled knowledge for utilizing their saving and working experience for development to the productive areas in accordance with the priority of the national development.

Acharya & Roberto, (2012) estimated a household consumption function using two rounds of the nationally representative panel of living standard measurement survey (LSMS) of Nepal and simulate the impacts of remittance on poverty and inequality. We study how these impacts vary with the regional 'incidence' and maturity of the migration process and with the country-source of remittance. We find that remittance has conditional impacts on both poverty and inequality, which largely depends on the 'incidence' and maturity of the migration process and, more importantly, on how lower quintiles of the society participate in this process. The national-level simulations indicate that remittance decreases the head count poverty by 2.3% and 3.3% in the first round of the survey, and between 4.6% and 7.6% in the second round. It reduces even further the depth (at least 3.4% and at most 10.5%) and severity (at least 4.3% and at most 12.5%) of poverty. Although overall remittance increases inequality, this is less so in the second round of the survey. Furthermore, remittance payment from India, which is on average much lower than from other countries, decreases inequality and has the largest impact on poverty reduction. This is due to the larger participation of the poor in the Nepal-India migration process. The region-wise simulations show that remittance has larger impacts on poverty reduction in the regions that have higher levels of migration

Panta, (2015) reported that remittances are more predictable as compared to other financial flows and, more importantly, they are counter-cyclical providing buffer against economics shocks. In conflict or post conflict circumstances, remittance can be crucial to survival, sustenance, rehabilitation, and reconstruction. In providing primarily for household livelihoods, remittances are spent on general consumption items in local communities that contribute to local economies by backing small businesses. A reasonable proportion of these expenditures is directed to the construction of homes, health care and education, together with saving in financial institutions, thereby creating employment in this moreover, in contributing to foreign exchange earnings, remittances can spur economic growth by improving sending countries creditworthiness and expending their access to international capital markets. Studies that argue against remittances having poverty-reducing impact

indicate that because of the high transaction cost of migrating, the 'truly poor' do not migrate. While these arguments should have some merit, it has little evidence as a number of studies from different countries have illustrated that the 'very poor' and the 'poor' do migrate. Remittance income has contributed considerably to raise revenue, stabilize prices and augment output in the economy. Thus, a detailed empirical analysis evidently proved that remittance income is playing a crucial role in minimizing the vulnerability of the economy and also supporting long-term growth to some extent.

Ewubare, (2018), International Remittance and Poverty Reduction in Nigeria and published Article, Journal of Applied Economics & Business, the study examined the impact of international remittances on poverty reduction in Nigeria. Using time series data on poverty incidence, inward and outward remittances, ODA and technical cooperation grants in Nigeria and applying the ARDL method in analyzing the data, the result indicates that: inward and outward remittances have diverse effects on poverty reduction in Nigeria in the short run. Also, in the short run, inward remittances impact was significant while outward remittance was not. ODA and technical cooperation grants also have conflicting effect on poverty in the short run. In the long run, inward remittances intensified poverty while outward remittances, ODA and technical cooperation grants all reduced poverty incidence in Nigeria given their negative coefficients. All the explanatory variables were insignificant in the long run. Based on this result, the study recommended for investment in foreign countries in order to diversify the income source of the economy, create conducive atmosphere for inflow of grants and reduce bottlenecks that hinder inflows of foreign funds as possible ways of reducing poverty in Nigeria.

2.3 Research Gap

A review of the literature on remittance shows that most of the studies focused on poverty reduction. Some of the studies dealt with the undergraduate and graduate people and all people behavior to examine the relationship between their background characteristics, quality food consumption, condition of housing, quality of health, and improved financial position. Some studies had done among people with demographic variables.

One research study undertaken by Panta (2015) reported that remittances are more predictable as compared to other financial flows and, more importantly, they are counter-cyclical providing a buffer against economic shocks. In conflict or post-conflict

circumstances, remittance can be crucial to survival, sustenance, rehabilitation, and reconstruction. In providing primarily for household livelihoods, remittances are spent on general consumption items in local communities that contribute to local economies by backing small businesses. A reasonable proportion of these expenditures are directed to the construction of homes, health care and education, together with saving in financial institutions, thereby creating employment in this moreover, in contributing to foreign exchange earnings, remittances can spur economic growth by improving sending countries creditworthiness and expanding their access to international capital markets. Studies that argue against remittances having a poverty-reducing impact indicate that because of the high transaction cost of migrating, the 'truly poor' do not migrate. While these arguments may have some merit, it has little evidence as some studies from different countries have illustrated that the 'very poor and the 'poor' do migrate Remittance income has contributed considerably to raise revenue, stabilize prices and augment output in the economy. Thus, a detailed empirical analysis proved that remittance income is playing a crucial role in minimizing the vulnerability of the economy and also supporting long-term growth to some extent.

Hence, this research study will try to find out the gap between previous research findings and a current one. The research gap investigates the findings of what did yesterday researcher found out at the determined research topic and what will current researcher find out. The findings of every research have differed with the change in time, place, situation, perspective, and other affecting factors. So, this research study will undertake all the previous studies to find out new findings.

2.4 Theoretical Framework

The theoretical framework provides a particular edge within which the work can be looked at. It is the structure that can support a theory of a research study. The theoretical framework introduces and describes the theory that explains why the research problem under study exists.

The theoretical framework of this research work is presented below. It is developed after studying and reviewing several journals related to the topic.

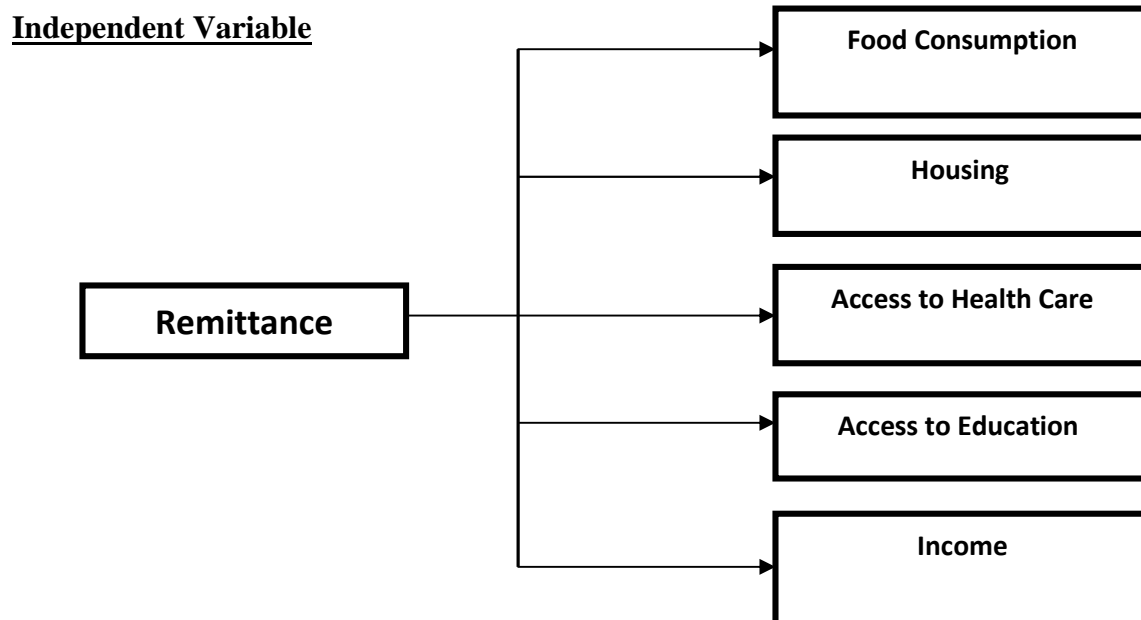


Figure 2.1 Conceptual framework of the study

CHAPTER III

RESEARCH METHODOLOGY

Research methodology refers to the various sequential steps to adopt by a researcher in studying a problem with a certain objective in view. It is a way to systematically solve the research problem it has understood as a science of studying how search is done scientifically. Includes the various steps that are generally adopted by a researcher studying his/ her research problem along with the logic behind them, it is appropriate to mention here that research project is not meaningful to anyone unless they are in sequential order which determined by the particular problem at hand, therefore, this study aims at analyzing the role of remittance in rural poverty alleviation of Bardagoriya rural municipality. This chapter focuses and deals with the following aspects or methodology.

3.1 Research Design

Research design is the task of defining the research problem. In other words, "Mostly quantitative and qualitative information were collected to observe the situation of foreign employment and remittance in the Nepal context. The information were obtained from primary as well as secondary source. The research design is the conceptual structure within which the research is conducted. The general objective; of this research study is to analyze the trend of remittance inflow in Nepal and to assess the contribution of remittance in improvement of rural livelihood in the rural area. Another objective of the study is to describe the role of remittance in improvement of rural livelihood in Bardagoriya rural municipality 1 Kattipur of Kailali district. A research design is the logical and systematic planning that specifies the procedures for collecting and analyzing data and information. To attain the specified purpose of this study a descriptive research design is considered an appropriate one. The simple tools were used to describe and analyze the results.

3.2 Nature and Sources of Data

This study entitled "Role of Remittance in Improvement of Rural livelihood in Nepal" is the case study of Bardagoriya rural municipality of Kailali District. This study is based on the primary data collected from the field. The required data is collected from the field study of the researcher himself as well as some data about remittance is taken from the secondary sources which are both published as well as unpublished. The required data are collected by

using the questionnaire. The collected data is processed according to the need of the objective of the study.

3.3 Universe and Sample Procedures

For the purpose of the study, 150 households of the Bardagoriya rural municipality-1kattipur village were selected as the population. which are receiving remittance from foreign employment. Since only 30 households were selected as sample for the study out of 150 households. Were selected by using randomly selected for this study. The study is focused on the use of remittance services and its impact on the community. The respondents are the family members of the migrants, as the purpose of the study is to analyze the role of remittance on rural poverty alleviation

3.4 Techniques of Data Collection

This research is conducted by employing various methods for data collection. Both primary and secondary data are collected. The researcher himself collects the data from the respondents by conducting the questionnaire survey with family of the local people receiving remittance by adopting various statistical data collection tools and techniques are adopted.

3.4.1 Questionnaire Survey

Structured questionnaire was prepared to generate the realistic and accurate data from study area. The respondents were requested to fill up the questionnaire. In case of the respondents who could not fill up the questionnaire, the questions were asked to the respondents and answer was filled up to collect the required data. In the absence of household head, another senior person present at the home was considered as the respondent. The data was collected through formal and informal interviews using structured and open and closed end questions. The prepared questionnaire includes both types i.e. open ended and close ended in order to acquire reliable information by making the respondent comfortable and ease to provide the information.

3.4.2 Interview

Interview schedule, a set of questionnaire which ask to the respondent and filled in self by the researcher, is taken as the major tool of collecting quantitative primary data in survey method. The schedule were based on a full set of questions on households characteristics,

income, expenditure, employment, labor migration, remittance and so on. Probability questions, therefore, to prepared to ask which was result oriented according to the objectives.

3.4.4 Focus Group Discussion

In the process of data collection the focus group discussion was carried out for the collection of data. The focus group discussion was held with the active participation of beneficiaries, local people, member of organization, member of social groups and technical person were gathered for the purpose. Related unstructured questions were asked to get information for the study.

3.5 Process of Data Analysis Methods

The collected data were analyzed by using simple mathematical and statistical tools such as percentage and tables. It is categorized and tabulates according to the objectives of the study. Before analyzed the data it had been categorized the information according to objective and tabulate by plan way.

The data processing and analysis are done manually after collecting primary and secondary data. The collected data are schedule through arranging, tabulating, descriptive statistics, uni-bivariate, bivariate and multivariate analysis. After the processing and tabulating, the data are presented with the help of simple tabular analysis to be interpreted. Simple statistical tools are applied to present the data in a meaningful ways. Regarding the qualitative data and information collected through in depth interviews and household survey, they are encompassed in the study systematically and logically with caused relationship establishment. Household has positive and negative effects on people's daily lives. Remittance and livelihood show the relationship of the impact on different aspects of individuals, families and society. Both of these are related to each other. It can be clarified by analyzing with statistical method.

The data was collected through in-depth interview and survey all techniques have systematically processed and analyses in terms of different quantitative method. The qualitative method has descriptive as it may have series of answer and differ from person to person. There were some quantitative data were collected logically as well as systematically through interview, survey etc.

CHAPTER: IV

CONTRIBUTION OF REMITTANCE IN DIFFERENT HOUSEHOLD LEVEL

4. Study Area

The study area Bardagoriya Rural municipality is situated in the Kailali District in Far western region of Nepal. There are 6 wards in Rural municipality ward no.1 Kattipur village taken for study. It has good fertile land for agriculture. Bardagoriya rural municipality one of the rural municipality of Kailali district, which is about 65 km far from administrative headquarter Dhangadhi. The total area of Bardagoriya Rural municipality is 77.3 km (29.8 sq mi) and total population is 32683.

Bardagoriya is surrounded by Lamki-Chuha municipality in the east, Ghodaghodi municipality in the west, Bhajani municipality in the south and Mohanyal rural municipality in the north. Bardagoriya and Lamkimunicipality are a transit point for the trade basically of vegetable supply to all over Kailali district and Kathmandu. It has a vast forest that supplies fodder for animals and firewood for dwellers of the area. The ethnic groups of this rural municipality constitute Tharu, Brahmin, Chhetri, Damai, Thakuri, Magar and others . Here most of the people are engaged in the farming and rest are engaged on other occupations such as small business, government jobs, foreign labour, local labour, student etc. which are categorized in non-agriculture sector of occupation. Agriculture is the main occupation of the people of Bardagoriya. The main crops are paddy, wheat, maize, barley potatoes, and vegetables etc. and the domestic animals on this rural municipality are Buffalo, cow, goat, etc. Many people has gone abroad to work.

4.1 Respondents Profile

This section includes the analysis of respondents with regards to their demography i.e. gender, age, income level, education level and occupation, brain drain numbers of family members. The responses of respondents are presented according to the question patterns with observed frequencies. This section shows the frequency distribution of respondents involved with respect to their age, gender, income level, education level, occupation and family members. Likewise, this section also includes the analysis of the most influencing factor for foreign employment under different variables.

Topic: Factor affecting to Foreign Employment:

At present time, labor migration is a global phenomenon. With the rapid global economic liberalization, the demand and supply of labor is unlimited and unbound therefore labor force of different countries are moving globally. But there are many causes for labor migration and it determines differently based on the country. In the context of our country Nepal, the main cause of foreign employment is poverty and unemployment. Beside this there are found different causes of labor migration in my study area for international labor market which is shown in the following table.

Table: 4.1 Frequency Table of Factor affecting for Foreign Employment;

Factors	Frequency	Percent
Unemployment	12	40
Family debt	8	26.7
Conflict	2	6.7
Entertainment	1	3.3
Others	7	23.3
Total	30	100

Source: Field Survey, 2022

Shows the frequency distribution of cause of foreign employment. Out of 30 respondents, 40% had gone to foreign labour migration due to unemployment, 26.7% Family debt, 6.7% conflict, 3.3% for entertainment and 23.3% for others. And from this data we can explain that the major problem of our country is unemployment which is major cause of brain drain of Nepalese intellectual and technical as well as unskilled man power.

Topic: Surveyed household family members.

There are people of different races in Nepali society. Therefore the study area is inhabited by the following castes as shown in the table below.

Table: 4.2 Frequency Table of Surveyed Household Member

Ethnicity	Frequency	Percent
Brahman	11	36.7
Chhetri	8	26.7
Tharu	5	16.6
Janajati	2	6.7
Dalit	4	13.3
Total	30	100

Source: Field Survey 2022

Has clear that the highest members of household family in Brahman 36.7 percent out of 30 samples. Similarly the second largest family in chhetri which 23.3 percent.16 percent family are Tharu,13.3 percent Dalit and 6.7 percent Janajati household family members in this study area.

Topic: Country wise distribution of migrated people

In this section, major destination of foreign migrant workers has been including which helps to know that how many people have gone to foreign country from the study area. Total number of country wise description of workers gone abroad for employment is given below.

Table: 4.3 Frequency Table of country wise distribution of people.

Country	Frequency	Percentage
India	10	33.4
Malaysia	7	23.3
Qatar	4	13.3
South Korea	6	20
Other	3	10
Total	30	100

Source: Field Survey 2022

The Table has clear that the highest numbers of workers are working in India which is equal 33.4 percent out of 30 samples. Similarly the second largest numbers workers are working in Malaysia which 23.3 percent.20 percent workers are in South Korea,13.3 percent in Qatar and 10 percent in other countries.

Topic: Health Status

The flow of remittance in the study area has increased the peoples approach to the health facilities. There is a health post being run by the government and 2 private medical clinics providing the health services to the people in this VDC. The health status of sampled householdshown in following table.

Table: 4.4 Frequency Table of Health status

People used by health facility	Frequency	Percent
Dhami / Jhankri	3	10
Health post /Govt. hospital	9	30
Private clinic	14	46.7
Ayurvedic treatment	4	13.3
Total	30	100

The above table presents the data about the receiving health facilities from various sectors like health post, private medical firms and other. The above table shows that 30 percent of the total people were getting facilities from the health post. 46.7 percent of the people were getting the health service from the private medical firms, 13.3percent people going to Ayurvedic facility and only 10 percent used to Lama/Dhami.

Topic: Family health condition

In this research field almost all respondent response that the remittance has affected the family health condition. The relation between family health condition and remittance are shown in the following table;

Table: 4.5 Frequency Table of family health condition

Family health condition	Frequency	Percent
Yes	30	100.0

Source: Field Survey, 2022

The table show that there is positive relation between remittance and family health condition. It means maximum number of respondents entirely agree on remittance helps to improving their family's health condition.

Topic:ways to send money

The most common way of making a remittance is by using an electronic payment system through a bank or a money transfer service such as Western Union. People who use these options are generally charged a fee. Transfer can take as little as ten minute to reach the recipient. Besides this Hundi is a type of informal remittance transfer channel. Mostly South Asian migrants worker use this channel, which is illegal in Nepal to send money home. However, Hundi is still in practice in KoreaNepal remittance corridor. In the study area, migrants are sending money in different ways such as bank or remittance company, friends, and other ways which is shown in table.

Table: 4.6 Frequency Table of way to send money

Ways	Frequency	Percent
Bank	10	33.3
Money Transfer	15	50
Friends	3	10
Other	2	6.7
Total	30	100

Source: Field Survey 2022

The table shows that 30.3 percent of migrants send their money through banks,50 percent send their money transfer.10 percent migrants send their money with the help of friends. Similarly 6.7 percent migrants send their money with the help of their other10.It shows that most of the migrants are sending their money by using bank and remittance company. Only few migrants are sending their money through friends, and other ways.

Table 4.7Frequency table of loan taken while sending abroad

Loan taken	Frequency	Percent
Yes	26	86.7
No	4	13.3
Total	30	100.0

shows the people of Kattipur taking loans while sending their family members in abroad. According to the table 86.7% family taking loans while they sending their member in abroad for employment and remaining percent did not took any kind of loans.

Topic: Household on the Basic of Save Remittance

People went foreign for work after few times they started to send remittance back. They used this remittance fore return the loan. People gone to abroad by taking loan from different sources, if tt has not enough to pay loan of few months salary or remittance and to pay loan or do other things by remittance it is necessary to save the remittance. So the following table whether the sample household save the remittance or not.

Table: 4.8Frequency Table of household on the basic of save remittance

Save remittance	Frequency	Percent
Yes	26	86.7
No	4	13.3
Total	30	100

Source: Field Survey 2022

Above table shows that almost Household save the remittance 86.7 Household save the remittance and 13.3 household doesn't save the remittance. That means most of the household save remittance to do further work.

CHAPTER:V

EXAMINE THE IMPACT OF REMITTANCE ON HOUSEHOLD LEVEL

In this chapter I describe the impact of remittance on household level. Through the household survey I found following data which are tabulated as follows;

Topic: Education Status of Respondent after remittance

Education status refers to their standard. Educational status determines an occupation, income, and consumption of the people. The result of the study after remittance found is presented in the following table.

Table 5.1 Education Status of Respondent after remittance flow;

Education	Frequency	Percent
Illiterate	2	6.7
Literate	16	53.3
SLC/SEE	8	26.7
Higher education	4	13.3
Total	30	100

Source: Field Survey 2022

we can find 6.7 percent people are Illiterate, 53.3 percent population are literate, 26.7 percent population are SEE/ SLC pass and 13.3 percent people are higher education Status. This shows that the education status is increased after the remittance follow in the Kattipur Village.

Topic: Access to education before and after remittance inflow:

The impact of remittance achieving in the creation of human capital such as investment in education has taken the central space in debates among academia and policy makers, many studies have revealed that the remittance receiving households were observed to be spending a significant of their income in education-related before and after expenditure. This evidence is further substantiated by study as well

Table: 5.2 Frequency Table of Access to education before and after remittance Inflow

Exp. Amt(NRS)	Frequency Before	Percent Before	Frequency After	Percent After
below 5000	14	46.7	2	6.7
5000 to 10000	7	23.3	4	13.3
10000 to 15000	4	13.3	7	23.3
15000 to 20000	3	10.0	11	36.7
above 20000	2	6.7	6	20.0
Total	30	100.0	30	100.0

Source: Field Survey, 2022

Here in the frequency table, frequency and percent value is shown along with expenditure amount in education before and after of remittance inflow. And find that, gradually increasing in education expenditure 6.7%, 13.3%, 23.3%, 36.7%, and 20.0% having positive effect on education.

Topic: Family afford education fees without remittance

The relationship between the education fee and remittance are shown following table;

Table 5.3 Frequency table of family afford education fees without remittance

Education fees	Frequency	Percent
Yes	5	16.7
No	25	83.3
Total	30	100.0

Source: Field Survey, 2022

Table shows the relationship between remittance and family affording education fees. According to above table only 16.7% family could afford the education fees if remittance support was suspended and remaining 83.3% respondents agree on without remittance, they can't afford their education fees.

Topic: Family education status

This table shows that the relationship between family education status and remittances;

Table 5.4 Frequency table of family education status

improving family education status		
Education status	Frequency	Percent
Yes	30	100.0

Source: Field Survey, 2022

Table shows that there is absolute relation between remittance and family education status. It means maximum number of respondents entirely agree on remittance helps to improving their family's education status.

Topic: Annual Income before and after Remittance Inflow:

The annual income of remittance has now increased over a period of time. The following table shows the situation.

Table: 5.5 Frequency Table of Annual Income before and after remittance Inflow:

Range	Before	After
Below 300000	16	3
300000 to 400000	10	6
500000 to 700000	4	9
Above 700000	0	12

Source: Field Survey, 2022

shows the annual income of respondents' family into different variables. Before receiving any remittance 16households annual income falls under below Rs300000, 10households annual income falls under Rs.300000 to Rs.400000, 4 households' annual income falls under Rs.500000 to Rs.700000simultaneously. After receiving the remittance the numbers of households receiving higher closed variables are increasing that is 9 households' falls under Rs.500000 to Rs.700000 annual income and above Rs.700000 annual income 12 households.

Topic: Housing condition before and after remittance Inflow:

The socio-economic impacts of remittance also relate with housing condition of respondent in study area. The housing condition of households based on rain forced concrete cement, tin roof, thatch.

Table: 5.6 Frequency Table of housing condition before and after remittance Inflow

Variables	Before		After	
	Frequency	Percent	Frequency	Percent
Concrete	7	23.3	21	70
Tin roof	14	46.7	7	23.3
Thatch	9	30	2	6.7
Total	30	100%	30	100%

Source: Field Survey, 2022

Analysing the above frequency table, it can conclude that structure of housing seems highly changing to concrete from tin roof and thatch. Before receiving the remittance as income, only 7 numbers of houses in survey were made by concrete, 14 by tin roof and 9 by Thatch respectively. And after receiving remittance concrete houses are highly increased to 70% and Thatch houses decreased to 6.7%. Therefore, remittance is handling the eight months of public expenditure in national economy.

Topic: Drinking Water

In the case of drinking water facility, different sources are used in the study area. They are presented in table no.

Table: 5.7 Frequency Table of drinking water

Drinking water	Before		After	
	Frequency	Percent	Frequency	Percent
Piped water supply	4	13.3	16	53.4
Hand pump	15	50	10	33.3
Covered well	11	36.7	4	13.3
Total	30	100	100	100

Source: Field Survey 2022

Table the show that before receiving remittance out of 50% mostly used Hand pump source for drinking water. Similarly 36.7% was use covered well, 13.3% was used drinking water for Piped water supply. Before not getting remittance most of the people were used for drinking water. Now the change their supply water after getting remittance .Remittance play the importance role for rural people. 53,4% used piped water supply for drinking water. Similarly 13.3% use covered well drinking water. 33.3% use Hand pump for drinking water. The above data shows that remittance change their daily livelihood.

Topic: Source of Fuel

Fuel is most important for cooking in every house. The finding of the study is as follows in the case of fuel use.

Table: 5.8 Frequency Table of Source of Fuel

Fuel	Before		After	
	Frequency	Percent	Frequency	Percent
wood	15	50	3	10
Biogas	7	23.3	14	46.7
LP-gas	5	16.7	7	23.3
Electricity	2	6.7	4	13.3
Solar	1	3.3	2	6.7
Total	30	100	30	100

Source: Field Survey 2022

Table shows that, before receiving remittance out of 50% HHs mostly used wood for cook. Similarly, 23.33% HHs was used biogas for cook. 16.7 % HHs was used L.P gas , 6.7% HHs was used electricity for cook and 3.3 % HHs was used solar for cook. Before not getting remittance most of the people were used wood for cook. Now the changes their using fuel after getting remittance. Remittance plays the important role for rural people. 46.7 % HHs use biogas for cook. Similarly, 23.3HHs use L.P. gas for cook, 10 % HHs use wood for cook. Similarly, 13.3% HHs use electricity for cook and 6.7% HHs use solar for cook. The above data shows that remittance changes their daily livelihood.

Table: 5.9 Frequency Table of Food consumption habit

Food consumption habit	Frequency	Percent
Yes	29	96.7
No	1	3.3
Total	30	100.0

Source: Field Survey, 2022

From the above table shows the remittance helps to increase food consumption habit. It means 96.7 percent respondent said 'Yes' for improving their food consumption habit through remittance which show that remittance directly impact on their quality products consumption.

Topic: Access to Health care before and after remittance inflow:

The socio - economic impact of remittance based on the utility of remittance on Access to health care. Most of the respondent use their remittance in health check up after receiving remittance. The following table shows the remittance expenditure on quality of health care before and after remittance.

Table: 5.10 Frequency Table of Access to Health care before and after remittance Inflow

Expenditure Amount (Rs)	Before		After	
	Frequency	Percent	Frequency	Percent
below 10000	14	46.7	6	20
10000 to 20000	10	33.3	8	26.7
20000 to 30000	4	13.3	13	43.3
30000 to 40000	2	6.7	3	10
Total	30	100.0	30	100.0

Source: Field Survey, 2022

indicates the annual expenditure of 30 numbers of houses before and after remittance inflow. And this data shows highest 13 numbers of houses, increased their health expenses after inflow of remittance where before only 4 number of houses were spent Rs.20000 to Rs.30000 but now to on same range number of houses is 13. Hence, there is positive relation between remittance inflow and Quality of health.

Topic: Sectaries distribution of remittance This section examines the distribution patterns of respondents after receiving remittance. Expenditure of respondents are mainly divided into seven groups such as remittance has been playing incredible role in Agriculture, Food consumption, Education, Health& security, Living standard & property, Social status, durable goods, saving, investment. Average distribution of respondents are given below in table.

Table: 5.11 Frequency Table of sectaries distribution of remittance

Variables	Frequency	Percent
Agriculture	5	16.7
food consumption	2	6.7
Education	7	23.3
Health & security	3	10.0
Living standard & property	10	33.3
Social status	3	10.0
Total	30	100

Source: Field Survey, 2022

Show the remittance has been playing incredible role by increasing living standard of the people. Most of the income earned through remittance is used in making better housing, education and buying property that helps to uphold living standard and social status in the society. In the research area most people felt that, remittance helps to upgrade their household educational background, in agriculture and to get quality of health that helps to set living standard and to felt prestige in a society. As a summary, it can be concluded that the Economic and Social condition of all the families who have involved in foreign employment has increased. It may be in both aspects i.e. economic as well as social but surely there is a positive change in the status of the families of the respondents due to remittance income. Therefore, we can say that remittance income is playing very vital role in reducing the poverty level of the study area.

CHAPTER VI

SUMMARY AND CONCLUSION

5.1 Summary

The study entitled Role of Remittance in Improvement of Rural Livelihood in Bardagoriya Rural Municipality – 1 Kattipur Kailali. The Poverty alleviation is a major agenda for sustainable development in developing countries like Nepal. However, the agenda of poverty alleviation not only includes the income raising activities but also constitutes the broadest opportunities in the socio-economic development of the country. Poverty itself is a problem of both developing and underdeveloped countries, but the level of poverty with its magnitude is different. Thus, it is a worldwide phenomenon but different in its magnitude from one country to another. Nepal being a small landlocked agricultural country suffers from the problem of mass poverty and unemployment. The main objective of the study is to examine the role of remittance in rural poverty reduction in the study area. The specific objectives of the study are: to analyze the trend of remittance inflow in Nepal, to assess the contribution of remittance in poverty reduction in rural areas, examine the level of dependency of Bardagoriya rural Municipality on remittance and to attain the specified purpose of this study, a descriptive and analytical research design are considered an appropriate one. For the study, 150 households of the Bardagoriya were selected as the population in these wards is higher as compared to others. Since only 30 households are using the remittance services out of 150 households. The study has collected primary data. Primary data were collected through questionnaire. Table and a simple arithmetic tools is used in usual.

Remittance has been playing incredible role by increasing living standard of the people. Most of the income earned through remittance is used in making better housing, education and buying property that helps to uphold living standard and social status in the society. In the research area most people felt that, remittance helps to upgrade their household educational background, in agriculture and to get quality of health that helps to set living standard and to felt prestige in a society. From the study area we can conclude that all the households who were receiving remittance are getting benefit. Their access to health and education and economy has increased. Likewise it also helps in net saving. The remittance is not using properly in productive sector if the households properly invest in productive sector it will help to develop rapidly which helps in rural development. All households were very positive

towards remittance income. In the study area, remittance income has become an effective approach in reducing the poverty. The living standard of the people is gradually changing.

Out of 30 respondents, 40% has brain drained due to unemployment, 26.7% due to Family debt, 6.7% due to conflict, 3.3% for entertainment and 23.3% for others. And from this data we can assume that the problem of our country is unemployment which is hitting in brain drain and Nepalese economy.

Has clear that the highest members of household family in Brahman 36.7 percent out of 30 samples. Similarly the second largest family in chhetri which 23.3 percent.16 percent family are Tharu,13.3 percent Dalit and 6.7 percent Janajati household family members in this study area.

The Table no. 4.2 has clear that the highest number of workers are working in Malaysia which is equal 33.4 percent out of 30 samples. Similarly the second largest numbers workers are working in Qatar which 23.3 percent.20 percent workers are in South Korea,13.3 percent in Saudi Arab and 10 percent in other countries

Before receiving any remittance 16households annual income falls under below Rs300000, 10households annual income falls under Rs.300000 to Rs.400000, 4 households' annual income falls under Rs.500000 to Rs.700000simultaneouslyreceiving the remittance the numbers of households receiving higher closed variables are increasing that is 9 households' falls under Rs.500000 to Rs.700000 annual income and above Rs.700000 annual income 12 households.

, it can conclude that structure of housing seems highly changing to concrete from tin roof and thatch. Before receiving the remittance as income, only 7 numbers of houses in survey were made by concrete, 14 by tin roof and 9 by Thatch respectively. And after receiving remittance concrete houses are highly increased to 70%and Thatch houses decreased to 6.7%. Therefore, remittance is handling the eight months of public expenditure in national economy.

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Table shows that, before receiving remittance out of 50% HHs mostly used wood for cook. Similarly, 23.33% HHs was used biogas for cook. 16.7 % HHs was used L.P gas , 6.7% HHs was used electricity for cook and 3.3 % HHs was used solar for cook. Before not getting remittance most of the people were used wood for cook. Now the changes their using fuel after getting remittance. Remittance plays the important role for rural people. 46.7 % HHs use biogas for cook. Similarly, 23.3 HHs use L.P. gas for cook, 10 % HHs use wood for cook. Similarly, 13.3% HHs use electricity for cook and 6.7% HHs use solar for cook. The above data shows that remittance changes their daily livelihood.

And this data shows highest 13 numbers of houses, increased their health expenses after inflow of remittance where before only 4 number of houses were spent Rs.20000 to Rs.30000 but now to on same range number of houses is 13. Hence, there is positive relation between remittance inflow and Access to health.

frequency and percent value is shown along with expenditure amount in education before and after of remittance inflow. And find that, gradually increasing in education expenditure 6.7%, 13.3%, 23.3%, 36.7%, and 20.0% having positive effect on education.

According to above table only 16.7% family could afford the education fees if remittance support was suspended and remaining 83.3% respondents agree on without remittance, they can't afford their education fees.

According to the table 86.7% family taking loans while they sending their member in abroad for employment and remaining percent did not took any kind of loans.

Above table shows that almost Household save the remittance 86.7 Household save the remittance and 13.3 household doesn't save the remittance. That means most of the household save remittance to do further work.

5.2 Conclusion

This study was aimed at the contribution of remittance in improvement of rural livelihood in the rural area. There were 34 items belong to five main categories taken as dependent: Food consumption, Access to Health care, Housing, Access to education and Income. The results; according to calculated mean shown that all variables are affecting by remittance of individuals of Bardagoriya. Dependent variable is accepted which means independent variable has significant effect on independent Variables.

Major reasons to seek foreign employment include unemployment, family debt burden, conflict problems and to earn more money than which they are earning in their country. The source of financing for foreign employment for 95 percent of the migrant workers is a loan, 2 percent from family savings and 3 percent from property selling. Major sectors of employment for Nepalese workers were building construction (34 percent) and Mechanical (29 percent). Average family members migrated to foreign countries are two members where Maximum numbers of respondents' family members are five and the minimum of one. Above 85 percent respondents used formal channels (banks and registered transfer agencies) to send remittance. Informal channels like hundi, relative and friends and bringing back by themselves were other channels of remittance transfer.

The larger amount of the remittance income has been used for household expenses, loan repayment. Very minimum part is used for bank deposited and other small business and investment. In this case, the respondents from Brahmin and Chhetri are forward. Among the returnees from foreign employment, only 10 percent of the workers are using the gained skill in aboard employment whereas the rest 90 percent of the respondents have not benefited from that gained skill in foreign employment. It is because of lack of technology, lack of capital, lack of market and lack of positive social attitude etc. The respondents of this rural municipality were not utilized their remittance caused by conflict and non-availability of sizable investment funds for investing in productive sector of the economy sector. The respondents of this rural municipality said that remittances have increased their household economic and social indicators through foreign employment. Around 69 percent respondents said that remittances has increased their economic status, 33.3 percent of the respondents said that remittance income has increased their standard of living, around 10 percent of the respondent's social attitude has increased due to remittance income and 23.3 percent of the respondents said that quality of education has

increased, 16.7 percent respondent said agriculture sector has benefited from the foreign employment.

As a summary, it can be concluded that the Economic and Social condition of all the families who have involved in foreign employment has increased. It may be in both aspects i.e. economic as well as social but surely there is a positive change in the status of the families of the respondents due to remittance income. Therefore, we can say that remittance income is playing very vital role in reducing the poverty level of the study area

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Appendix

Questionnaire

Part I: Respondent General Information

Name of Respondent :

Age :

Gender:

Occupation :

Religion :

Caste :

Qualification :

District :

Village rural Municipality :

Ward No. :

Family Type

a. Single Family

b. Nuclear Family

Number of Family Members:

1 The number of family members living abroad?

a) 1 b) 2 c) 3 d) above 3

2 Country where family members go?

a) Malaysia b) Qatar c) India d) South Korea e) Other

3 The main reason for going abroad?

a) Unemployed b) Family loan c) To earn a lot of money d)

Other

4 Job of family members doing in abroad?

- a) Construction work b) Industrial work c) Hospitality
- d) Departmental store e) Other

5 Remittances sent from abroad where do you spend more money on?

- a) To repay the loan b) At home `expenses c) In the new property
- d) In agriculture e) In the new business venture

6 What do you spend the most of remittances on house expenses?

- a) In food b) In Education c) In health treatment d) In clothing
- e) In agriculture f) Others

Part II: Respondent's Food Consumption

7. How many times a day did you eat before remittance became a source of income?

- a) Once a day b) Twice a day c) Three times a day d)

Four times a day or more

8. How many times a day do you eat after remittance became a source of income?

- a) Once a day b) twice a day c) three times a day d) four

times a day or more

9. How much did you spend annually on food consumption before the remittance income ?

- a) Below 60,000 b) 60,000 to 80,000 c) 80,000 to 120,000 d) Above

120000

10. How much do you spend annually on food consumption after the remittance income?

a) Below 60,000 b) 60,000 to 80,000 c) 80,000 to 120,000 d) Above 120,000

11. Does remittance help you to increase your food consumption habit/consumption of quality products?

a) Yes b) No

Part III: Respondent's Condition of Housing

12. What was the condition of your house before the money came from foreign employment?

a) Lower class b) Middle class c) Upper class

13. What was your house made off before the money came from foreign employment?

a) Cement or concrete b) As found c) Thatcher d) Other

14. Changes in the structure of the house after remittances become a source of income?

a) Cement or concrete b) As found c) Thatcher d) Other

15. What is the source of your drinking water?

a) Piped water supply b) Well c) Covered well/ hand pump d) Other sources

16. What kind of fuel is most often used by your household for cooking?

a) Wood/firewood b) Cylinder gas c) Bio-gas d) Other

Part IV: Respondent's Access to Health Care

17. How much did you spend annually on health care from your source of income?

a) less than 10,000 b) 10,000 to 20,000 c) 20,000 to 30,000 d) 30,000 to 40,000

18. How much do you spend annually on health care from your source of income?

a) less than 10,000 b) 10,000 to 20,000 c) 20,000 to 30,000 d) 30,000 to 40,000

19. If the any member of your household gets ill, where you first go for treatment?

a) Lama/ Dhami / Jhankri b) Health post/ Government hospital c)private clinic d) Ayurvedic treatment

20. Does Remittance help to improve your family's health conditions?

a) Yes b) No

21. If remittance support was suspended, would you afford Health fees?

a) Yes b) No

Part V: Respondent's Access to Education

22. Previously the annual expenditure on education?

a) less than 5,000 b) 5,000 to 10,000 c) 10,000 to 15,000 d) 15,000 to 20,000 e) above 20,000

23. What is the annual cost of education now?

a) less than 5,000 b) 5,000 to 10,000 c) 10,000 to 15,000 d) 15,000 to 20,000 e) above 20,000

24. If remittance support was suspended, would you afford school fees?

b) Yes b) No

25. Remittance has improving your family's education status?

a) Yes b) No

26. Do you agree that remittance helps to enhance your higher education facilities ?

a) Agree b) Disagree

Part VI: Respondent's Improve Income Position

27. Do you know that remittances have helped you raise your standard of living?

a) Agree b) Disagree c) Strongly agree d) Strongly disagree

28. Is remittance (money) from abroad saved or not?

a) Yes b) No

29. If remittance support was suspended, how much do you save annually?

a) 100,000 or less b) 100,000 to 200,000 c) 200,000 to 300,000

d) 300,000 to 400,000 e) above 400,000

30. If remittance money from abroad is saved, how much do you save annually?

b) 100,000 or less b) 100,000 to 200,000 c) 200,000 to 300,000

d) 300,000 to 400,000 e) above 400,000

31. In which way have your earned money?

a) Bank b) Remittance c) Friends d) other

32. Do you save your remittance?

a) Yes b) No

33. Annual income from foreign employment?

a) less than 300,000 b) 300,000 to 400,000 c) 500,000 to 700,000

d) above 700,000

34. Any kind of loan taken while sending abroad?

a) Yes b) No