

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Migration of people from one place to another is a usual phenomenon since the beginning of human civilization. The migration in the beginning was for the sake of food and exploring new places for security purpose. But gradually the migration took the shape in diverse form and now has become a very essential and common in each and every corner of the world. International labor migration is one of the integral components while talking about international migration. Millions of people from around the world (especially from the developing world) are leaving their usual place of residence for seeking better employment opportunities and supply food for their dependents. Globalization and integration of regional economics have added impetus to the growing mobility of workers across borders (ILO, 2002).

International migration is a complex subject, the more so since no country is exempt from its effects. Indeed virtually every country is both a country of origin and a country of destination for migrants. Migration is also complex because it can be repetitive in the life of an individual. It is also complex, because of the lamentable dearth of data on the movement of immigrants. Most developing countries lack the capacity to carry out policy-relevant analysis based on statistical research. One should also bear in mind that migrants can be categorized differently: migrant workers, migrants admitted for purposes of family reunification, as refugees, as students, or without documentation. State policies on migration therefore vary with the nature of the migrant or the classification of the migrant.

All persons, regardless of their racial or ethnic origin, have the right to be treated equally and fairly. The unequal treatment of minority groups or migrants can only hamper a country from making full use of the talent and energy of its people. Although the management of migration is a sovereign right of states, states have the responsibility to protect the rights of migrants and nationals, and to take into consideration the interest of both, within the parameters set by international

principles, standards and norms. In turn, migrants, just as citizens, have the obligation to abide by the laws and regulations of receiving States.

Labor migration has, in the 21st century, moved to the top of the policy agendas of many countries - countries of origin, transit and destination. Most of the world's estimated 150 million migrants are people searching for improved economic opportunities abroad.

Three key factors drive migration and will continue to fuel this kind of movement for many years. They are:

-) The "pull" of changing demographics and labor market needs in many industrialized countries.
-) The "push" of population, unemployment and crisis pressures in less developed countries.
-) Established inter-country networks based on family, culture and history.

An alarmingly large proportion of labor migration occurs illegally, aided and abetted by a clandestine and often criminal industry. Increasingly, governments of both sending and receiving countries are developing regulatory mechanisms to manage labor migration. These include selective recruitment policies by countries needing labor, and strong marketing and overseas employment strategies by countries supplying labor.

International migration decisions, like many other kinds of human behavior, depend on what other people are doing. The example of the relatively deprived household is one illustration. By far the most important variable driving international migration, though, is migration networks, or contacts with family members and perhaps also neighbors who have previously migrated. This is because "pioneer" migrants send home not only remittances but also information about how to migrate, where to look for work, what labor recruiters or smugglers to trust, what wages to expect, and migration costs and risks and how to overcome them. Past migrants also may support new migrants at the destination, and they may be willing to help finance the migration costs and insure against the risks. If a young woman in a Mexican village has a sibling in California, it is far more likely that she, too, will migrate to California than if she

had no family contacts there. If she does migrate, it is likely that her sibling will arrange for a trusted coyote, or smuggler, to take her across the border. It is also likely that the sibling will pay the smuggler fees, after the woman is safely in the United States. The sibling will also provide housing, food, and job market contacts. In this way, family migration networks reduce the economic costs and risks of international migration while offering many other benefits, including a familiar face in a foreign land (Taylor, 2006).

The ongoing armed conflict situation of the country has made people displaced from their usual place of residence and the alternative means of employment for displaced youth is established as foreign employment. The conflict has also limited the development activities throughout the country and expansion of industries is stopped. This situation has created more scarcity to get employment within the national border and ultimate step of the people is to go abroad for foreign employment. Though the concrete research has not been conducted yet, the young people from conflict prone areas are compelled to go for foreign employment to save their life.

Remittance has proven to be one of the significant international financial flows in recent years. Workers' remittances have overshadowed traditional sources such as official aid and private capital flows. The amount is nearly three times the amount of official aid and equivalent to foreign direct investment (FDI) flows to developing countries, and the remittance income comprises more than 10 percent of gross domestic product (GDP) in many developing countries. The increased global integration and the enhancement in communication technology have facilitated the movement of labor from one country to another and, as a result, the flow of remittances started growing at a higher pace. While there is a moderate rise in remittances transmitted to developed countries, the remittances sent by migrants to developing countries has witnessed dramatic surge recently. This happened precisely after 1990s when the migration from developed countries in the North accepted many migrant workers from the poor South. The remittance sent to developing countries, as a result, stood slightly less than threefold the amount remitted to developed countries (World Bank, 2011).

Nepal has also the long tradition of overseas employment which started particularly after the people started migrating to neighboring Indian cities¹. The trend now,

however, has shifted and the overseas employment has become one of the attractive options for many leaving the country to work abroad. The argument for the people's interest for foreign jobs is it in neighboring country or overseas, is attributed to low absorptive capacity of domestic economy caused by the sluggish performance of manufacture and non-manufacture sectors, rapid growth of population and labor force, prolonged political instability, changing attitude of the people in their livelihood, and others.

By observing the trend of labor migrants it seems that most of them are either unskilled or semi-skilled and a few portions of them are highly skilled. According to estimates by non-government group, there are over 19 million Asian migrant workers in Asia and over 25 million Asian migrant workers working across the world. At least half of the migrant workers are women, and many are in domestic work, the entertainment industry and also in irregular works. A huge number of Nepalese workers go abroad to work in the absence of fruitful local employment opportunities. Migration is nothing new to Nepal, and the total stock of Nepalese nationals working overseas (excluding about one mission in India) in different capacities is estimated to be about half a million. The history of formal entrance of Nepalese citizens in foreign employment begins in 1814-1815 after the Nepal-British India war. A total of 4,650 Nepalese youngsters were recruited to the British armed forces as a British- Gurkha regiment (ILO-DFID 2002).

1.2 Statement of the Problem

Beside, positive role of remittance, the phenomenon of labor migration has not been free from many intricate problems that need to be addressed immediately. The problem starts from the migration process in the home country and doesn't end in destination countries. Labors have complaints of getting cheated by agents, reluctant to work without work permit, not getting salary in time and no recreational facilities. Since most of migrants were from illiterate and rural background, they had very little power to resist the exploitation and deprivation from basic facilities like medical services and insurance.

There is little information on where, within countries, the international migration originates and remittances flow. Data from the few national income and expenditure

surveys and various regional surveys that gather this information reveal that both migration and remittances are concentrated within, as well as among, countries. This means that international migration affects some countries, and within these countries, some regions, more than others. Studies have come up with conflicting findings about how international migrant remittances affect income inequality in migrant-sending areas. Some find that inequality goes up when remittances flow in, and others find the opposite, that remittances are income equalizers.

There are few studies on migration and remittance for Nepal. Existing studies have generally focused on the evolution process of migration or determinants of migration. Although these studies have discussed the increased importance of migration and remittance, there are limited studies that relate the migration-remittance process to welfare.

Based on the above discussion we can form the research questions as follows and the whole research study is focused to answer these questions:

- 1.2.1 What is the socio-economic impact of remittance on socio-economic condition of receiving households of Banganga municipality?
- 1.2.2 How migrant workers send their money in their country of origin?

1.3 Objectives of the Study

The major objective of this study is to identify socio-economic impacts of remittances in migrant sending households in Banganga municipality of Kapilbastu district. The study also aims at offering policy recommendations regarding foreign employment and an effective use of remittances. The specific objectives are:

- 1.3.1 To analyze the socio-economic impact of remittance on receiving households of Banganga municipality.
- 1.3.2 To identify how migrant workers send their money in their country of origin.

1.4 Significance of the Study

The study has explored the socio-economic impact of remittance in Banganga municipality of Kapilbastu district. The study also explored the use of remittance in

Banganga municipality i.e. either the remittance is going to productive sector or not. Therefore, this study will be helpful to policymakers to identify the causes of remittance going to unproductive sector. The policymakers can compare the study with socio-economic aspects with those who are not receiving the remittance. Furthermore, the study will be helpful for the policymakers to adopt the appropriate policy to use remittance in appropriate sector.

1.5 Organization of the Study

The study has been organized in five different chapters. The first chapter is introduction chapter. It has been started with introduction under which the study outlines the background, statement of the problem, objective of the study, significance of the study, organization of the study and limitation of the study. The second chapter is the review of literature. The third chapter has outlined the research methodology which consists of research design, selection of study area, types and nature of data, method of data collection, tools of data collection and presentation and method of data analysis. The fourth chapter consists of data presentation and analysis. And last chapter consists of summary and conclusion.

CHAPTER-II

REVIEW OF LITERATURE

2.1 Theoretical Review of Literature

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. The oscillations on the views regarding the development impact of remittances were not just hypothetical claims; they were the results of mixed theoretical and empirical justifications. The literatures so far are vastly mixed and they offer no conclusive answer regarding whether remittance is good or bad for a country (NRB, 2012).

Nevertheless, the research shows that across Europe, immigrants are over represented in the less prestigious employment sectors; segregation in the housing sector is particularly prevalent in some member states; also educational achievements of a number of immigrant and minority groups lag behind the majority population. Given that a large proportion of immigrant populations are from Muslim countries, these findings have important implications. On the whole, labor market and educational outcomes remain disappointing for immigrants in particular from Northern Africa and Turkey. Urban/city policy is one area where integration policies become most relevant. The lack of affordable quality housing is a problem for immigrant

populations. The patterns of earlier immigration and presence of established communities, location of employment, along with discrimination, affect immigrants' choice of residence. In some European cities, ethnic residential segregation is coupled with resource deprivation. Although tight community networks can contribute to the regeneration of neglected neighborhoods, e.g. through ethnic owned small businesses, public services are equally important in bringing new life to deprived areas (Leila, 2011).

Less attention has been given to the positive effects of international migration. Increasingly the conclusion of academic research is that, although the negative effects of international migration cannot be ignored, they need to be balanced with the positive effects. These include remittance income and the economic multipliers that it produces; the influences of migration and remittances on investments, which appear to increase productivity in agricultural and non-agricultural activities; poverty alleviation; and migration-induced incentives to invest in schooling and health. In the past, research on the impacts of international migration and remittances focused on the households and regions that sent migrants and received remittances, and it considered only the direct effects of migration and remittances in these households and regions. New research is uncovering many indirect ways in which migration and remittances influence incomes and production, both in the households that send migrants and in those that do not. The impacts of international migration appear to be greater and considerably more complex than simple remittance numbers suggest. The newly uncovered links between international migration and development potentially open the way for a variety of new policy interventions to increase migration's contribution to economic development (Taylor, 2006).

The analysis conducted by Stevenson and Ho (2004) indicates that the choice of the initial capital stocks in both countries only makes a difference for the level of migration in the first period. Other, fundamental differences between the two countries are responsible for prolonged patterns of migration over time. In particular, the cases studied above focus on fundamental differences in social-security policies. This fundamental difference implies that the two countries converge to different steady-state levels in their capital-labor ratios and utility levels of its residents. With this fundamental difference between countries, a consistent pattern of migration

becomes apparent. In all cases studied, the level of migration is high in the first periods during which international migration is allowed. The level of migration typically declines monotonically in subsequent periods. While these models do not seem to be able to explain the observed waves of migration, they provide a framework in which one may incorporate stochastic shocks, or irreproducible factors like land, that will generate a richer set of patterns.

The worldwide flow of remittances has become one of the dominant sources of financial transfer to developing countries. The global remittance transfer is emerging as a substitute to traditional financial transfers such as official development assistance and foreign direct investment that were designed to help underdeveloped countries. To the greater extent than the traditional sources, the remittance transfer directly reaches the hands of the people who mostly need it, contributing to alleviate poverty right on the ground. To counter the decay hypothesis, for example, researches have pointed out that the longer duration of stay of migrants may not invariably reduce the size of remittances but instead may increase the remittances when a rise in income in the destination countries increase the capability to remit. This might partly or entirely oppose the view of possible weakening of ties with origin countries over time (Haas and Plug, 2006)

A government's lack of attention to rural development also limits the incentives for households to invest their migration-induced savings in the rural economy. Often in rural areas roads, communications, and marketing infrastructure are poor and small farmers lack information about new markets, product standards, production practices and technologies, access to credit, and income security. They have little idea of how to take advantage of new market opportunities, for example, becoming part of new supply chains for a rapidly expanding supermarket sector. In this environment, the costs and risks of investing in new production will be high. Many of the same problems that induce people to migrate in the first place also limit migration's ability to stimulate development in migrant-sending areas. In countries where income and agricultural production are growing, migration is a reflection of success, and international migration and remittances can find fertile ground to contribute to development. However, in economies that are stagnant and riddled with market

failures, migration is a reflection of failed development, and its positive effects are likely to be more limited (Taylor, 2006).

Although migration has expanded less rapidly than either trade or direct investment, migration has become increasingly contentious. The immediate labor market impacts on host countries appear small and dynamic gains from induced technical progress remain undocumented. Circular migration from low-income countries offers a key safety valve where the home state fails to provide employment and security, but there are dangers from over-dependence on the migration–remittance nexus. The least-developed countries benefit only through south–south migration and are probably harmed by a rapidly expanding brain drain (Lucas, 2008).

The rubric under which migrants enter is thus varied. Yet no matter under which program migrants arrive, it is common to work. The labor force participation rates of those entering for family reunification can be high. In many countries foreign students work while studying; in some contexts a student visa is indeed a thinly disguised device to access cheap labor, and the propensity of overseas students to remain for subsequent employment is frequently high (especially from lower-income countries). Refugees resettled in the higher-income countries certainly participate in the labor force. Though among those seeking asylum, the right to work remains a matter of dispute in a number of countries. But the vast majority of refugees remain in neighboring developing countries, some are in camps, others are scattered geographically; and their sources of livelihood are major concerns (Young et. al, 2005).

In an era of unprecedented human mobility, migration from and within the Asia-Pacific region has assumed gendered dimensions, with implications for migration flows, trends and patterns. Gender roles, inequalities and relations affect who migrates, why and how, and migration also has significant implications for women migrant workers (WMWs) themselves. Migration can provide opportunities to improve their lives and that of their families, help them escape from social and economic vulnerabilities, and offer avenues for greater autonomy and empowerment (Sijapati, 2015).

Sijapati (2015) further states that Migration also, however, exposes these women to different types of vulnerabilities, discrimination and risk, both in their origin and destination countries, particularly where such migration carries stigma and patriarchal norms are deep-seated. For the broader society, the consequential effects of women's increased mobility have been significant. Sending countries have benefitted from higher inflows of remittances and changes in societal and family relations, particularly as they relate to gender roles and relations. For receiving countries, the welfare gains have been considerable as well, in the form of increased labor supply, opportunities for native women to enter the workforce and child- and elder-care possibilities, especially in contexts where such services are limited. While countries in the region have adopted various measures to address the concerns of women migrants nationally, bilaterally and regionally, the ability to highlight issues concerning women migrant workers in the Beijing+20 discussions and in the formulation of the post-2015 development agenda provides opportunities for greater impact on gender equality and women's empowerment. A few key areas for consideration include: greater protection for women migrant workers; measures to maximize the potential of remittances for the workers, their families and beyond; conducive policy environments, especially in destination countries; and improvements in information, evidence and knowledge base.

Nepal would witness a sharp fall in poverty and income inequality if the government implemented policies that enabled poor households to send their migrants to developed countries instead of India. Policies that could facilitate this switch of destinations might include providing more credit opportunities and also education to acquire the skills required for third country migration. Although policy makers face the challenge of designing effective skill development programs for less educated people, these programs might have a high return because skilled (even low-skilled) migrant workers might have a better opportunity of obtaining a safe and high-earning job in third countries. The other measures for the bottom quintile might include programs to disseminate information related to migration/remittance and strengthening the legal status of contracts among potential migrants, manpower companies and foreign employers. These would also be appropriate anti-poverty strategies on their own right. Future research might look at the role of migration and remittance on reducing the vulnerability to rural production shocks in a general

equilibrium environment. Moreover, we would like to understand how migration and remittances affect physical/human capital investments, local labor productivity and the intergenerational transmission of poverty and inequality (Acharya and Gonzalez, 2012).

The flow of remittances remains more or less stable irrespective of the economic condition of the recipient country. Remittances are expected to reduce poverty as they may be directly received by the poor. The impact of remittances on the reduction of poverty can be understood from both the micro and macro perspectives. However, to capture this impact, there is no formal framework. But it is evident and it is reasonable to assume that the amount of transfer done by the migrants to the family members back home do have some overall impact in reducing the poverty (Adams, 2005).

Bhadra (2007) observed the mixed impacts on the children of migrant mothers in Nepal: positive impacts were seen on the opportunities for education, health care and lifestyle but worsening psychology of their children as their mothers apart for a long time. By being able to earn an income, support the family financially and have the freedom of financial decision-making, traveling to foreign countries with new experiences, seeing new places, and meeting with people from different parts of the world and interacting with them brings the feeling of independence and confidence for the migrants and this effect impart to their immediate family as well.

Labour migration from Nepal is increasing every year and so does the number of recruitment agencies and agents. Migration is also becoming more complex, with new destination and occupations. Given this, it is important to ensure that the labor migration processes is well governed with effective regulations and systems in place. While a lot has been achieved already, some gaps remains. The following highlights some of the achievements that have resulted in better regulated labor migration processes and increased protection of the rights of migrant workers:

-) The enforcement of the Foreign Employment Act, 2007 and its Regulations and the establishment of the Foreign Employment Promotion Board and Foreign Employment Tribunal have contributed towards promoting governance for labor migration and in regulating

the processes effectively. The review process of the Foreign Employment Act that started in December 2013 will likely result in amendments and reforms in the law and procedures that will ensure more effective implementation of the Act and its regulation and ultimately increase the protection for migrant workers.

-) In 2014, the Government inaugurated its “labor village”, in Kathmandu which is expected to contribute towards a smoother and more transparent migration process by consolidating the range of services less than one roof. Some services have already migrated to the labor village and made more efficient compared to before. This includes the establishment of separate sections for migrant workers, including the Malaysia Section, Saudi Section, Qatar Section and the EPS Korea Section.
-) The establishment of a Labor Desk at the Tribhuvan International Airport in Kathmandu has helped promote safe migration among prospective migrants and labor permit owners.
-) The Government has recruited labor attachés for embassies and consular offices to provide assistance and services as needed. In 2014, the government designed and implemented a two weeks training programme for newly appointed labor attachés.
-) Although not yet operational, the Labor Bank announced by the Government in 2014 is a significant move towards creating a favorable environment for utilizing earned capital, acquired skills and experiences for contributing to economic growth in Nepal.
-) The skills training and pre-departure orientation training of the Foreign Employment Promotion Board are achievements in raising awareness on labor migration and encouraging skilled migrants for migration. In 2014, the Government started a process to review the curricula of the pre-departure orientation training programme and some of its skills training programme with the aim of increasing their effectiveness.
-) In 2014, the Department of Foreign Employment initiated a process to ensure better and more effective handling of complaints. The first step

in this process included the development of a computerized system and database for complaints.

-) Initiation of the Government-to-Government Learn and Earn Programme between Nepal and Israel is a model arrangement, in which returned migrants, with priority for women, can access soft loan and other services for initiating their own business upon their return to Nepal (Department of Foreign Employment, 2014).

2.2 Empirical Review of Literature

The study by Adams and Page (2005) with the extensive coverage of 71 developing countries concluded that international migration and remittances significantly reduce the level, depth, and severity of poverty in the developing world. It is believed that international remittances flowing from north to south hemisphere have reduced poverty directly or indirectly. This result can be explained by the fact that the households in low income countries receive a very large share of their total household income from remittances. When these very poor households receive remittances, their income status changes dramatically, resulting in a large effect on poverty reduction. This study revealed that the mean income of a migrant household is 17.3% higher than a non-migrant household. The shares of household expenditures on food, education, clothing, and recreation all increased with the availability of remittances. The evidences have been divided regarding the socio-economic effect of remittances in the short-run or in the long-run. The economic impact of migration can initially be negative through the lost-labor effect, but the positive consequences through remittance expenditure and investment may take decades to fully materialize. The study further concludes that migration diminishes domestic crop production in the short run, but enhances crop productivity and cattle accumulation through invested remittances in the long run and results in increased domestic plantation wages as well. He further concludes that the combination of lost-labor and remittance inflow may originally have a negative effect on production in migrant-sending regions but have a positive impact in the long run.

A conclusion found in the conference conducted by United Nation (2011) on the topic of Impact of Remittances on Poverty in Developing Countries reveals that the benefits of remittances, as private financial flows to households in developing countries, are

well documented in the literature. Remittances are more stable and predictable as compared to other financial flows and, more importantly, they are counter-cyclical providing buffer against economic shocks. In conflict or post-conflict situations, remittances 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 supporting small businesses. A fair share of these expenditures is directed to the construction of homes, health care and education, alongside savings in financial institutions, thereby generating employment in these critical services sectors. 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. Remittances represent one of the largest sources of external private finance for developing countries. However, the impact of remittances on poverty has led to considerable debate. Studies that argue against remittances having poverty-reducing effect point out that given the high transaction costs of migrating, "truly poor" do not migrate. While this argument has some merit, it has little evidential support as a stream of studies from different countries has shown that "very poor" and "poor" do migrate. Further, the average annual growth of remittances to low-income countries in the period 2004-2008 was 22 per cent, which was higher than to middle income countries (18.9 per cent).

A survey conducted by NRB (2012) in Dhanusha district concludes that, a growing trend of remittances worldwide has drawn attention of both academia and policymakers in recent years. Remittance income is emerging as one of the most significant and reliable sources of external finances for many developing countries. Not only in the macro level, has the contribution of remittances been direct and sizable in migrant-sending households in micro level as well. A significant number of people in developing world are now receiving remittance earnings to finance their expenditures in home consumption, health and in children's education. The controversy, however, revolves around how remittances affect households' socio-economic aspects. There is no conclusive answer that remittances always throw positive effects on all dimensions of people's economic and social life. In particular, remittances contribute positively for children's better educational opportunities in one hand whereas children's education suffered because of the absence of their mothers

and fathers on the other. A preliminary comparative analysis between treatment and control households revealed that the education level was not found to be much different between migrant-sending and non-sending households. Because education benefits take a longer time to materialize but this study takes households in consideration who were abroad only for three years, the similarity between households in education level is plausible. Interestingly, the survey showed that very few people (less than one percent) were found to have college level degree both in treatment and control groups.

The report of NRB further indicates that the people going abroad for foreign employment were mostly low-skilled workers, which raises concern for the policymakers that sending low-skilled workers abroad do not benefit both the migrant-sending households and the country in general. Both migrant workers and non-migrant workers were found to be using tube well as their major source of drinking water. A very low ten percent of them were using piped water. Moreover, it was not found any significant difference between treatment and control groups in the use of different kinds of drinking water available in the community. As with the education level, the significant difference was not observed potentially for the reason that it is beyond the control of remittance receiving households to acquire piped water on their own due to a large investment such facilities require. For the toilet facility, the households in both groups predominantly used the open toilet in bushes and fields.

A Survey conducted by Department of Foreign Employment (2014) concludes that wage of the migrants varies according to the nature of job. According to the nature of jobs and skilled required, the wage range of migrant workers varies from 20,000 to 100,000 rupees (NR). According to the government data, NR 40,600 is remitted per household per year on average. The highest salary and benefits is reported from the Republic of Korea, where Nepali migrant workers go through the government channel under the Employment Promotion System. More than 25,000 Nepali migrant workers are engaged in agriculture and manufacturing through the Employment Promotion System.

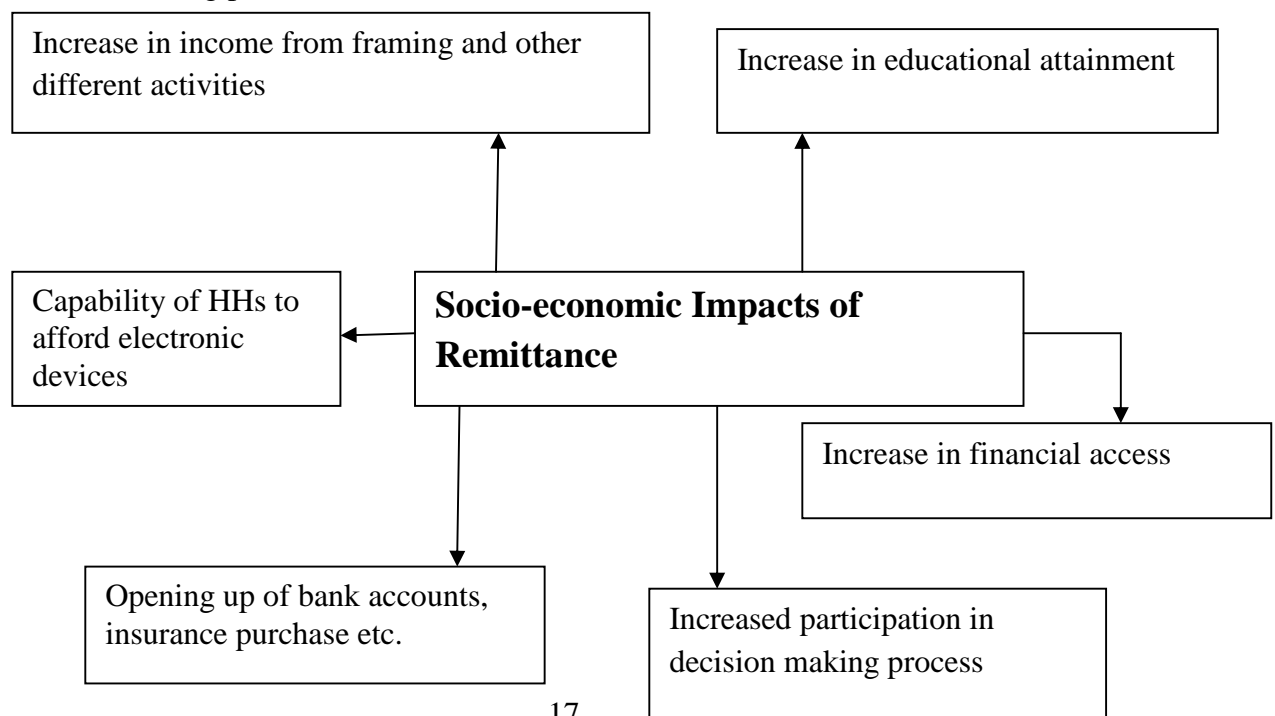
From a household budget survey it conducted in 2008, the Nepal Rastra Bank found that remittances were used largely to buy land and a house (at 49 per cent of respondents), followed by repayment of the debt (25 per cent), savings in a bank (11

per cent), education, health and other (9 per cent), social work (3 per cent) and other investment (2 per cent). The survey also explored the medium of transfer of remittances and found that 43.8 per cent of remittances were sent through money transfer, followed by Hundi (28.9 per cent), a bank (21.7 per cent) and other (5.6 per cent). The survey findings also indicated that the inflow of remittances through official channels is smaller than through informal channels. Based on the findings, the Nepal Rastra Bank initiated a campaign to encourage all labor migrants to send remittances through normal channels.

2.3 Conceptual Framework of the Study

This study employs the concept of impact evaluation to examine the role of remittances in socioeconomic indicators in the study area. While this technique is specifically applied to identify the effects of a particular place, the study adopt this approach assuming that the receipt of remittance by households in the study area is regarded as a treatment and those household who falls on this group are known as treatment households.

There are so many impacts of remittance in the household. Some of them are increase in income from framing and other different activities, increase in educational attainment, capability of HHs to afford electronic devices, increase in financial access, opening up of bank accounts, insurance purchase etc. and increased participation in decision making process.



CHAPTER - III

RESEARCH METHODOLOGY

This chapter of the study includes the methods that have been used for the purpose of the research analysis. The research study uses various methodologies which are listed under following headings:

3.1 Selection of Study Area

Based on the nature of the study, Banganga Municipality of Kapilbastu district has been selected for the study. The study area is located in Lumbini zone in Western development region of Nepal. In the same way respondents for the study are the people who are receiving remittance. The particular study area is selected because it is near to the researcher's area which consumed less time and money of the researcher.

3.2 Nature and Types of Data

The data and information has been collected from both primary and secondary sources.

3.2.1 Primary Sources

Data and information have been collected through the field visit. Primary sources like questionnaire and interview have been used in order to collect data. Remittance receiver households were interviewed through the medium of structured questionnaires. Based on the structured questionnaire 60 respondents have been taken as a sample.

3.2.2 Secondary Sources

The secondary data and information is collected from census report, Foreign Employment Department, Nepal Rastra Baank, household survey report, different governmental publications, different related books, journal, yearly journals published by different organizations and so on.

Both primary and secondary data has been collected to justify the research and to clarify the issues. For primary data both quantitative and qualitative data has been

collected and those data are obtained from the interviews with respondents, key respondents, questionnaire and observation.

3.3 Universe and Sampling Procedure

A purposive sampling technique has been used to sample the 60 households. They are sampled by meeting them in field visit. The respondents are taken as sample to know the related matters/information that is helpful to justify and analyze this research study. In the same way all the respondents has been sampled from Banganga Municipality of Kapilbastu district. For the collection of primary data, it took one month.

3.4 Tools and Techniques of Data Collection

For the purpose of the study, the researcher has used the following tools and techniques to collect data.

3.4.1 Household Survey Sampling

Based on the study, Household survey has been conducted through visiting the research area.

3.4.2 Interview Schedule

A set of autotype of nature questions has been printed for the respondents. They were printed in Nepali so that the respondents feel ease to answer. The total interview from respondents is 60.

3.5 Methods of Data Collection

3.5.1 Structured Interview

A set of questions has been prepared for the study. They were printed in Nepali so that the respondents feel easy to answer. They were encouraged to verbalize the reasons for their particular choice, or any other comments, opinions that they may have. The questions are mainly related with socio-economic status of respondents.

3.5.2 Observation

The method of observation was also employed to get the relevant information for the study. The researcher had visited the study area and observed respondents who were earning remittance. The researcher observed their activities, and their status in household, society, social events, and their participation in economic and social activities. The researcher also observed the happiness of remittance earners in Banganga, their activities, their living standard and the status of respondents.

3.6 Presentation and Methods of Data Analysis

After collecting various data, the data has been manually processed with simple tabulation. Information is obtained from various sectors i.e. recorded journals and interviewing those persons who were selected in the sample. The collected data is analyzed by using qualitative and quantitative analysis method. The quantitative data gathered through questionnaire has been processed and tabulated using the applications like MS Word and MS Excel. Simple quantitative technique such as table, percentage is used to present and clarify the phenomenon shown by the data. Regarding the quantitative data as well as facts and information collected through focus group discussion, interview and observation is analyzed using qualitative analysis systematically and logically. Mainly the descriptive analysis has been done to make the issue more clear.

3.7 Research Design

This study has been conducted on the basis of field survey and observation. Descriptive research designs have been applied to analyze the findings from the study area. Descriptive in the sense that, researcher has carefully recorded all the observed events from the study area and described it faithfully as possible. The research design for this study is such that to examine the consequences of remittances in household. Mainly, the data analysis has been made extensively as per the nature of the topic.

3.8 Limitations of the Study

Any research study is limited by the time period, area of study, information and data. The researcher has tried to study in detail about the topic but this study is not also free

from limitations. Owing to time and resource constraint, the study has been conducted only in Banganga municipality of Kapilbastu district. The households are chosen randomly for the reason that this approach reduces bias in the estimation. The policy prescriptions have been forwarded based on this limited coverage of the survey, which makes readers to be cautious to make general conclusions. In addition, yet again because of limited budget and time constraint, this study takes account of only few socio-economic variables for the analysis and observes the impact of remittances on these variables. The broader coverage of other impact areas might have been missed. It is also assumed that there is no recall (memory) bias. As per this assumption, the households are believed to be capable of remembering their household status three years before, which may not be accurate for all household involved in the survey. The study has been performed in limited time and resources. The research area is Banganga municipality and it is focused on socio-economic effects of remittance in municipality area. The study is fundamentally based on secondary and primary data and information. The views of respondents have been collected from Banganga municipality only.

CHAPTER-IV

IMPACT OF REMITTANCE ON SOCIO-ECONOMIC CONDITION OF THE RESPONDENTS

4.1 Socio-Economic Profile of Respondents

The economic condition of a community contributes to the status of individual. People with a comparative better living standard may reflect happier and contented family life than people living in poverty, which results labor migration. Advantageous socio-economic condition also provides avenues for access to resources, education opportunities and widening of the horizons thereby making people more understanding and sensitive though it may not be a universal phenomenon, as sometimes a person's attitude may not be changed in spite of being highly educated.

The community in Banganga is a heterogeneous in items of their living standard. They are heterogeneous in terms of their culture, income level, education level and so on. Most of the families are dependent on their one or two members of family. The respondents have been categorized by different components: caste groups, religion, age group, literacy, marital status etc.

4.2 Caste and Ethnic Groups of the Respondents

Women of some caste or ethnic groups enjoy a better status in family and in society than women of other groups. In Tharu community, women seem to enjoy more freedom, have access to resources and are part of the decision making process compared to the women belonging to Brahmin, Chhetri or Dalit caste groups accounting for more cases of violence amongst them and also because they are more chained by the strict traditional Hindu culture, customs, beliefs and norms. The table 1 shows the number of respondents according to the caste system.

Table- 1
Caste/Ethnic-Wise Distribution of Respondents

Caste/Ethnicity	No. of Respondents	Percentage
Brahmin	14	23.33
Chetri	22	36.67
Tharu	9	15
Dalit	7	11.67
Others	8	13.33
Total	60	100

Source: Field Survey, 2016

In Banganga, community is composed of distinct caste groups. Among the sampled 60 respondents the caste group within the table includes Brahmin, Chhetri, Tharu, Dalit and others. The others indicate the Magar, Tamang etc. Among the respondent, the population of Brahmin is 14. Similarly, the population of Chhetri, Tharu, Dalit and other is 22, 9, 7 and 8 women respectively.

4.3 Religion

Although majority of the population in Banganga community follow Hindu religion, but other faiths are also in practice in the community. Chief religion in community is Christianity and Buddhism. The Christianity is being new phenomena amongst the community. The Hindu religion discriminates the Dalit people but Christian doesn't which increases the attraction towards Christian religion.

Hindu philosophy drawing heavily upon the structures of Manusmriti, the oldest Hindu code of Conduct simultaneously epitomizes women as goddess and propagates that her place is at the feet of her husband, a door-mat on the other. Furthermore, the compulsive domesticity of women has much to do with the way she is perceived in the patriarchal society. Comparatively, women belonging to other religious groups like Buddhism or Christianity were found to be enjoying a better status though not on an evaluated position as these groups are also from a larger Hindu circle. The new believers mostly belong to the lower caste groups.

The table 2 shows the division of women by religion.

Table- 2
Respondents by Religion

Religion	No. of Respondents	Percentage
Hindus	48	80
Christian	7	11.67
Buddhist	5	8.33
Total	60	100

Source: Field Survey, 2016

The Table-2 reveals that Hinduism is a dominant religious ideology in the community of Banganga. Among the total respondents, 48 were found Hindus which is far high than the other religious follower. The above information reveals that among the respondents Christian follower are 7 and Buddhist are only 5. The study revealed Hindus as the dominant religious group followed by Christian and Buddhist.

4.4 Age Composition

In this study, the age compositions of respondents are classified in to four age interval from 15 years and above years like 15-25, 25-35 and 35-45. Then the 45 year and above respondents are categorized as 45+ years.

Table-3
Distribution of respondents to Age composition

Age groups of Respondents	No. of Respondents	Percentage
15-25	12	20
25-35	21	35
35-45	16	26.67
45+	11	18.33
Total	60	100

Source: Field Survey, 2016

Table 3 shows that out of 60 respondents, the highest proportion of respondents belongs to age group (25-35) years, which are 21 in number. And the lowest proportion of respondents belongs to the age group (45+) years, which consists 11 in number. The other age groups are (15-25) is 12 and (35-45) is 16 in number.

4.5 Educational Status

Education is the key factor to personal as well as social development of the people. Education is the backbone of the enlightenment of human being. Education not only makes people literate but also it makes people more civilized. Educated people know about the rights and responsibilities of others as well as respects to others. First of all, education helps people to strengthen themselves.

Table-4
Distribution of Respondents by Literacy Status

Educational Status	No. of Respondents	Percentage
Illiterate	8	13.33
Primary	14	23.33
Lower secondary	17	28.33
Secondary above	21	35
Total	60	100

Source: Field Survey, 2016

The Table 4 shows that among the respondents, 8 respondents are illiterate whereas 52 respondents are literate. Among the literate population 14 respondents got their primary level education, 17 respondents got lower secondary education and rest of 21 respondents have got their secondary and above level of education.

4.6 Source of Drinking Water and type of fuel used for Cooking

The major source of drinking water in the study area is piped water and hand pump. Almost all the respondents are using the piped water and hand pump for drinking water in the study area. Among the respondents, 31 replied that their main source of drinking water is piped water and 26 replied that their main source of drinking water is hand pump. The rest of the respondents replied that their main source of drinking

water is well and other resources. Most of the respondents in the study area were found that they use LPG for the cooking purpose. Among the total respondents, 36 respondents replied that they use LPG for cooking purpose and rest of the respondents replied that they use wood, biogas and electricity for the cooking purpose.

4.7 Facility of Toilet

In the study are different kinds of toilet was found in practice. The study area can be categorized as urban area so the most of the people in the study area were found that they use toilet. Most of the respondents were remittance earner so people were found that they use advance type of toilet. The table 4.5 shows the type of toilet that is used by the respondents in the study area.

Table 5
Kind of Toilet facility of the Respondents

Type of Toilet	No. of Respondents	Percentage
Flush or Pour Flush	48	80
Pit latrines	8	13.33
Grass toilet	4	6.67
Total	60	100

Source: Field Survey, 2016

For the use of toilet facility, the similar tendency was observed both in treatment and control households: 80 percent households in the treatment group used flush or pour flush toilet in the study area whereas in the study area pit latrines users were 13.33 percent. Only around 7 percent of households in the study area were using other type of toilet facility in the study area.

This shows that some people are still using the toilet made by grass although major of the population use the flush or pour toilet.

4.8 Purchase or construction of house

Land purchase had been the most favored means of creating wealth by remittance-recipient households. Land purchase had been the most favored means of creating wealth by remittance-recipient households. Many of households in treatment group

purchase land when their family members start to earn remittance which is categorized as non-productive sector by banking and financial institutions. During past three years, 33 households in study area did this during the same period. The materials used for the construction differs according to the house. The table 4.6 shows the main materials used in the floor.

Table 6
Materials on the Floor

Type of Floor	Before 3 Years	Percentage	After 3 Years	Percentage
Natural Floor	18	54.5	9	27.3
Rudimentary Floor	7	21.2	11	33.3
Finished Floor	8	24.3	13	39.4
Total	33	100	33	100

Source: Field Survey, 2016

The table 4.6 evokes that among the total respondents, before 3 years only 8 respondents got finished floor whereas, 18 respondents have natural floor and rest of the remaining respondents have got rudimentary floor. After 3 years, owner of the natural floor was decreased and became 9 only. In contrast, among the total respondents, the owner of the rudimentary floor was increased and became 11 and also the users of finished floor were also increased and became 13 of the remittance earner.

The main material of the roof is also changed after respondents started to earn remittance. The change in the format of the roof of the respondents is tabulated in table 4.7.

Table 7
Materials on the roof

Type of roof	Before 3 Years	Percentage	After 3 Years	Percentage
Wood/bamboo	11	33.3	4	12.1
Cemented	7	21.2	9	27.3
Tin/tile	15	45.5	20	60.6
Total	33	100	33	100

Source: Field Survey, 2016

The table 4.7 shows the materials that are used in the roof by the respondents. The table proves that the money which is earned from remittance is only for medium improvements in the house. Among the total respondents, only 2 respondents could made cemented roof of their house and 7 households could replace wood/bamboo from their roof of the house. The information presented in table shows that from the remittance money, people are upgrading their house and status.

4.9 Electronic Device Purchased by the Households

All of the respondents in the study area reported to the researcher that they have brought electronic device during the past three years. The electronic devices that is purchased by the respondents is TV, mobile, refrigerator etc. It shows that lifestyle is improving through the remittance of the respondents. The significant positive effects were also observed in ownership of television, ownership of telephone, agricultural income, daily television watching, and the women's decisions regarding education and financial transactions. The treatment gain was positive for other indicators, such as possession of land holdings, livestock income, possession of insurance, the prevalence of water-related diseases, but the gains are not statistically significant.

4.10 Education and Health related Information of the Respondents

The impact of remittance earnings in the creation of human capital such as the investment in health and education has taken the central space in debates among academia and policy-makers. This part of the study explains the education and health related information of the respondents in the study area. Education related information includes types of schools that the children are sent for education purpose, spending on the education and other activities that is conducted by family members to increase the knowledge of the children. Health related information includes types of health institutions that they visit expenditure on health.

4.10.1 Types of school that children are sent

All of the parents want to send their children in recognized and well facilitated institutions for the education purpose but due to the many constraints they are unable because of the income constraints. The table 4.8 shows the types of school where children are sent.

Table 8
Types of School

Schools	Before 3 Years	Percentage	After 3 Years	Percentage
Government School	26	43.33	9	15
Private School	34	56.67	51	85
Total	60	100	60	100

Source: Field Survey, 2016

The table 4.8 evokes the information of the respondents about where they send their children for education purpose. Before 3 years 26 among the total respondents used to send their children in government school and 34 among the total respondents used to send their children in private school. After they started to earn remittance, 17 more respondents replied that they started to send their children in private school. This shows that after receiving remittance income, people want to upgrade their children's educational level and in the research area people feel better in private school.

4.10.2 Expenditure on Education

Many studies, as cited in Chapter 2, have revealed that the remittance-receiving households were observed to be spending a significant proportion of their income in health and education- related expenditure. This evidence was further substantiated by this study as well. This sub-chapter shows the comparison expenditure which is conducted on education by the households. An annual average expenditure in education in households was below ten thousand but increased in later years and became more than ten thousands in households. It shows that expenditure on education is increasing in remittance earning households in later years. Among the total respondents, 26 respondents replied that their children go for tuition classes after they started to earn remittance. It shows that after households started to earn remittance, the expenditure on education sector is also increasing.

4.10.3 Facing of disease during last year

Health problem is the common problem for Nepalese people. Many of the Nepalese are suffering from different kinds of health problem either it is short term disease or it is long term disease. During the field visit, a question was asked to the respondents

that either they have faced disease during last year? Among the total respondents, 48 replied that during the last year, they have faced the health problem. The table 4.9 shows the information about the frequency of visiting health institutions due to disease.

Table 9
Frequency to visit to Health Institutions

Frequency	No. of Respondents	Percentage
Below 2	12	25
2-4	18	37.5
4-6	11	23
More than 6	7	14.5
Total	48	100

Source: Field Survey, 2016

The table 4.9 evokes the information about the frequency that they visit to the health institutions. According to the information that is presented in the table 4.9 shows that among the total respondents that who went to the health center, 25 percent respondents went less than two times. Similarly, 37.5 percent among the total respondents they went 2-4 times and 23 percent respondents went 4-6 times. 14.5 percent respondents among the total respondents went more than 6 times to the health institutions. Generally people don't go to the health institutions when they feel themselves healthier.

4.10.4 Type of Health institutions where respondents go for health check up

The preference of health institutions is different according to the people. Some people want to go for clinic or other places where they feel ease. Some people never prefer for government institutions because there is comparatively more crowd but other people prefer for government institutions because it is comparatively cheaper than then the private institutions. The table 4.10 shows the preference for health institutions by the respondents.

Table 10
Preference for health institutions

Institutions	Before 3 years	Percentage	After 3 years	Percentage
Health Post	27	45	16	26.67
Hospital	24	40	27	45
Clinic	6	10	11	18.33
Others	3	5	6	10
Total	60	100	60	100

Source: Field Survey, 2016

The information presented in table 4.10 shows the preference of respondents for the health checkup purpose. According to the information, the preference for health post was 27 before 3 years but it is decreased after 3 years and became 16 only. The preference for hospital is slightly increased and became 27 from 24. The preference for clinic is increased by nearly two times and preference for other institutions is also increased by two times and became 6. This information shows that after the households started to earn remittance, they prefer for easiness, comfortable and reliable institutions. When people have money they start to go in bigger health institutions when they are sick.

4.11 Expenditure Pattern of the Family

This part of research evokes the information of the about their expenditure pattern.

4.11.1 Purchasing land or home

Land purchase had been the most favored means of creating wealth by remittance-recipient households. To know either people from whose house people are migrated for the purpose of remittance earning have invested in house or land a question was delivered to the respondents that “Did your household purchase land or home after migration took place?” The response of the respondents is tabulated in table 4.11.

Table 11
Purchase of land or home

Response	No. of Respondents	Percentage
Yes	18	30
No	42	70
Total	60	100

Source: Field Survey, 2016

The table 4.11 evokes the information of the respondents either they have purchased land or home or not. Among the total respondents, 30 percent respondents replied that they have purchased land or home. The other respondents replied that they have not purchased land or home. The results revealed that land purchase was substantially increased for the treated households after they started receiving remittances.

4.11.2 Purpose of purchasing land or home

The information in table 4.11 shows that among total respondents, 18 respondents have purchased land or home for the different purpose. When the reason was asked to the respondents, they replied different purpose. The main purpose of purchasing land is to construct house. No any respondents replied that they purchased land for the purpose of cultivation.

4.11.3 Satisfaction from the Remittance Income

Many people are going abroad for the purpose of earning remittance due to various reasons either it is problem of house or their individual choice. Although the members of family earning remittance, they may not satisfied with the situation. During the field visit, a question was asked to the respondents that “Are you satisfied with your family member’s remittance income”. The response of the respondents is tabulated in table 4.12.

Table 12
Satisfaction from the Remittance Income

Response	No. of Respondents	Percentage
Yes	43	72
No	17	28
Total	60	100

Source: Field Survey, 2016

The table 4.12 evokes the information about the satisfaction of the family members from the remittance earning. Among the total respondents, 72 percent respondents replied that they are not satisfied with the remittance earning. This information shows that many respondents are not satisfied with remittance income.

4.11.4 Reason of Dissatisfaction from Remittance

There are various reasons that people are dissatisfied with the remittance income. A question was asked to the respondents that what the main reason of the dissatisfaction was. The response of the respondents is tabulated in 4.13.

Table 13
Reason of Dissatisfaction from Remittance

Response	No. of Respondents	Percentage
Family member is far	9	53
Earn money in own village	4	23.5
Not sufficient in comparison of sacrifice	4	23.5
Total	17	100

Source: Field Survey, 2016

The information presented in table 4.13 evokes the information about the reasons of dissatisfaction of the respondents. The main reason of dissatisfaction is family member is far from house. According to the respondents, at the period of festive or other purpose, they miss their family members who are far from the house. Another reason that the respondents replied is they can earn money in their own village. According to the respondents, there are many opportunities in their village so that it is

not necessary to go abroad. Another reason of the dissatisfaction is not sufficient in comparison of sacrifice.

4.11.5 Advice to the Relatives

During the field visit, many respondents advised for the people who want to go for abroad. According to the respondents, it is not necessary to go abroad because there are many opportunities in their own locality if they work hard as they work in the foreign countries. So, if they work hard in their own locality, it will helpful to the other people to learn and earn also from their work. If someone wants to go abroad, they should learn some technical knowledge and after learning the technical knowledge they can apply because return should be according to the sacrifice. If someone goes for abroad, they cannot care of the house. If some family is small, this problem is bigger.

4.11.6 Inspired to go Abroad

If people compare with other, many people want the same because as economic theory says that wants are unlimited whereas sources are limited. People are not satisfied with what they have. So they think it is better what the other people have. During the field visit, a question was forwarded to the respondents that “Are you inspired to go abroad to work when you are receiving the remittance income?” The response of the respondents is tabulated in table 4.14.

Table 14
Inspired to go abroad

Response	No. of Respondents	Percentage
Yes	22	37
No	38	63
Total	60	100

Source: Field Survey, 20116

The information presented in table 4.14 evokes that many of the respondents are not inspired with the remittance income. According to the respondents, remittance income is not at the satisfaction level as they are doing sacrifice. They have to leave home and

family and income is also not so high that they can save. The income is spent for the household purpose only. The people who are inspired forwarded the reason that in our country there is very little opportunity which compels to go abroad.

4.11.7 Household Expenditure of the Respondents

This sub-chapter of the topic tries to evoke the comparative study of the respondents before receiving the remittance and after earning the remittance. During the time of field visit, it was found that expenditure in all sectors as clothing, festival ceremonies, food, household purpose, transportation and other sectors is surely increased but it is not so vast difference. The expenditure of the household in these sectors is seen increasing it may be due to inflation. The price of every item is seen increasing day per day. This study has revealed only the expenditure of the respondents not the living standard of the respondents.

4.11.8 Insurance of the Respondents

Many of the respondents have made insurance but it is not in the name of them. The insurance is insured in the name of their child or other members. So in this part the question is asked to the respondents that “Have you had any insurance?” The response is assumed to be yes if insurance is in the name of any members of the family. About the insurance, the response of the respondents is tabulated in table 4.15.

Table 15
Insurance of the Respondents

Response	No. of Respondents	Percentage
Yes	44	73
No	16	27
Total	60	100

Source: Field Survey, 2016

The information presented in the table 4.15 evokes the information of the respondents about the insurance. According to the table more than two third among the total respondents have done insurance in the family. During the field visit all of the respondents were found that they have made life insurance. No other type of

insurance was found during the field visit. In the research area, it is proved that other type of insurance is not in practice. Many of the respondents were found that insurance means they think as it is life insurance. The premium they pay ranges from 4000-6000 in six months. This information reveals that many people in the study area who are receiving remittance have done insurance. The main reason of people who have not done insurance is insufficient level of income, less believe on remittance etc.

4.11.9 Time of Insurance

This part of the study evokes the information about the respondents that either they have made insurance before receiving remittance or after receiving remittance. Table 4.16 shows the information either respondents apply for insurance before receiving remittance or after receiving remittance.

Table 16
Time of Insurance

Time of Insurance	No. of Respondents	Percentage
Before receiving remittance	34	77
After receiving remittance	10	23
Total	44	100

Source: Field Survey, 2016

The information presented in table 4.16 evokes the information that among the total respondents who have made insurance, more than three fourth among the total respondents have made insurance before receiving remittance. It proves that about the insurance in the community of research area, people are aware of the insurance although they only pay for life insurance only.

4.11.10 Money purpose of the Respondents

It was observed that migrant-sending households mostly borrowed money to meet their migration expenses rather than used their savings and the interest rates they pay in borrowing were as high as 30 percent per annum. Moreover, they have to rely mostly on informal money lenders to borrow money, yet paying even higher rates.

Formal banks and financial institutions, on the other hand, were found to be charging substantially less than those informal lenders.

4.12 Social Change of the Respondents

This sub-topic of the research evokes the information about the social behavior and perception of the respondents. All of the respondents replied that they involve in social works which are held in the community and they also informed to the researcher that there is no change for involving in social works either before they started to receiving remittance or after they started to receive the remittance. According to the respondents the behavior of the respondents is changed somehow of members of the society. The members of the society listen their views if they forward their view strongly in the meetings which are held in the community.

CHAPTER- V

SUMMARY AND CONCLUSION

5.1 Summary

The community in Banganga is a heterogeneous in terms of their living standard. They are heterogeneous in terms of their culture, income level, education level and so on. Most of the families are dependent on their one or two members of family. The respondents have been categorized by different components: caste groups, religion, age group, literacy, marital status etc. The summary of the study is listed in following points.

-) Many of the respondents are literate in the study area and only few respondents are illiterate in the study area.
-) The main source of drinking water is piped water and hand pump. More than half of the total respondents use LPG for cooking purpose.
-) More than three fourth among the total respondents use flush or pour flush type of toilets and others use pit latrines and other type of toilets.
-) After receiving the remittance, people in the study area improve their house from floor to roof. People are going from natural roof/floor to rudimentary floor/roof and so on.
-) The treatment gain was positive for other indicators, such as possession of land holdings, livestock income, possession of insurance, the prevalence of water-related diseases, but the gains are not statistically significant.
-) After people started to earn remittance, more respondents replied that they started to send their children in private school. The expenditure on education was also increased after people started to earn remittance.
-) The preference for clinic is increased by nearly two times and preference for other institutions is also increased by two times. This information shows that after the households started to earn remittance, they prefer for easiness, comfortable and reliable institutions.
-) Land purchase was substantially increased for the treated households after they started receiving remittances.

-) Many of the respondents replied that they were not satisfied with the remittance earning. This shows that many respondents are not satisfied with remittance income.
-) The respondents advised that it is not necessary to go abroad because there are many opportunities in their own locality if they work hard as they work in the foreign countries. So, if they work hard in their own locality, it will be helpful to the other people to learn and earn also from their work.
-) The respondents replied that the income is spent for the household purpose only. The people who are inspired forwarded the reason that in our country there is very little opportunity which compels to go abroad.
-) All of the respondents replied that they involve in social works which are held in the community and they also informed to the researcher that there is no change for involving in social works either before they started to receiving remittance or after they started to receive the remittance. According to the respondents the behavior of the respondents is changed somehow of members of the society.

5.2 Conclusion

A growing trend of remittances worldwide has drawn attention of both academia and policymakers in recent years. Remittance income is emerging as one of the most significant and reliable sources of external finances for many developing countries. Not only in the macro level, the contribution of remittances has been direct and sizable in migrant-sending households in micro level as well. A significant number of people in developing world are now receiving remittance earnings to finance their expenditures in home consumption, health and in children's education. The controversy, however, revolves around how remittances affect households' socio-economic aspects. There is no conclusive answer that remittances always throw positive effects on all dimensions of people's economic and social life. While some studies have shown that remittances directly contribute to reduce poverty level, others point out towards a cost of social and economic distortions that the migration causes. In particular, remittances contribute positively for children's better educational opportunities in one hand whereas children's education suffered because of the absence of their mothers and fathers on the other. This study reveals that there is no such a change in remittance earning. Their earning is going in the field of consumption only.

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Questionnaires

1. General information of the respondents

Name of the respondents:

Sex:

Age:

Marital Status:

No. of Children:

Education:

Religion:

Caste/ethnicity:

Occupation:

Schedule-A Economic Related information of the Respondents

1. What is your major source of drinking water?
 - a. Tube well
 - b. River
 - c. Piped water
 - d. Others

2. What type of fuel does your household mainly use for cooking?
 - a) Electricity
 - b) LPG
 - c) Biogas
 - d) Wood
 - e) Others (Specify).....

3. What kind of toilet facility do the members of your household normally use?
 - a) Flush or pour flush toilet
 - b) Pit latrine
 - c) Composing toilet
 - d) No facility of toilet
 - e) Others (Specify)

4. Did the household purchase/reconstruct the house during last three years?
 - a) Yes
 - b) No

If yes,

5. What is the main material of the floor?

Before 3 Years	After 3 years
..... Natural floor	
..... Rudimentary floor	
..... Finished Floor	

- Others
6. What is the main material of the roof?
- | Before 3 Years | After 3 years |
|------------------------|---------------|
|Wood/Bamboo | |
|Cemented | |
|Tin/tile..... | |
|Others | |
7. Have you brought any electronic device during the last 3 years?
- | | |
|--------|-------|
| a) Yes | b) No |
|--------|-------|

Schedule-B Education and Health Related information of the Respondents

1. Which school do you send to your children?
- | Before 3 years | after 3 years |
|------------------------------|---------------|
|government school | |
|Private school | |
|others | |
2. How much do you spend for education?
- | Before 3 years | after 3 years |
|----------------|---------------|
| | |
3. Does your child go for the tuition class after you started to earn remittance?
- | | |
|--------|-------|
| a) Yes | b) No |
|--------|-------|
4. Have you or your family faced any types of diseases during last year?
- | | |
|--------|-------|
| a) Yes | b) No |
|--------|-------|
- If yes,
5. How many times did you visit health institution due to diseases?
-
6. Which type of health institution generally do you use when you are suffered?
- | Before 3 years | after 3 years |
|-------------------------|---------------|
| Health post | |
|Hospital | |
|clinic | |
|Others | |

.....Others

9. Have you had any insurance?
 - a) Yes
 - b) Noif yes,
10. What type of insurance do you have?
 - a) Life insurance
 - b) Health insurance
 - c) Others (specify),
11. How much insurance premium do you pay monthly?
.....
12. When did you insure?
 - a) Before receiving remittance
 - b) After receiving remittance
13. Have you borrowed money?
 - a) Yes
 - b) No
14. When did you borrow money?
 - a) Before receive remittance
 - b) after receiving remittance
15. Have you started business or increased the scope of your business from remittance income?
 - a) Yes
 - b) No

Schedule: D Social Change of the Respondents

- 1. Do you involve in social works more frequently either before or after?
 - a) Yes
 - b) No

- 2. What kind change in behavior do you examine of the people in the society?
.....
.....
.....

- 3. Does your perception or view listen more carefully than before receiving remittance?
 - a) Yes
 - b) No

- 4. If yes, do you think that remittance provide you more value than before in the society?
 - a) Yes
 - b) No