

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Migration is an age old phenomenon in Nepal. Until the 20th century, migration was either internal or cross border to India. But with the opening up of migration for employment to Gulf countries and South-east Asian countries, there was a rise in the trends and patterns of people migrating to these countries. Increasing numbers of youth are also migrating overseas to Western countries for employment and education purpose. Remittances sent by these migrant workers have diverse implications for socioeconomic development in Nepal. With these realities in mind, this study has tried to identify appropriate, workable approaches for promoting the productive use of remittances through a review of the rural investment policy, schemes, and products in South Asia. Remittances are not only very large, but continue to grow and remain relatively stable. They can, potentially, provide a cushion for economic shocks and have direct benefits for households, and so remittance flows and their productive use are of crucial policy concern in Nepal. Migrant workers and their families primarily use of remittances for consumption purposes. If this current trend of remittance use continues, the hard-earned money sent by migrants abroad will not be used productively, and cannot contribute to economic growth and development. Thus, there is a need for the government to formulate effective and efficient public policies to motivate Nepali to send money home, and to devise mechanisms that channel such money into productive activities. Productive use of remittances calls for systematic efforts to divert them, and requires initiative from government to encourage investment, generate employment, and expedite national economic growth.

Nepalese people started foreign employment by travelling to Lahore in early 19th century to working the army of the Sikh ruler or be recruited for specific war related services for the Sikh ruler (Singh, 2008). However, 'remittance in Nepal was best introduced with Gurkha remittances. Being a skilful warrior British India formally recruited Nepalese youth as soldiers in their armed forces, which was the initial remittance in

Nepal. However, for the last two decades many Nepalese young people have been migrating in Gulf and other countries mostly in job sectors in the civilian front. The foreign employment particularly in Japan is also a target of Nepalese people. Youth at the present context are more inclined to foreign employment and remittance income than their traditional community based occupation.

Nepal has been a region subjected much to the influence of mobility of its inhabitants since about 200 years ago. But its role has become crucial in recent times, because of limited resources and economic opportunities in hills villages (e.g. bringing salt from Tibetan border or Prithivi Narayan Shah of Gorkha since the mid-18th century AD) even in the distant past, mobility for supporting and earning livelihood is of prime concern to people in the recent past as well as in present times. This livelihood earning mobility includes foreign the country labour migration (for army and other jobs), long term migration within the country and seasonal migration within the country and abroad. (Adhikari, 2008) After the eradication of malaria in the plains of Nepal in the 1950s and 1960s, the Terai became the main destination for much hill migration. Even though people from poorer as well as wealthier household migrated from the hill to the Terai, the poor ended up becoming marginal farmers in the Terai as well. (Shrestha, 1990)

Globalization is liberal economic system in which there is free flow of capital, technology, labor, raw materials, information and transportation. Distribution and marketing are integrated or interdependent on global scale. International labor migration has been highly increasing at present. In 2010, out of the total population of the world, 215.8 million (or 3.2%) were immigrants. South-South migration is nearly as large as South-North migration. Developing countries are main labor migration countries. In 2010 stock of emigrant people in developing nations was 171.6 (3.0% of total population of developing nations). Similarly, in South Asia stock of immigrant is 26.7 million, which is 1.6 percent of total population of developing nations. In SAARC region top five immigration countries are India, Pakistan, Bangladesh, Nepal and Sri Lanka (Ratha et al., 2011). Although the main outcome of foreign migration is remittance, there are various pros and cons of foreign migration. In a general term, remittance is money transferred by

foreign workers or remitters from host countries to their home countries to support their families. Although remitters sent their earning in term of kind and cash, the term remittance is generally limited to denote only monetary and cash transfers from host countries to home countries by migrant workers. According to the IMF Balance of Payment Manual 5 (BOPM5), total remittance is constructed of the sum of three items 1) “Workers’ Remittance,” 2) “Compensation of Employees,” and 3) “Migrant Transfers.” The definition of remittance given by IMF has been given in Annex A. Although the essence of foreign saving was discussed in classical era as well, the comprehensive study about impact or role of remittance upon national economy, especially in underdeveloped economies, is the emergent phenomenon in the present world.

Nepalese economy is largely based on agriculture, however, the large number of people leaving for foreign employment has been significantly increased due to incredible number of unemployment, poor development of industrial sectors, low level of salary and earnings, lack of business environment and so-on. Millions of youth are compelled to heading for overseas seeking employment due to failure in creating employment opportunities within the country. Statistics for the last three years shows on average 250,000 people leaving the country annually for foreign employment and the number is on rise. Although foreign employment remains a major source of foreign currency for the country, in the long-run it could fall in the remittance trap. It is another challenge of engaging the youths in the nation’s development by creating employment opportunity within the country itself (Economic Survey, 2010/11).

Migrant workers send their earned money to their family for various purposes. If the remittance is saved in banks or financial institutions there will be easy availability of fund for investment. When remittance is deposited with financial institutions a larger share of the population comes into contact with the formal financial system, expanding the cash economy especially in rural areas and promoting development. This increases the availability of credit and the potential provision of education loan, home mortgage and borrowing to establish small business.(Browne and Mineshima, 2007)in their paper have claimed that Asian countries that receive high amount of remittance include Bangladesh, India, China, The Philippines, Nepal, and Sri Lanka. Their overriding aim is to acquire

saving quickly to return home and pursue investment there. The study is qualitative and it is necessary to make quantitative study to assess the fact that whether domestic investment in Nepal has encouraged because of remittance. Remittances are flows of money between individuals living in different countries, most typically a foreign worker sending money back to his or her home country (Warswa, 2012). In the last few years remittances have risen significantly throughout the world as a result of increased migration flows, as well as reduced sending costs. It has also assisted the economic growth of several developing countries like Nepal. About 35 percent of all household income comes from remittances earnings in Nepal (NLSS, 2003/04). According to the World Bank report 'Migration and Remittance Fact-book 2011' 'Nepal is among the top five countries with remittance amounting to 23% of the GDP. Tajikistan, Tonga, Lesotho and Moldova are ranked ahead of Nepal. Among the least developed countries, Nepal is placed second behind Bangladesh'. Whereas, agriculture, a major sector of Nepalese economy which provides employment opportunities to 66 percent of the total population that contributes only about 39% in the Gross Domestic Product (GDP) (Department of Agriculture. (Sunar, 2011) According to UNDP's 'Human Development Report 2010', remittance was one of the factors behind Nepal's remarkable success in human development in the last 40 years. Nepal emerge done of the world's fastest movers in Human Development Index (HDI) since 1970, coming in third among 135 countries studied.

1. 2 Statement of Problem

Despite of growing remittance inflows in Nepal as share of GDP, average GDP growth remained below 4% with increasing trade deficits. At the same time, average industrial growth rate was only 0.3% during period with declining contribution to GDP since last decades. Since remittance helps people improve the living standards, it has been observed as a good contributor for the poverty reduction in Nepal. Nevertheless, it might further deteriorate the trade balance, causing higher demand for consumable goods, most of which are imported in Nepal (Bhatta, 2013).

Remittance recipients in Nepal are less motivated to invest in business due to the poor investment environment, lack of entrepreneurial skills (Dilip, 2013). Furthermore, there is lack of clear government policies to direct remittance income into productive sectors reducing additional consumption which can reduce trade deficit as well. Therefore, I want to examine to what extent unproductive remittance creates negative impact on sustainable economic growth and how this problem can be addressed by introducing policies to make people to invest remittance in productive sectors.

Various studies, evidences and numeric data have proved that remittance has played significant role not only in correcting BOP and maintaining foreign reserves but also in minimizing the problem of unemployment and poverty in LDCs including Nepal. The overseas migration and remittance has been instrumental in poverty alleviation as well as in improving the living standards of the people. (Seddon, 1999). Remittance has played momentous role in poverty reduction in Nepal from 42 percent to 31 percent in past decades. (Sharma, 2006). The relevant literatures discuss particularly the impact of remittance upon poverty and inequality. Likewise, growth generation capacity of remittance is much more debatable issue since it has played positive role in enhancing growth in some LDCs and negative role in some other LDCs as well(Shrivastava, 2007). Outline impact of remittance has been seen remarkable on the GDP and GNP in both real and nominal term. But Sharma (2006) argues that since most of the remittances have been used for consumption purpose, it has a negative impact on growth of GDP in Nepal. Again some studies or papers have argued that remittance earning is finished upon consumption purpose and it has no any significant effect to enhance domestic investment in the nation. But (Dustmann, 2001) have found that 50 percent of a sample of Turkish emigrants returning from Germany started a micro enterprise within four years of resettling in Turkey using money saved while working abroad. Similarly (Woodruff, 2001) also found that remittance was responsible for almost 20 % of the capital invested in micro enterprises through urban Mexico.

In general the anecdotal reports observe that recipients use remittance to increase family consumption rather than to invest in business or other productive assets. Academic papers have investigated the claim made in the anecdotal reports generally using survey data.

The picture that emerges on the use of remittance is somewhat confusing. (Chami, 2003) These contradictions have left room for further investigation or researches in the field since various works have been completed with distinguished results. Again most of the researches have pointed out to the necessity of further comprehensive and statistical investigation about the impact of remittance upon economy of the nation. Most of the works done on the macroeconomic of remittance and their impact is qualitative. (Giuliano.p, 2005) Just the theoretical discussions are not sufficient to assess the impact of remittances unless and until the results become valid through econometric and statistical investigation. Further there is a lack of the literature and analysis based on real data of Nepal in assessing the actual status of one of the major contributors of GDP, which is remittance.

In Nepalese economy remittance has emerged as a new economic phenomenon. Share of remittance to GDP is increasing year by year. Passing throughout the time size of domestic product, size of domestic investment and size of domestic consumption are also in increasing

Trend Remittance may have played a positive role in bringing positive change in these macro economic variables. So to assess the impact of remittance upon macro economic conditions of the economy and to establish the validity of the impact, econometric analysis is a must, which this study has tried to do.

There have been changes in the economic and social relations in Nepal. The market has been providing opportunities for choosing livelihood options. Livelihood incorporates the diverse ways in which people make a living and build their worlds (whitehead, 2002). The inflow international remittance in developing countries (DCs) has increased dramatically since 1990s, increasing from US\$30 billion in 1990 to US\$325 billion in

2010, and has emerged as a most important source of private capital flows for dozens of these countries (World Bank, 2011). The pattern of social relationships and livelihood strategies of different households is part of a larger process of structural change. Many have focused new remittance economy and livelihood change, the mobility of the people from rural to urban areas, the flow of good and commodities, and flow of information and communication. The traditional community-based relationship becoming weak and the new relationships are developed in rural areas. Similarly in respect to Karlim community due to the regular flow of remittance.

Livelihood and poverty are becoming delinked from land and from farming. Remittance is playing a growing role in the rural household income. Lives are becoming more mobile and livelihoods correspondingly delocalized. The non-farm activity becoming central to the rural livelihoods and an increasing number of rural households have no commitment to farming (World Bank 2011). Nowadays, rural area is changing day by day because of the urban effect i.e. process of modernization , westernization a number of development activities initiated for the perspective of commercial development and progress that also prolong to increment if sophisticated changes of Karlim people. This Karlim community is also ongoing rapid change past and present. Although, there is lack of the social research in Karlim community of this Bihun VDC, and their changing livelihood but the present study has focused on the following question based on the research theme.

- 1) What is the current status of remittance in Karlim community?
- 2) What are the major areas uses of remittance in Karlim community?
- 3) How remittance impact on the livelihood of Karlim community?

1. 3 Objective of the study

The general objective of the proposed study is to examine the use and impact of remittance on livelihood of Karlimcommunity, and changing their social and economic status. The specific objective of this study is as follows:

-) To examine the current status of remittance in Karlim community,
-) To analyze the uses of remittance in Karlim community, and
-) To explore the impact of remittance on livelihood of Karlim communities.

1.4 Rationale of the Study

In the Karlim community the development in the field of technology, communication, transportation, education as well as interaction of Karlim with different culture groups. They must have undergone certain changes. Similarly, urbanization, modernization, migration and Remittance growing population has definitely affected the socio-economic condition of any society as they in the capital city. Karlim people are also affected by these factors and change in their occupational composition and life style. Especially socio-economic changes and condition of Karlim of this Bihun VDC research has been conducted. Yet thus this study will be helpful theoretically as a literature to the forthcoming and those who are interested to accumulated knowledge of this community. The present study has to be Academic as well as practical significance. The academically this study has made an effort to analyze the existing socially, economically and their livelihood changes especially in the particular Karlim community of particular area and their present socio-economic status and changing of Remittance and their Livelihood of Karlim people in Bihun VDC.

1.5 Organization of the study

The research has divided into three chapter each chapter has its sub-topic. The first chapter focuses the introduction part with background of the study, statement of problem, objective of the study, rationale and organization of the study gradually.

The Second chapter is literature review that focus scientific understanding of studied and review relevant on impact of remittance and livelihood to valid the presentation of this research. The Third chapter talk about the research methodology and research design,

selection of the study Area, sample size sampling method, nature and source of data, data collection tool and technique, data analysis, limitation of the study, ethical, Ethical issue. The Fourth chapter has the short description of field side location and objective based chapter that talk about current status of remittance Karlim people in the Bihun VDC. Where education and country pattern, country and age pattern, monthly income pattern, working pattern, money transfer system, send money in a year and receive system. The fifth chapter is use of remittance where Karlim people are use of remittance like, house and land, food and clothing, education, healthcare, festivals and saving. The chapter six has the description of impact of remittance where directly or indirectly impact of remittance on Karlim household. Finally eight chapters present the summary, major finding and conclusion of the study.

CHAPTER-II LITERATURE REVIEW

2.1 History of International Migration in Nepal

Nepal has a long history of international employment in India, dating back to the beginning of the 19th century, when men from the hill areas of what was then known as Gorkha migrated westward to the city of Lahore in the northern region of Punjab. There they joined up as soldiers in the army of the Sikh Rajha, Ranjit Singh. Even today those working abroad are popularly known as lahures (Seddon, 2005). Literally the nickname lahure is given to the people who join the armed force of India, Hong Kong, Singapore, United Kingdom, and so on; but it also designates people living abroad particularly having the working class jobs. The distinction here is essential because people living abroad for study or working in the university and big organization like United Nations, Food and Agriculture Organization and Asian Development Bank are not necessarily called lahures. The labourers working in the working class jobs are recently termed as New (Adhikari, 2002).

The first evidence of out migration found in literature is early nineteenth century, the first Nepalese men migrant to Lahore (in present day Pakistan) to join the army of Sikh ruler Ranjit Singh. Afterwards, both they and later migrants are termed as lahure (Thieme, 2005). Nepalese out migration started from the history of Nepal soldiers who joined forces of other countries though it was not well accounted. With the 1942 census (Kansakar, 2003) report 'the census to have not recorded the Nepali troops sent from Nepal in different fronts to assist the allied force and might have been included only those who went abroad for livelihood'. Nepal's international border with India and China remained almost open for the movement of people from both of her neighbours. With China, it became closed one after 1950, while it has remained open with India to date with no restriction on the movement of people of both countries. Hence, because of open border, cultural similarities, and no need of Nepalese labour out-migration is not a new phenomenon. Nepali migrant workers have been sending their earnings to their families for around 200 years (Seddon et al 2002)

The migrant of Nepalese people for other employment purposes, such as working in the tea states of Darjeeling and the forest of Assam, began in the second half of the 19th century. Economic migrant to the Middle East from south Asia and other parts of the world was spurred –on by oil boom in the early 1970s. International labour migration, mostly to Gulf States, Malaysia and south east Asian countries is a new phenomenon of migrant in the Nepalese context with about a 30 year long history. Unexpectedly, international labour migration has developed in such a way that it has shifted the agriculture based economic towards remittance based economy (Aryal, 2006). Migration to the neighbouring country India a longstanding history, while migration to the Gulf and Tiger States, Europe, or USA only commenced about 15 years ago. The Government of Nepal officially opened its door for citizen to go abroad for work in late 1980s. Before that people used to work only in India because of open border and people did not have access to other countries. After having labour agreements with a number of Gulf States the number of migrant worker has increased substantially since 1996 with the increasing demand every year. According to the population census 2001, India remains to be the main recipient of Nepalese migrant workers with about 600,000 migrant living there. India is followed by the Gulf countries in aggregate (111,000) such as Saudi Arabia, Qatar, United Arab Emirates, Bahrain, and so on. Other countries account for about 62000 Nepalese migrant. Europe is still not visible in terms of Nepalese migrant population size and the proportion in other development countries is also negligible with respect to size.

2.2 Migration and Remittance

Migration and remittances are inextricably intertwined because remittances would not occur if the senders had not migrated in the first instance. The most tangible link between migration and development is through the impact of remittances. They represent the human face of globalisation in which people migrate in search for a better life to provide for their families back home. It has been proved that international remittances represent the second most important source of external funding in developing countries after FDI

and are about double the level of official aid related inflows to developing countries (Adam and Page, 2005).

Different cause compel people to go international labour migration which has emerged as an important issue in twenty first century contribution as an important factor in shaping the politics, economic, society, culture and even security of the concerned countries. Currently young people from the village are in Hong Kong, Malaysia, India the Arab state, Europe and elsewhere. If they are lucky enough to make any money, they will invest their saving in buying land and building house in towns and cities, not in the village (Macfarlane, 2001).

Nepalese labour out- migration is not a new phenomenon. Nepal migrant workers have been sending their earning to their families for around 200 years. (Adhikari J. G., 2002) Mainly the remittance in Nepal from Gulf countries comes through Exchange House, Western Union Money Transfer , Money Gram , Himal Remit , and Nabil Speed Remit of which, Western Union Money Transfer and Money Gram are the international brand whereas Himal Remit and Nabil speed Ramit are the local brand . Himalayan Bank (Ltd) is the sole agent of money Gram. Himal Remit was mainly confined to the Gulf countries but now it has extended its service to Europe also (Panthee, 2012).

The properties of household that receive remittance are 56 percent in Nepal. The average income transfer in the form of remittance is Rs 80,436 (in nominal terms) per recipient household. Per capital nominal remittance of whole population stands at NRs 9,245. Majority of remittance (58 percent) come from within country .and 19 percent from India and 23 percent from other countries (CBS, 2012).Common Nepal's access to basic facilities has improved in the years. Despite political upheavals and unrest, average household income of Nepal has increase by more than four-fold to Rs 2,02,374 over the span of 15 years due to rise in the number of employed population , switch from agriculture to non- agriculture jobs and increase receipt of remittance. Remittance is widely spent on daily consumption. Some 78.9 percent of the remittance is used in daily consumption, whereas 7.1 percent of the remittance is used to repay loans followed by

4.5 percent on household property, 3.5 percent in education and only a minimal 2.4 percent is used on capital formation. However, percentage of household receiving remittance has also more than double from 23.4 percent 15 years ago to 55.8 percent in 2010 (NLSS (2010-11)). The total of remittance in the country is estimated at Rs 259 billion in nominal terms. Internal source accounts for 20 percent of this, Saudi Arab and Qatar together account for 26 percent, Malaysia 8 percent. India 11 percent and the remittance is accounted by other countries. Of the remittance, 77 percent of remittance are transferred by person, 19 percent via financial institution and 2 percent via Hundi 2 percent from other means (NLSS, III).

On the basis of data provided by Department of Foreign Employment, the number of workers going to international for employed increase by 76930 (35.4 percent) to 294094 people in 2009/10 compared to 217,164 people in 2008/9. With the increase in the number of workers, the inflow of money should have taken an upswing. According to the data of Rastriya Banjya Bank (2011), remittance (in billion) received by Nepal is 65.54, 97.69, 100.14, 142.68, 209.70, 231.73 in the fiscal years of 2004/05, 2005/6, 2006/7, 2007/08, 2008/09, 2009/10 gradually.

2.3 Remittance and Its Impact on Economy

Stark (1991) studied the effects of remittances on domestic inequality in two Mexican villages near the border with the U.S. in which villagers engage both in internal rural urban migration and migration to the United States. The study found that remittances from internal migration are more correlated with schooling years than remittances from international migration to the United States, as the latter often go to low skills, labour-intensive jobs. Stark (1991) generalizes that the inequality impact of changes in remittances depend on the location of remittances recipients in the village's income distribution, the share of remittances in villages incomes and the distribution of remittances themselves. These variables, in turn, depend on the distribution of human capital (education and skills) among villagers and the distribution of migration opportunities in the villages.

Another piece of evidence is provided by Ratha (2003) who reports that, for Pakistan, a household data survey shows that the share of income originated by external transfers increase with income levels, (the highest share of income receives the largest share of income coming from external remittances). However, *income distribution between countries* may eventually improve with remittances as income is redistributed from higher income, source countries to lower income percapita, and receiving-countries. Remittances represent a very significant share of GDP in sever allow-income countries. Joy M. Kiiru studied Remittance and Poverty in Kenya in 2010. The main objective of this paper was to measure the impact of remittances on poverty. The other objective was to measure the determinants of remittances. The results show that 70% of households received remittances within (Joy, 2010).

The past one year of the study. Also, remittances have been used to smoothen or cushion consumption in times of shocks. Up to 60% of respondents admitted to having experienced economic shock ranging from deaths of bread winners to natural disasters. Overall 30% of the shocks were related to agricultural production while 8 % of those shocks had to do with input prices. 12% of those affected by shocks had used remittances to deal with the impacts. Not able the results suggest that the presence of a shock may not have a significant impact on consumption but it is the length of its existence that may have significant negative effects on consumption. The results therefore conclude that remittances have a positive impact on consumption.

In the context of Nepal, Central Bureau of Statistics conducted Nepal Living Standards Survey2003/04 (NLSS II). One of the studied topics was 'Remittance and Transfer Income'. The survey follows the World Bank's Living Standards Measurement Survey (LSMS) methodology and uses a two-stage stratified sampling scheme, as was done in the first survey. No research has been conducted on the topic 'Remittance in connection with Karlims Community' yet, a gap this research proposes to partially fill.

2.4 Remittance and Its Contribution in Livelihood

Livelihood diversification as a phenomenon that characterises the survival and income strategies of individuals and families in rural areas of developing countries. There is a widespread view, difficult to substantiate due to the lack of comparable inter temporal data sets that diversity has increased over time in general and may be accelerating in the current phase of rural development in sub-Saharan Africa. There are many reasons for this amongst which changing incentives and labour markets, risk strategies, impact of disaster and civil strife and saving and investment behaviour, all contribute with different force in different settings. Diversification is an infinitely heterogeneous social and economic process, obeying a myriad of pressures and possibilities in the rural economy. It is differentiated in its cause and effect by location demography, vulnerability, income level education and many other factors. Amidst the generalised retreat, often in disarray, of big government from the rural economy, the least that needs to be put in place are household monitoring systems that can inform researchers, policy advisers and policy makers of the livelihood adaptation occurring as a consequence of the policies being pursued. The devising of low-cost and effective livelihood monitoring system represents a significant methodological challenge for the future.

A livelihood encompasses income both cash and in kind, as well as the social institutions (kind family, compound, village and so on). Gender relation and property right require to support and to sustain a given standard of living different access right to land are often the key determinant of district livelihood strategies pursued by poor compared to better off rural household. (Ellis, 1998).

Rural household with no access to resources have been following multiple survival strategies throughout the history of the Nepali nation state. The strategies adopted by household in the 18th and 19th centuries mainly involved migration and beyond. Among the poor rural household, migration took place as a response to economic hardship caused primarily by land and labor policies (Shrestha 1990) and pressure (Poffenberger 1980). Another strategy for acquiring income has been serving in the Indian and British armies and non-military work mainly in India. Dahal defines livelihood as means for living on a sustainable basis (1993: 21-22). Security indicators protection, assurance or a secure

condition. A livelihood is sustainable if it can bear the weight of present activities for a long period without compromising the future.. (Adhikari, 2008). Balikie et al. have define livelihood as “the command an individual, family, or Other social group has over an income and or bundle of resources that can be used or exchanged to satisfy its needs” (1994:9) (Blaikie, 1994)

2.5 Karlim and their Livelihood

In Karlim Hindu hierarchical community based society .Karlms traditional occupations are the culture or identity of Nepalese society. It has contributed a lot for civilization of Nepalese society. It is noted that the main economic activity of majority of *Karlim* is Agriculture and foreign employment.

The *Karlim* are best known for their agriculture and milk products and gradually changing .With the continuous supply of Remittance ,such occupation seems to be disappeared, which was one of the major means of livelihood. It is all because of education, foreign employment, modernization of their traditional skill is the alternative factors for strengthening their livelihood. No any special interventions have been brought by the state and other non-government sector to modernize traditional occupation of *Karlms*. It is the remittances which modernize the traditional occupation and also leads to shift in livelihood pattern.

These past studies have focused on the effects of remittances on domestic inequality, income of household through external remittance and changing livelihood of rural population. This study will attempt to analyze the impact of remittance and foreign employment on livelihood of Karlim community of Bihun VDC of Baglung district.

2.6 Theories on Livelihood Change

Social Scientists have applied various theories to analysis and describe society of a given area. Due to Modernizationthe socio- economic condition of Karlim community has been

changing. So apply the theoretical aspect of Modernization framework this study work investigates the socio-economic and livelihood changes occurring among the Karlim community of Bihun VDC of Baglung District.

2.6.1 Social change

Since the Karlims are the inhabitation of rural and urban settlement and they have direct influence taking place in Bihun VDC. Due to urbanization along with modernization going through different cultures and society, the position of Karlims are also improving gradually in relation of their occupation, income, education and living standard. This effect reflect in daily food habits, dressing, lifestyles, housing pattern, land pattern, migration pattern, and individual attitude as well. Extension of transportation communication and urbanization, rapid growth of Education, economy and modern technologies and culture aspect, have been seen due to the activities of INGOs/NGOs and CBOs focusing to social and economic and its related effect in socio- culture values and practices pertain to the Karlim as well.

2.6.2 Modernization

Modernization refers to a complex set of changes that take place almost in every part of society as it attempts to be industrialized. It involves ongoing changes in a society's economic, political, education, tradition and religion. Modernization is a process of change towards those of social, Economic and political system that had developed in Europe and America from 17th to 19th centuries (Portes A. , 1973). According to Rostow, the idea spread that economic progress is a necessary condition for some other purpose, judge to be good be it national dignity, private profit the general welfare or better life for the children. The age of high mass consumption' it is to possible to identify all societies, in their economic dimensions as lying within one of five categories: the traditional society, the preconditioned for take- off, the take- off, the drive to maturity and the age of high mass consumption (Rostow, 1991).

Modernization theory is focusing on wage differentials, and the extension of capitalist production to the global periphery and resulting upheavals in those countries, had relatively little to say about remittance behaviour. In the 1980s, however, the 'New Economics of Labor Migration' (NELM), put remittances centre-stage in the theory of migration. In NELM, migration is understood as a household strategy to diversify the household's income sources in response to risk or local constraints in credit, insurance or other markets (Taylor, 1999). The decision that a member of the household should migrate is based on the calculation of the costs of migration (e.g. foregone family agricultural labor, travel expenses, helping the migrant during periods of unemployment) and benefits of migration (e.g. regular remittances, investment in local income generation, anticipated assistance during times of particular hardship). Thus, anticipated remittances are part of the migration decision, part of an implicit contract between the migrant and the remaining family (Stark, 1988).

Modernization is a process by which society moves from a traditional or pre- industrial and economic arrangement to those characteristics of industrial society. The term modernization does not denote any philosophy or movement is understood as a process which indicates the adoption of the modern ways of life and values discarding the tradition established values. The term was being used previously to refer only to change economy and its relayed effect on social values and practice. As a result of change in economy, the society itself underwent change in values, belief and norms but today the term is given boarder meaning (Rao, 1990). Today modernization is understood as an attempt on the part of the people, particularly those who are customs bounded, to adopt themselves to the present time condition, styles and ways in general. While entering into the global process, modern scientific technologies, education, transportation, communication and population mobility has been increased along with urbanization. Due to this, it opened the various possibilities of employment and economic opportunities. Day by day, every social status and people of the country has been affected by these factors of modernization. Hence, in order to measure the socio- economic status and changes of Karlim people, the process of modernization is studies during the field work.

2.7 Framework of the Study

Recent data shows there is increasing trend in labor migration from Nepal. Data on labor permit issued by government of Nepal demonstrate that more and more people are migrating from Nepal in search of employment opportunities. Nepalese economy before was dominated by agro economy and now it seems that slowly it's moving towards becoming remittance economy. At the same time, increasing labor migration is creating shortage of agricultural labor and adversely affecting agricultural yield in Nepal (Tuladhar, Sapkota, & Adhikari, 2014).

Job creation in Nepalese economy is lower than labor force entering annually in labor market. Those new entrants therefore have no choice than going abroad for employment. Liberalization of economy in 1985 opened the door for international migration. As a result, people who faced difficulty in finding job in Nepal started to seek employment opportunity abroad.

Subsequently, there has been a huge increase in the inflow of remittances, from 58.6 billion rupees (NPR) in 2003/04 to NPR 589.5 billion in 2014/15. Remittances contributed a 10.9 percentage share of the gross domestic product (GDP) in 2003/04 and 27.7 per cent in 2014/15. The remittance flow, therefore, is a major contributor to development financing in Nepal (M. o. L. a. E. Government of Nepal, 2016).

Most of the research shows that there is positive impact of inward remittance in developing world in areas like increase in standard of living, people being able to fulfill their basic needs. However when it comes to know about long term sustainable development in overall economic indicators, researcher come up with different results and findings. Some researches such as Connell and Conway (2000); (Cooray, 2012; Walmsley, Aguiar, & Ahmed, 2017), support the idea that remittance helps to overall growth in the economy by increasing economic activity in the country. On the contrary, others came up with the findings that even though remittance helps to achieve short term

economic growth, in the long run, depending more on remittance decreases the total output (GDP) as it reduces the workforce available to work.

It depends, how remittance is being used in receiving countries to know about the influence of the remittance in the economy. Inward remittance influences the GDP and other economic and development indicators through consumption and investment. For most of the countries remittance not just contributes to recipient families and communities but to the whole national economy where they are being used (Arnold, 2017). The number of migrants has doubled in the past two decades, as have remittances to developing countries (Martin, 2006). When remittances are saved in financial institutions, this increases credit availability and can enable entrepreneurs to realize investments that have a positive impact on development (Carling, 2004). Remittances can generate a positive effect on the economy thorough various channels such as savings, investment, growth, consumption, and poverty and income distribution (B. Pant, 2008). Similarly, most of the literature shows that one of the major positive impacts of remittance on receiving countries is that it helps to alleviate poverty. Ratha (2013) come up with the finding that remittances increase household incomes and is therefore powerful anti-poverty force in developing countries. In micro level, large portion of the remittance are being used in real estate sector in most of the countries and Nepal is no exception. Moreover, Buch and Kuckulenz (2004) argue that remittances can have a strong positive impact on the current account, but they can also have less beneficial features, such as leading to a Dutch disease effect. After reviewing 50 different literature on the topic, Adams Jr (2011) concludes that international remittance in most of the case have positive impact on poverty reduction and healthcare at the same time it can have negative effects like labor supply, education and economic growth.

CHAPTER-III RESEARCH METHODOLOGY

3.1 Research Design

Research design is the plan structure strategy of investigation concaves so as to obtain answer of research question. The plan is the overall scheme or program of the research. So, study is mixed method research design (qualitative and quantitative approaches; however, it is more qualitative and less quantitative in nature).As a design of study, mixed method research typologies (mixed model designs and mixed method designs) resulted from consideration of many other typologies (Creswell, 1994) as well as several dimensions which one should consider planning to conduct mixed research. It can be construct mixed model designs by mixing quantitative and qualitative approaches within and across the stages of research. It is viewed that one can consider single as having three stages: stating research objective, collecting data and analyzing/interpreting data. According to Morgan (1998), it is consider the dimension of paradigm emphasis whether one paradigm should be dominant or equal status. In this study, the objective of research and research questions like “what are individual and social factors that contribute to extent of knowledge, attitudes and behavior of women in Nepal” is answered by the mixed paradigms. In a mixing of methods, concepts, data (qualitative data complementary to quantitative data) and interpretation of the findings are presented in the holistic approach.

3.2 Selection of the Study Area

In order to achieve the objective of the research, Karlim Area of Bihun Village Development Committee (VDC) of Baglung District of Western Region of Nepal has been selected as study area. Some genuine reasons for selecting this study area are as per following:

-) Most of members from Karlim community of BihunVDC have been migrated to Japan.
-) The change in traditional occupation and livelihood has left lasting impact in their daily lives that has been noticed.
-) No such type of study has been conducted in this area up to now.

) In one side, the researcher is the permanent resident of migrated country Japan. Therefore, it is easier for collecting information due to access. And, on the other side, the researcher is quite interested over the subject matter.

3.3 The Universe of the Study

There were 171 household of Karlim people in the study area, they are migrant and remittance revived household. Thus, census method has been applied while conducting this study. Among the total 171 households, at least one member are migrated to foreign employment and remittance receivers. Among the total migrant and remittance receiver households, 258 persons were migrants and send remittance. This study has analyze the 258 migrant family households to answer the research questions.

3.4 Nature and Source of Data

As per the nature of the research, this study is based on both qualitative and quantitative data. Both primary and secondary data are taken as the source of data that could be used to make this study more effective and authentic. The primary data was collected by carrying out field work, household survey and interview. As a source of secondary data, the Village Development Committee (VDC profile), CBS and other books and articles have been used for fulfilling the objective of the research.

3.5 Data Collection Tools and Techniques

The data and information for the fulfillment of objectives of this study are based on primary sources of data, elicited by the researcher through survey from the field specified. The data have designed to obtain responses on the socio-economic condition of the Karlim household, Bihun VDC of Baglung districts in relation with their remittance incomes.

3.5.1 Household Survey (Questionnaire)

Though Karlim of Bihun VDC consists of 171 households, this study has been taken out of 171 households. The basic socio-demographic information of total beneficiary households such as family member, age, gender, education, occupation (traditional occupation and foreign employment), monthly and yearly income through remittance, use of remittance, pattern of migration, impact of remittance and some other information was collected by means of household survey are taken by this survey.

3.5.2 Interviews

The interview is being conducted with Karlim people who possess the sound knowledge about their changing livelihood through the remittance and foreign employment. The informant was the representative of Karlim society. Individual, flexible, open-ended interviews have conducted; the first phase is involved in-depth interviews, which has been designed to explore general perception about the impacts of remittance in Karlim people. Special efforts have been made to obtain information in the respondents' own words. There are 10 in-depth interview were taken for the study.

3.6 Data Analysis

Data analysis is an important section of the research. The raw data are collected from the field through different data collection techniques. In the analysis of the data from this research a combination of qualitative and quantitative method has been used. However, this research is more quantitative. The collection of the quantitative data from the field has been summarized and presented by using table, diagrams and statistical mode such as percentage. The qualitative presentation of the information based on interview to substantiate the quantitative analysis. The manual analysis of qualitative data provides the in-depth understanding of the issues.

3.7 Ethical Issues

I was very much concern about the ethical issue to my respondent to my respondents during my research period. I do not participate in any other activities and discussion and debate that are directly or indirectly harm the respondents or whole communities. The respondents were not being forced to answer the question and I took permission before asking questions and taking photos. To talk with people about their income ethically was ethically sensitive however, building trust with researcher and respondent in various ways such as anonymity and confidentiality the research was held.

3.8 Limitation of the Study.

This study is going to be conducted for the partial fulfillment of requirement of the M.A. in Sociology. The research itself is an investigation of new things; however, this study will be constrained by time and resources. The study area is relatively is small in size and focus on impact of remittance on Karlimlivelihood strategy of Bihun VDC of Baglung District. Therefore, the generalization outcome of the present study may not be able to generalize in the communities throughout Nepal. In spite of these limitation efforts will be made to make the study as scientific and empirical as possible.

CHAPTER – FOUR

FIELD LOCATION AND CURRENT STATUS OF REMITTANCE

The socio-demographic, economic and ethnic profile and location of study area and the country of migration and remittance are presented in this chapter.

4.1 Field Location

Bihun VDC of Baglung district is situated in western development region of Nepal. Bihun VDC is situated at 28° 27' north latitude and 83° 49' East longitude. (Source: VDC profile, Bihun, Baglung, 2070). This village is approximately 2000 meter height above the sea level. It is approximately 17 Km from Baglung Bazaar. In terms of ethnicity, Brahmins are predominant in the study area. The majority peoples here are Brahmins (95%), Kshetri (2%), and Dalit (3%)

Agriculture is the main occupation of the people of this VDC except remittance. Almost two third of the people are involved in agricultural occupation. The main agricultural productions are rice, corn, *kodo*, milk products like Ghee, Cheese etc.

The study mainly focused on the remittance and livelihood of Karlim Community of Bihun VDC. There are total 165 houses of Karlim in the VDC, and migrant household are only 150 household. They are living in Ward no 9 only. Due to the changing livelihood they are involved in different occupations. Most of the young generations of Karlim are going to other countries like, Japan, UK, Canada, USA, India, Saudi Arab and India, for their economical status. Nowadays, their economical status has been increased due to the remittance.

4.2 Current Status of Remittance

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 added fuel to the growth of international migration of Nepalese labor force. Nepal is an agricultural country and most of populations of the country are involved in agriculture. However, over the decades due to the globalization and foreign employment the productive young population are willing to go and work in foreign country in order to earn cash and have been supporting to their family in general and overall country in particular, through the remittance.

In the context of my study areas among the Karlim community the majority of the households depend on remittance and foreign employment besides their traditional community based occupation. Karlimpeople has been migrating to foreign country seeking job due to the lack of sufficient land for their family and decline of their occupation due to the imported readymade costume even at the village level. Out of 172 households 171 households involved in foreign employment and depend on remittance, and rest of a household depends on traditional community based occupation, wage labour and agriculture.

Table 4.1: Percentage Distribution of Status Foreign Employment among Karlim Community by Sex and Country, 2017

Country Name	Sex		Total
	Male	Female	
Japan	60.0	40.0	200
UK	53.3	47.7	15
Canada	50.0	50.0	14
US	60.0	40.0	10
Saudi Arab	100.0	0.0	5
India	67.1	42.9	14
Total	59.6	40.4	258

Source, Fieldwork 2017

Table no 4.1 shows the trend of workers migrating to foreign countries especially to Japan is very high. Karlim Young people went to India to work in Indian restaurant. Gaining some experiences, they went to Japan. Since 2000, Indian restaurants have been

increasing in Japan and demand of workers in Indian restaurant has been increased. Therefore it was very easy to get visa for that Nepalese worker who has some experience in Indian restaurant. Because of the open border, cultural as well as religious similarities, easy entrance and for other reasons, a large portion of Karlim youth went to in India first. The data also shows significantly the huge gap between Japan and other countries in the flow of Karlim people for foreign employment. It is also found that Japan is the place where they can get restaurant job as their ability in terms of their skills. Talking with the elder Karlim people it is found that migrating in India for study Hindu religion. But the young Karlim male are willing to go to India to work in restaurant. After taking few years experience, it was easy to go to Japan as a cook. Therefore, most of Karlim people worked in India first. Table no 4.1.5 also shows that the people who work in Japan, UK and USA have strong economic status than the people who work in Saudi and India. Most of the people go to foreign countries through their relatives.

Table 4.2 also shows the two female from the Karlim community who have migrated to Japan as dependent visa of their husband.

Table 4.2: Percentage Distribution of Household Members according to Education and Country Pattern, 2017

Education	Country						
	Japan	UK	Canada	USA	Saudi	India	Total
Illiterate	0.0	0.0	0.0	0.0	0.0	100.0	5
Primary level	87.6	0.0	0.0	0.0	6.2	6.2	80
Lower secondary	82.3	6.4	5.1	3.7	0.0	2.5	158
SLC and Above	0.0	33.3	40.0	26.7	0.0	0.0	15

Source: field survey, 2017

Table 4.2 shows that the majority of Karlim people having lower secondary education. The data shows that the Karlim people who have been working as foreign employer after SLC. They have very low rate of higher education due to lack of knowledge of the importance of the higher education and living in geographically remote area to go for higher level of education. So, they are unable to get higher education in their life time as well as the parents and society also motivate them to go to Japan seeking job instead of

continue higher education. There are no criteria from government to have certain level of education to go and work in foreign country. Moreover, they do not continue the higher education when they fail in the exam as well as the higher education is far away from their home. They are also influenced by their peer groups so that they stop their study and go to Japan. Some people are also dropout the school because of the poor economic condition such as lack of sufficient land to feed their family members.

Table 4.3: Percentage Distribution of Household Members according to Country and Age Pattern, 2017

Age	Country						Total
	Japan	UK	USA	Canada	Saudi	India	
16-25	62.5	8.3	0.0	8.4	4.2	12.6	48
26-40	82.2	4.4	4.4	3.8	1.9	3.3	158
41-59	74.1	7.4	5.5	7.4	0.0	5.5	54

Source: field Survey, 2017

Therefore, leaving education at the lower level they went to go to Japan for work and support their family. Table no 4.1.4 shows that the people working in foreign countries are the age of between age 16-59. The age of 26-40 is productive age of the people but due to the lack of job opportunity in the country they are obliged to pour their sweat in the foreign land. But the Karlim people age of 26-40 have been working in Japan. Before working in Japan, most of Karlim went to India at the age of 16-25 and got some experiences in Indian foods. Then went to Japan as a cook of Indian foods. Therefore, it indicates that there is a relation age and country wise work specially age groups in India and Japan.

Table 4.4 shows that there is the relation between the countries and the income because those who work in Japan and western countries have adequate salary and those who work in India and Saudi has comparatively low salary. However, some of the Karlim people working in India also earn as the people who work in Saudi because of their skill, accountability and experience in work. Karlim people working in Japan and western countries have better income and it is normal because they invest large amount of money to go there and get job.

Table 4.4: Percentage Distribution of Migrants Families according to their Income, 2017

Country	Monthly Income (NPR.)					Total
	20000-30000	30000-50000	50000-100000	100000-200000	500000-1000000	
Japan	0.0	0.0	30.00	65.0	5.0	200
UK	0.0	0.0	28.6	71.4	0.0	14
USA	0.0	0.0	20.0	80.0	0.0	10
Canada	0.0	0.0	14.3	85.7	0.0	14
Saudi	0.0	100.0	0.0	0.0	0.0	5
India	66.7	33.3	0.0	0.0	0.0	15
Total	3.9	3.9	26.3	62.0	3.9	258

Source: Field Survey, 2017

Table 4.4 shows that 62 percent of migrants have NPR 100000-200000 in an average income of a month. The differences among highest and lowest income among migrants is found low. There is significant percentage of fifty thousand to one lakh income per month (26%).

Table 4.5: Percentage Distribution of Migrants Families according to their working Pattern, 2017

Country	Working Pattern							Total
	waiter	Cook	Own business	factory worker	security guard	Hotel	Part time	
Japan	15.0	40.0	35.0	0.0	0.0	0.0	10.0	200
UK	20.0	53.4	13.3	0.0	0.0	0.0	13.3	15
USA	20.0	50.0	20.0	0.0	0.0	0.0	10.0	10
Canada	14.2	42.8	28.7	0.0	0.0	0.0	14.3	14
Saudi	0.0	0.0	0.0	60.0	40.0	0.0	0.0	5
India	0.0	57.2	0.0	0.0	42.8	0.0	0.0	14
Total	14.4	41.7	30.2	1.7	3.2	0.0	8.8	258

Source: field survey, 2017

Table 4.5 reveals that almost 42 percent of migrant workers have been involved in cook job. There is also significant percentage of members of the migrant families have involved in own business. The 9 percent of workers have been working as a part time job in the country of destination.

Table 4.5 shows that the working pattern means the work in the different fields and countries done by Karlim people for their subsistence and overall livelihood. The working pattern of Karlim people have been changing in course of time in the foreign employment. In the past, Karlim people mainly used to work as a cook in India and Japan. The Karlim people who went to India worked as cook and dish washing in Indian restaurant. However, the above table shows that at present time Karlim people not only work in India but also in Japan, UK, USA, Canada as well their working pattern is quite different in the past. The table also shows that 57 Karlim young male work in the restaurant as cook and 30 percent migrant people have their own restaurant business. Those business owners were also cook few years before. However some other Karlim people are also working in the western countries, India and Saudi. In Saudi and India, they are still working as a factory worker and security guard.

Table 4.6: Percentage Distribution of Migrant Families have been Money Transferred System, 2017

Country	Money Transfer		Total
	Banking Channel	Self	
Japan	100.0	0.0	150
UK	60.0	40.0	10
USA	100.0	0.0	4
Canada	100.0	0.0	6
Saudi	90.0	10.0	6
India	0.0	100.0	10
Total	92.4	5.6	186

Source: Field Survey, 2017

Table 4.6 shows that most of foreign workers are using legal banking channel except India. Till 2008, most of workers from Japan had sent money through HUNDI (illegal channel) because it was very difficult to send money through banking Channel of Japan.

In 2008, City Express Money Transfer started business in Japan and people started money through the legal channel. Since 2012, there are many remittance company started their business in Japan. Most of Nepalese workers have been using these money transfer companies to send money.

Growing Money Transfer companies have played significant role for sending and receiving money from foreign countries to all over Nepal, even in remote areas. It helps people transferring their money easily and safely by legal banking channel.

4.3 Receive System

My field survey data shows that the 50 percent people who worked in Japan send their money in their wives name as well as 30% send their own account and 20% send in their father's name through Banking channel. Beside the caused that those families who have nuclear family they send their money in the wives names because wives are the main leader of family. Those who are living in a joint family they send their money to their father names and the father has their main responsibilities to run their family.

CHAPTER FIVE USE OF REMITTANCE

One of the research objectives was to study how and where Karlim people of the research site have used remittance income. It was also investigated whether they have utilized it in some productive sector or spent in simply maintaining their livings like on their food and clothes, education, health, land and festivals. Generally, it does not appear that the remittance income has been utilized in any productive sector not only by Karlim but also by non-Karlim. It was found in practice that the people who could make some money use it in buying fixed asset such as land or constructing a house.

5.1 Remittance in House and Land

There is no doubt that remittance has played an important role in socio-economic transformation of the Karlim people. Its contribution to fulfill their daily needs is remarkably greater than the contribution of earning in Nepal. They do not think that they can buy land and build a desired house from the income earned in Nepal. Ghanasyam Kandel youth of 26 years said, *“Earnings in Nepal are not good; we cannot save it; it is just supportive for daily food; that’s all. If we go abroad we can make good money; we can save it. The work is harder there but the earning is better so everyone goes there.”* Remittance families prioritize buying land and making a house over and above any other investment.

They have common interest of buying land in a good place and making a cemented house from earnings after being a migrant worker. It precedes any other income generating works. There are some causes of utilizing the income in land and house. First, they feel the security of their earning, so are converting their cash in such unproductive purchases. Unlike in business they do not have to consider any loss. Moreover, calculation is done on the valuation of the property. Second, owning of a good house and some land for food is their basic requirement. They want to build a house nearby the good place where they can get all types of facilities like: health post, education, transportation, communication, market and electricity etc.

Among 30 household working in Japan, 80% of household to buy land and build houses in city area such as Baglung Bazar, Chitwan, Pokhara, Kathmandu etc. Around 20% of total house hold of Japan use their income to upgrade their houses. The remittance has an effect in housing patterns as well. Before remittance most of the houses were used *khar* as a roof and they have settled everything within a one floor, but now a days, they build a good house with various rooms and the used (*karkat pata*) as a roof in the village and cement concrete houses. Khagaraj Kandel of age 60 said that before remittance he faced difficulties to settle their family in a very small house but now his sons were in Japan and they send money and he build houseso that, he is not worry about his family status.

Research from all around the world suggests that remittance receiving families generally have higher level of consumption expenditure. Similarly, it helped a lot to reduce poverty in most of the remittance receiving countries. Puri and Ritzema (1999) argues that remittances are used for daily expenses such as food, clothing and health care, basic subsistence needs and they make up a significant portion of the income of those households. The world bank report on impact of migration and remittance suggest that, remittance and large scale migration have significant impact on macro economy and in household level remittance has increased income and consumption level (Poverty Reduction and Economic Management Sector Unit, 2011).

In the contrary, D. Pant (2017) come up with the findings that household receiving remittance spend more on education and less on housing and there is no significant influence of remittance on spending on food, consumer goods and durables. Spending more on education helps to build human capital which might help for overall economic growth in long run. In the meantime, status report of labor migration for employment M. o. L. a. E. Government of Nepal (2016) explains increasing remittance income to Nepal demonstrates decline in manufacturing sector that has deteriorate the export. Increasing labor migration and remittance is adding extra consumption expenditure which leads to increase in import. At the same time, there is lack of utilization of available labor force.

5.2 Remittance in Food and Clothing

My field data shows that among the 28 household 25 households in Japan spend 50 to 70 thousands NPR for living cost and foodworking in Japan having monthly income around was 150 to 170 thousands NPR. The 3 households of India spend 20 to 25 thousands NPR in living and food expenses having monthly income around 30 to 50 thousands NPR. The data also shows that those households specially work in Japan and UK has high income than those who works in India. The expenditures in living standard has gap among the Karlim households because of different level of income.

In order to find utilization of remittance in food and clothing, the respondents were asked three key questions: 1) 'How many times do you buy new clothes for yourself and your children in a year?' 2) 'How many times do you cook meat for meals in a week?' and, 3) 'How are your monthly expenses after receiving remittance?' Each of the above mentioned questions were asked to find out their living and spending pattern before receiving remittance and after. After, along with the income, the areas of their expenses were also increasing. To be specific, remittance had changed their consumption: purchase of food and clothes had increased. Sita Kandel, a remittance receiver said, "Before we used to buy new cloth once or twice in a year specially in festivals but now we can buy as our wish. We used to eat meat very rarely and normally only at festivals and celebrations. It was also difficult to spend money on it. We had to think before spending money today we have it after one or two days we wish to have it again." So, our expense is increasing day by day.

Similarly, Hari Kandel., a remittance receiver said, "before my sons are in home we have faced many problems in cloth and food but now they are in Japan. Now they send money according to our need for food and cloth so that, we have no any problems for food, cloth".

Literature in remittance use suggests that most significant portion of the remittance income is used in consumption, land and housing, and other unproductive sectors. Those

most common practices of spending remittance do not support long term economic development. There is a debate going on how we define productive and non productive use. As some researcher argues that investment made on health and education should be considered as productive use as it helps to develop human capital.

5.3 Remittance in Education

In previous time Karlim families are not much aware of the values of education. They gave priority to do job in foreign countries specially in India instead of sending their children to go to higher education. From my study I was found that till today very few student has studied higher education from Karlim community. Education develops the knowledge of human being. Knowledge changes the society. My field study data shows that the pattern of income was increase in the Karlim family but now a days mentality regarding education has been changed. They are aware about education and most of families have migrated to give better education to their children. Due to Remittance, they have no any problem to buy books, copies and pay fee for private English Boarding School.

5.4 Remittance in Health Care

The main reasons of migration of most of families from Karlim village are education and health remittance has helped Karlim families to have better access to healthcare service. The people do not have to be deprived of any medical treatment for the family members as now they are able to pay the high charges of private clinic/hospitals. The Karlim remittance receiver families go to expensive clinics, even though they have the facility of government health post in their area. The expenditure of total income is not fixed in health because the pattern of disease in every households. The Karlim households normally use the medicinal plants in order to cure and treatment in normal diseases and only visit the health post in serious cases. My field data shows that among the 28 household, 80% households spend 10 to 20 thousands in health care in a year. Likewise,

15% households spend 5 to 10 thousands and 5% households spend 20 to 25 thousands in health sector annually.

Bishnu Kandel, Karlim, 63, Bihun 1, said that before remittance we were used medical herbs (jadibuti) from our locality for our medical treatment due to lack of health post and money but now days we have no any problem to get medical treatments because we can go private clinic and medical hospitals. Remittance receivers said they go to Baglung Bazar hospital for treatment. Prem Kandel, Karlim Remittance sender said, "For healthcare we go to private medical, also because health post is not near for us." However, the cost of treatment is high in private medical unlike in health post, so they usually go to private clinics in Baglung for minor treatments of their family members. If the case is more complicated they go to hospital of Pokhara and Kathmandu .

5.5 Remittance in Festivals

Use of remittance has a great influence in festival of Karlim community before remittance they spend proper money for their festivals celebration but now days they spend a lots money improperly. They have no worry about celebration festivals. Before remittance they celebrate their festivals within family members now days they invite others peoples of the community to show their higher status. My survey data shows that the among 28 households 20 households spend 30-50 thousands of total income from remittance in festival and 8 households spend 10-20 thousands. This data shows that the expenditures in festival are highly different among the Karlim households because of the differentiation in income. Those households working in Japan ,their expenditure is comparatively high in festivals than those households working in India.

5.6 Remittance in Saving

It was very difficult for the research team to ask questions about their 'bank balance' or saving future and get an accurate response as many were reluctant to share personal information. However, findings have been concluded based on general calculations

analyzing the overall information provided by them. Karlim people are also less aware or not aware about future looking insurance plans or schemes. In Karlim, there is no banking facilities. Almost all have never had a bank account. They do not know about operating or using deposits for future security. Second, because of the limited or low income the matter of future security had been sidelined by daily survival. The remittance provider sends the money to his/her family for living expenses, according to their daily necessities not future plans. But migrated families have their own bank account.

My field survey data shows that among 28 households, 15 households are saving the money in the bank and other 13 households said they spend all income in education, food, cloth, digital equipment like mobile phone, television etc. and health. So they cannot save the money because the expenditure is high and market is very expensive.

5.7 Overall Use of Remittance

Remittance contributing 32% of GDP in Nepal in fiscal year 2015-16 and it's even in increasing trend. Increasing pattern in inward remittance has gained a lot of interest among researcher, academicians, and policy makers since last decades. Policy makers want to best utilize remittance in order to contribute for overall development of the country. Many scholars are worried about what will be the consequences if same pattern remains unchanged and economy heavily depends on remittance income. At the same time how remittance receiver person/family spend remittance have different influence to the economy. Recent data shows that most of the remittance income is being used for consumption purpose.

Slower growth in industrial sector reduces the local production at the same it also reduces the job availability. Even though most of the researcher comes to conclusion that there is increasing influence of the inward remittance in Nepalese economy, it's really difficult to calculate the exact remittance inflow to Nepal. It's because of the large portion of remittance being sent by informal channel, if we include inflow of funds to Nepal through informal channel also then its importance is even higher for the economy. On

the basis of research carried out in more than 20 Asian countries on impact of remittance on economic growth, (Vargas-Silva, Jha, & Sugiyarto, 2009) conclude that remittances do have positive impact on GDP growth. Same research further concludes that 10% increase in remittance can lead 0.9%-1.2% increase in GDP growth. Similarly most research suggests that it helped to reduce people below poverty line. Similarly, Sharma (2017) explains that there is substantial influence of remittance in increasing consumption and contributing to GDP growth. Moreover, he also argues that remittance is also creating moral hazard and Dutch disease phenomenon. The debate between positive and negative impact of increasing labor migration and remittance on economy is still going on. The most important issue to remember before entering to debate is how recipient use the remittance income and either there is any policy intervention or not from the government to increase the positive aspect remittance on overall development. Remittance in the household sector found to have positive impacts by increasing the standard of living. At the same time impact of remittance on overall long run national economy such as GDP, international trade, foreign exchange, liquidity etc also demands equal importance from researcher. Lartey (2017) concludes that there is chance of higher economic growth under floating exchange rate system with an increase in remittance than that of fixed exchange rate. Furthermore, using panel data of 66 countries, Bettin and Zazzaro (2012) concludes that remittance have positive impact on the economy as it relax the liquidity constraints, increases access to credit with the help of efficient banking system.

Similarly, De Haas (2009) came up with the conclusion that remittance is financial resources to recipient household to invest in micro level and to national account its importance is growing as it became comparatively constant source of foreign currency. Moreover in the research on contribution of remittance on Nepal's economy, B. Shrestha (2008) explains that most of the Nepalese migrant worker are employed in low paying job as a result they have very lower saving rate with relatively higher marginal propensity to consume.

CHAPTER SIX

IMPACT OF REMITTANCE AMONG KARLIM COMMUNITY

Findings in this chapter assess the inflow of remittance and its impacts on everyday socioeconomic life and condition of the Karlim people in the study area. Particularly, the changes in the living standard or life styles of the family members,

6.1 Impact of Housing Pattern

The impact of remittance also observed in housing pattern of Karlim people of the study areas. The total 28 households experience the impact of remittance in the housing pattern. They said that before going to foreign country they had small house with thatched roof but when the Karlim people earn the cash through remittance their first priority went to construct new home or repairing the old one with replacing thatched roof by zinc paper. According to Ram Chandra Kandel, 60 that said before 10 years, half of the Karlim households had small house and with thatched roof but when they went to foreign countries build new house with zinc paper. Similarly, Gopal Kandel, Karlim 65 says he could not do anything special in his life, his house was also small but when he sent his son foreign county talking loan, then he was able to construct new house of cement concrete in Baglung Bazar . Therefore, my study explored those households receiving remittance from foreign employment, their main priority is to construct beautiful house and land in city areas.

6.2 Expenditure Pattern

Higher income certainly leads to more expenditure. Remittance income, likewise, has changed the way a Karlim family spends in general and areas of expenses in particular. For example, if one used to buy a new dress once a year before receiving remittance, the expenditure is now not only limited to once. 'We generally buy clothes in Dashain or Tihar or other festivals; for marriage ceremonies and other celebrations. Or we buy according to the season-summer/winter. Sometimes we also buy when we go to market and if we like it. Sometimes we buy it every month.' [ParbatiKandel Karlim, Female, 34,

remittance receiver from Japan] The remittance helps the family members to buy not only clothes but also basic goods , electrical and electronic goods when they want to buy it. It has helped to change their food habit and the frequency of consumption. For example, before receiving the remittance, the expenditure in meat, children pocket money and foods and clothes was low, and after, it was higher

6.3 Monthly Expenses

Where there is more income, the chance of expenditure and the desire is also greater. Likewise, the monthly expense of the Karlim family has also increased irrespective of the cost of goods and services. While analyzing the data related to monthly expenses of Karlim family, especially two variables associated with their expenses were considered: first, the market is gradually expensive and second, the expense of a family is growing every day along with the increase of their children's age and number, for example. However, the respondents reported that their monthly expense has been increased due to better income. 'Six years ago we had only 5/6 thousand monthly expense. At that time expense was not as now. There are drastic differences.' (Sundar KandelKarlim , Male, 45).

Every respondent had experienced the increment in their monthly expense after receiving of remittance from their respective countries. A housewife who was receiving remittance for more than 7 years from Japan experiences, "Exactly I have not calculated, maybe we need Majority of the respondents reported that they have 2 times or more increase now than before. 'Now, we have monthly expenses around 20000/ month; before we had only 4000 in a month.' (Puspa kandel ,Karlim) Female, 35, house-wife)

However, an average expenses of a 4/5 member family is ranging from 20,000 to 30,000. Sabitri Kandel, a female remittance receiver said, 'We are four including my husband. Nearly, 20 thousand for all .

6.4 Impact on Traditional Occupation

In this research, the term '*traditional economic activities*' has been defined as the work that a family is involved since generation and which usually are income generation activities. It does not only or necessarily encompass the traditional occupations that are connected to Karlim people like agriculture and milk production. The remittance has direct impact on traditional occupation of Karlim people. In the past their major occupation was agriculture, milk production and goat keeping. .

6.5 Changes in Family due to Remittance

Many remittance receiving families commonly reported that many changes have occurred in their family after they have received money. The remittance has made their life easier and more comfortable. Now they do not have to worry about not being able to afford their children's copies, pens, books and/or school uniforms. The remittance senders, in turn, suppose that their family is happy as a result of their hard-work at over sea. One of the respondents, also a remittance sender said, 'Yes, absolutely there is a big change, a drastic change even before going there and now though we are far away we can make our children happy. But the unhappiness being a migrant worker, only we know...anyway, our family situation is changed: our children are being taken care.' [Bhim Prasad Kandel, Karlim, Male, 30, Bihun , Abroad employee, Japan.

Besides, social deprivation, Karlim people had poor financial condition. Due to the lack of sufficient land for agriculture they could not make sufficient income from agricultural production .Due to lack of investment capital, they are unable to run their own business. Karlim are comparatively less educated. Therefore they cannot avail of governmental jobs or other private job opportunities even available. In such a situation, a breadwinner – (particularly if male) finds foreign employment a better option to overcome financial challenges for a family, what he earns and sends from abroad can support his/her family. Only because of the remittance inflow, Karlim people are able to upgrade to a house from a small uninhabitable hut. One of the female respondents shared, "We have experienced

changes. After my husband is in Japan, Change in foods and clothing, children's education. If we needed, he would send us more money. Though he is doing hard labour there, we have a better life here..." [Meena Kandel, Female, Karlim , house-wife] In a Nepalese family, the head of the family, usually a male, is responsible to earn and maintain his family either working in Nepal or going abroad. His wife is responsible for the children along with doing regular household (unpaid) work. Due to remittance, joint families are broken in to nuclear families. They have their own house, land and money for their livelihood. Most of wives of foreign workers have migrated to city areas with their children for their better education.

6.6 Changes in Social Relationship

In the age of capitalism, money has a significant role in building up a reputation and status. People do not behave equally towards one who is prosperous and one who is not. Remittance has thus not only helped alleviate poverty of remittance receivers but has also changed their social status in their locality so that their neighbours, relatives and friends have respectful view point towards them.

The community system is one of the components of Nepali social structure and the society has divided in terms of community. The pure community is considered higher position in society and the lower community is placed in the low ranking position. Karlim people. Ram Prasad Kandel, Karlim, 51 and Krishna Kandel, Karlim, 50 mentioned that when they were totally depend on traditional community based occupation and economically poor, the relation between Karlim people was friendly. But when the young Karlim people started to go foreign country and earn cash that enabled them to maintain their living standards.

6.7 Some Negative Impact of Remittance

Apart from the positive role and impact, remittance, has had some negative impact too. 'Heavy remittance investment in real estate brought about a sudden increase in house

prices in the remittance-receiving regions. As a result, active migrants have been forced to stay abroad longer to save more money as well as the remittance non-receiving people have to face with the increase not only in the field of real estate but also in most of the sectors and goods which is difficult for them because of their low income and low purchasing capacity. It hampers the market price indeed. However, 'non-migrant and internal migrant households seem to have benefited indirectly from the employment and multiplier effects of migrant households' consumption and investments (Hass, 2007)

Remittances along with the long-term absence of family members have negative social impact such as poor emotional attachment between the migrants and their family members. Sometimes, the relation between husband and the wife might have been troubled because of the time-gap and physical distance. However, the challenges might be dissimilar for the women migrant worker as compared to men. Women experience greater livelihood insecurity than men do. In Karlim, an overwhelming number of women migrate for work with their husband to earn more money leaving their children in boarding school hostel or with their grandfather and grandmother. A long absence of mothers has resulted in distancing in the mother-child relationship.

6.8 Social Change among the Karlim Community

The social change is the fundamental alternation in the pattern of culture social structure behaviour and interaction over a period of time. It is also a process by which society becomes something of different while remaining in some respect the same. Some change is occurring throughout Nepal. As many writers have mentioned the no real change in social- relation amongst communities can come unless is economic change first.

Today we are passing within twenty first century. The modern Nepal is facing big changes in terms of life style, education, attitude, living environment etc. The Karlim of this area are no exception. The socio-economic changes in the community directly or indirectly influence on the Karlim. After the restoration of democracy and loktantra in 1990 and 2006 respectively once can see rapid changes in the socio- economic status of

the of Karlim too. This study has focus on changing livelihood of Karlim household in the remittance and socio- economic status, social behaviour in the Karlim community of the Bihun. Here, an attempt is made to analyze the socio- economic changes amongst the Karlim of Bihun with receiving the remittance of various change factors likewise, their children education, behaviour of neighbour, their life style, living style, are change in the receiving the Remittance of Karlim community.

6.9 Modernization among Karlim Household

The Karlim of Bihun VDC is highly influence by modernization as they are the inhabitants near to the market. Every types of development has affected directly to them. Due to modernization including the expansion of visiting there are many changes taking place relating to housing pattern, food habits and dressing and lifestyle. Economic betterment also made their living standard higher and grater exposures to modernization From the field survey all most houses are made of zinc roof (karkat pata) access to road of every community. Beside that some electronics goods such as TV,new model mobile phone, Computer can also found commonly in their houses. Similarly every mature male and female has wrist watches. Many houses have their separate kitchen parts and smokeless oven with clean floor and some modern kitchenware like pressure cooker, utensils.

Modernization gradually entering to the society is one of the reasons for their changes in such outlooks and design. Modern type of media is also another factor for these changes. Almost all houses have radio and television. The media has so much influenced on their lifestyle and living pattern and other cause of all most all family members go to foreign seeking jobs when they return the home they carrying the new technology like T.V, phone and electronic goods. That is the cause of modernization so Karlim household much more influence the modernization. Up to before ten years, Karlim had to survive with agricultural and milk products. But with the repaid growth of modernization near around the village they getting various employments to Japan, European countries and

becoming economically well off to fulfill basic needs. We can see some changes in food cultures too.

Traditionally, Karlim had wear cholo and phariya for female and Daura surwal for male. But, due course of 10 year period they started wearing all sorts clothing as per the modern fashion. Women modern like blouse, middym, kurta and suruwal atc and men used to wear pant shirt jeans and hats with modern types of gold ornaments and wrist watches. Now they can afford money for clothing and making ornament what they like to use. To lipsticks, cream and hair is also the common for teenagers or youth girls. Due to exposure outside the village and effect of current media, above types of changes have been existed especially among the younger generation. Hence the modernization has brought change in the material life of Karlim. Modernization has made their society something different from this they how to maintain the standard of living and fit in modern civilizing society.

6.10 Negative Impact on Modernization in their Traditional Occupation

The traditional occupation of Karlim is affected by income generation by remittance. The new generation is going to looking for alternative work beside their traditional occupation. The youth populations of Karlim are attractive to foreign employment and earn cash. As a result, their traditional profession going to be disappeared.

6.11 Overall Impact

It is well known that increasing labor migration increases the remittance they send back to their home country. It is identified that trend in historical total personal remittance received in Nepal starting from year 2001 to 2015. Trend in personal remittance matches close enough with the labor emigration in Nepal as there is linear relationship between those two. In this study average remittance per migrant worker is considered as exogenous variable as it is generated outside of Nepal.

The findings of the study display how per capita HH income would change over the period of time with and without remittance. There are many other factors too influencing household income, however remittance being one of the important components of the household income helped a lot to increase household income in case of Nepal.

As remittance is generated outside the country and not included directly while calculating GDP might be the reason for seen no effect on simulation result. The findings from the model show that there is not effect of remittance on the GDP of Nepal. This however contradicts with some studies where studies have shown that there is influence of remittance on GDP growth as it affects consumption Sharma (2017).

Poverty reduction is still one of the important economic goals Nepal is chasing. The findings in this section agree with studies discussed in the sections above. Many studies show that one there are positive impacts of remittance on receiving countries as it helps to alleviate poverty. Ratha (2013) also argues that remittance is an anti-poverty force in countries like Nepal.

CHAPTER SEVEN SUMMARY AND CONCLUSION

7.1 Summary of Findings

This study was carried out in the Karlim community of Bihun, Baglung district. The title of this study was named as "Remittance and livelihood change in Karlim community" A sociological study of Bihun VDC of Baglung District. The major objective of the study was also same as mentioned in title i.e. to examine the current status of Remittance, to analyze the sectors of Remittance use, and impact of Remittance on livelihood of Karlim community. To fulfil the set objectives, research methods have been designed. The study is based on both descriptive as well as analytical research design. The study includes the universe of the migrant of Karlim community. Quantitative and qualitative information are gathered from Karlim community of Bihun using census method through frequent field observation, household survey questionnaire and key interview with key informants as well.

The theoretical frameworks of social change and Modernization theory are applied in order to measure the socio-economic changes and status among Karlim. People from Karlim community living in the village and foreign countries. However, this study has been carried out to explore socio-economic status and changing livelihood of the community of that particular area. This study shows that international migration and remittance income have appreciably contributed to economic development, improving living standards; changing life-styles and helping to decline the community-based discrimination of Karlim community to some extent. Migrant remittance from abroad is an important source of income for the domestic economy. Every remittance receivers are asked to provide their opinion while concluding the interview. The majority of the respondents opined that their family would have difficulty in running the household if they had not received any remittance. The remittance recipient families greatly depend on the remitted income rather than finding and being involved in some income generating activities. Thus, if the remittance is stopped, their living standard will be badly affected.

Remittance has been taken as a major contributing factor to sustain their life. More changes have been found in that family who receive big amount of remittance.

The traditional occupation of Karlim was agriculture and milk production. Now a days, most of the Karlim people are going aboard for the sake of employment .Remittance has changed their lifestyle. Since the remittance has a direct impact on poverty reduction, they tend to flow directly to poor households. They are used primarily for meeting basic needs of food, shelter, education and health care. In most instances, remittances are not used for productive investment, because poor households have no option but to use it for basic needs. Karlim are comparatively less educated too. Therefore they cannot avail of governmental jobs or other private job opportunities even available. In such a situation, a breadwinner – (particularly if male) finds foreign employment a better option to overcome financial challenges for a family, what he earns and sends from abroad can support his/her five to eight-member family especially if they do not have any alternative sources of earnings

People from Karlim community of Bihun VDC are going aboard especially Japan in order to earn money. Most of Male workers in Japan works in restaurant as a cook. Some of them have started own restaurant business in Japan. Remittance has been utilized to support their family in terms of education, health and living expenses. Social status is being higher due to higher income . Often, it has been found that they have used money just for consuming in their foods, clothing. And, they build or repair their old house, buy ornaments and fixed assets like land and so on that is considered unproductive. Economic empowerment has lead to the social change. They use recent technology like mobile, television; camera, watch etc are being used in the village. Thus, the lifestyle has been changed. Due to the remittance, the social discrimination has been mitigated. Karlim people are found in dilemma since the new generation are not willing to sustain their traditional occupation . It also does not meet their growing needs and expenses. At the same time, they are losing their traditional social harmony and remittance is also considered not so much sustainable because small economic change across the globe can affect their everyday life. The trend of going aboard has been increased day by day

because of no any other employment opportunities in the village. They are compelled to do so due to lack of land, property and education.

Apart from the positive role and impact, remittance also has some negative impacts. Karlim people are going to lose their traditional identities. Their traditional occupation was agriculture, milk production and goat keeping. But now due to the foreign employment and remittance their traditional occupation is minimized. The most youth generation are looking for alternative work in the place of their traditional occupation because they could not sustain their traditional occupation. The young generation also not followed their old occupation.

The long-term absence of family members has negative social impact such as poor emotional attachment between the migrants and their family members. Sometimes, the relation between husband and the wife might have been troubled because of the time-gap and physical distance. However, remittance has contributed financially and make a better living in the society where they are deprived for years not only culturally and socially, but financially also. They do not have to ask for loans from others . Hence, the remittance has contributed to the social change as well. All in all, international migration and remittance incomes have appreciably contributed to economic development, improved living standards; changed life-styles and enabled the cutback of community-based discrimination to some extent.

The results suggest that first, international migrant remittances have a significant and a positive Impact on the everyday socio-economic life of Karlim people. International migration and Remittance incomes have appreciably contributed to economic development, improved living standards, changed life-styles, developed confidence to reduce poverty. Second, utilization of the remittance by the Karlim is found less in productive sectors that could enhance the socio-economic conditions. It seems that there is an inflow of remittance in their family, but it is used only to fulfil their basic needs. Third, remittance receivers are highly influenced by growing trends of going abroad for employment. The poor condition of the country has encouraged the youths to

go abroad as a first priority plan in their future. The majority of the Karlim youths were found with the mind set of going abroad. Fourth, they give more importance to temporary international migration and remittance income than what their families used to do before.

7.2 Conclusions

This study confirms that remittances have positive effects on the wellbeing of recipient families: fulfilling basic needs, improving access to health care, education and other facilities. It has helped to combat with poverty that was unavoidable for the Karlim households in the past. Trend of Nepalese workers to migrate toward foreign nations as job seekers is increasing year by year.

International labour migration is a social process which trend is being increasing day by day. In the present context of Nepal, unemployment is the burning issues, so international labour migration has been seen as the best choice for Nepalese even for educated or uneducated as the alternative strategy for livelihood adaptation which provide employment to those who are deprive from the right of employment. Main destination of Karlim workers for foreign employment has been found to be Japan, and India. The reason behind going those countries is because of high employment opportunities in the rapid development process. Remittance constitutes the lifeblood of Nepalese Karlim people as the majority of the households' major source of income was none other than remittance. The study shows that migration and remittance incomes have appreciably contributed to economic development, improved living standards; changed life-styles and enabled the decrease of community-based discrimination to some extent. Migrant remittances from abroad is an important source of income for their domestic economy.

My study shows all most all Karlim people are being migrant because of inability to fulfil the household's requirement for daily life, lack of better employment opportunities within nation unable to complete the level of education, lack of security and earn much more in short time period. As Lee (1966) presented term of push pull model, different social

political economic and personal factors such as unemployment, poverty, political instability, indebt, family pressure, family conflict, low agriculture production and so on compel the individual migrant to international for employment and some of the pull factors in the destination countries such as easy available of unskilled work, higher wage rate, easy to entry and exit etc pull the individual from the source countries. Most of the individual are inspired by other and less are inspired by self to go to international employment. They get information from different means of source such as friend and relatives, local broker, manpower agency etc.

Individual manages the amount of money by using the different multiple assistance source to go to the international employment i.e. self, mortgaging land and jewellery, taking loan with interest, borrowing with relatives without interest which reveals that individual who have no capacity to afford certain amount of money to go international could not able to migrant for employment. Most of individual receive their earning in monthly and only few them receive quarterly. But on the country, more of them send their earnings monthly and less of them send quarterly at home by using different means of money transfer such money transfer operators and bank in the name of wife, father, mother friends and husband at home. Drastic changes cannot be experienced immediately as a whole; however, it is true that the remittance has changed the family dynamic. Since, 'remittances have a direct impact on poverty reduction, as they tend to flow directly to poor households. They are used primarily for the meeting basic needs of food, shelter, education health care and to buy land and house. In most instances, remittances are not used for "productive" investment; because poor and less educated households have no option but to use it for basic needs. Therefore they cannot avail of governmental jobs or other private job opportunities even available. They have no skill of entrepreneurship. In such a situation, a main source of income finds foreign employment a better option to overcome financial challenges for a family, what he earns and sends from abroad can support his/her family especially if they do not have any alternative sources of earning.

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