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MIGRATION REMITTANCES AND HOUSEHOLD DEVELOPMENT

**CONTRIBUTION OF INTERNATIONAL LABOR MIGRATION AND REMITTANCES
TO MIGRANT SENDING HOUSEHOLDS IN RURAL BANGLADESH**



Author: Syed Maruf Ahmed

Supervisor: Olle Frodin

Abstract

Research Subject: This study provided a brief discussion on the international labor migration, remittances and their contribution to migrant sending households in rural Bangladesh. **Approach:** Remittances sent by migrants have become a major source of income for many households in Bangladesh. Remittances enable the migrant households to improve their living standard, invest on education, health care and other family welfare activities. **Purpose:** This study attempted to examine the development impacts of labor migration and remittances on migrant sending families in the context of Bangladesh. **Central Questions:** The research questions dealt with the drivers of migration; general patterns of spending and investing remittances within households; effect in incomes of the returnee migrants' households; and impact of remittances on the socio-economic well being of the migrant households. **Methodology:** The methodology used in this study was qualitative in nature, using in-depth interviews with the migrants and their household members. **Results:** The study found that migration and remittances could have mixed impacts on migrant sending households. It helped the households to sustain their livelihood and improve their living conditions. However, the study did not find any convincing proof regarding the impact of remittances on sustainable livelihood solution for migrant sending households.

Key words: International Migration, Remittances, Household well-being

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Acronyms

BMET	Bangladesh Bureau of Manpower Employment and Training
GDP	Gross Domestic Product
IOM	International Organization for Migration
ibid	ibidem
USD	United States Dollar
UAE	United Arab Emirates
UK	United Kingdom
USA	United States of America
NGOs	Non Government Organizations
etc	etcetera
OKUP	Ovibashi Kallayan Unnayan Porishod
MFI	Micro Finance Institutions

Operational Definitions

Migration: Migration, in this study, refers to transfer of people across countries for employment opportunity.

Migrant: The person who has migrated abroad in search of job.

Remittances: Remittances are part of the migrant's earnings sent back to home or the country of origin from the country of destination.

Migrant Household: A household (consisting of a group of people who share meals) that receives money from at least one migrant working abroad.

Returnee Migrant: A migrant who has come back to the country of origin from the country of destination.

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1. Introduction

1.1 Research Subject

International remittances, sent by migrant workers, play a very significant role in earning foreign capital for the less developed and developing countries. According to the World Bank (2011a), more than 215 million people live outside their home countries in search of economic opportunities. Remittances, which can be defined as the portion of migrant workers' earnings sent back from the country of employment to the country of origin, accounted for more than 2 percent of GDP in all developing countries in 2009 (World Bank: 2011b). Thus, international remittances have become a critical issue in the globalizing world as it directly contributes to economic growth and poverty reduction in these countries.

Bangladesh is a large labor surplus country and it participates in the supply side of the global labor market. According to BMET (2012) data, the total number of short term Bangladeshi migrants' workers increased from 6,087 in 1976 to 7,699,951 in 2011. Earnings sent by these migrants have become a major source of income for many households in Bangladesh. Bangladesh ranked 7th among the developing nations who received a sizeable portion of remittance in 2011 (World Bank: 2012a). In 2010, the contribution of remittances to GDP of Bangladesh was 9.6 percent (World Bank: 2012b). Remittances play a crucial role in terms of foreign exchange earnings for Bangladesh and thus contribute directly to the country's national economy. Empirical studies on remittances show that they are making a difference on the households and the broader community well-being through increasing purchasing power of households, creating sources of income, thus helping to reduce poverty, and increase investments in education, health and sanitation at the household level. At the same time, investments in commercial enterprises such as agriculture, large scale housing, commerce, shops, craft industries, local human resource development contribute at the community level. These scenarios have gradually become a common picture in Bangladesh.

Several studies (Chowdhury 2011; IOM 2005; IOM 2002a; Siddique 2003; Rahman 2000; Siddiqui 2005) have been undertaken in Bangladesh, and a considerable body of literature is available on labor migration, remittances, and their impact at national as well as household level. The economical effects of migration at national level have been widely studied and discussed. However, the understanding of the effects of migration and remittances on migrant-sending households remains

inadequate. In the socio-cultural context of Bangladesh, the household plays a very significant role in one's decision-making regarding migration, its expense or financing and the expenditure of the earning from abroad; for instance, the decision on how much to spend on food, health, education and/or other family welfare activities is primarily made by the migrant's left behind family members. Investment decisions by migrants' households also influence capital development and human welfare at the community level. Investments in constructing houses, upgrading farm production, establishing small business enterprises contribute directly to the local or community development. However, existing studies do not provide enough knowledge of how remittances are used and invested by households in rural Bangladesh. Migrants in Bangladesh generally have very low level of education; they just earn to spend for a better livelihood for their families, often unconcerned how their small savings are actually making the difference for their family and the broader community (Siddiqui 2003:4).

If we examine the utilization of remittances, we find that researchers have struggled in mapping remittance investment patterns. Evidence from studies done by Siddique and Abrar (2001); Afsar (2003) shows that remittances are only used to meet day to day needs of the family rather than investing in the productive sector, thus losing the multiplier effect for benefitting the household and the broader community. However, understanding the impacts of migration and remittances on migrant sending households, and how the remittances are distributed and used within households will help to identify the requirements to enhance the migration effect through remittances; to find ways on how overseas income can be involved more with developments, for instance, expenditure on education, health, housing and sanitation.

1.2 Purpose and Research Questions

Within the context of migration, remittances and their impact at the household level, this research attempts to examine the development impacts of labor migration and remittances on migrant sending families. In order to do that this research intends to exploit Papademetriou and Martin's (1991) "Three R's" model; recruitment, remittances and return to evaluate the development effects of migration.

This study is guided by the following main research question: What are the contributions of migration and remittances to the migrant sending households in Bangladesh?

A few sub questions will also be addressed to support the main research question:

- What are the drivers which motivated the migrants to migrate?
- How remittances are distributed and used within households?
- How did the return of migrants affect the households?
- What are the areas that need to be addressed in order to increase the efficiency of use of remittances at the household level, based on the findings of this study, personal observation and reviewing the literature?

This research uses a qualitative approach and is based on twenty five interviews with migrants' households, seven interviews with migrants, one hundred seventy interviews with returnee migrants and a number of informal interviews with experts as well as reviewing the existing available documents. The source of one hundred seventy interviews with returnee migrants is derived from the project "A statistical review and analysis of Bangladeshi migrant workers affected by the Libya crisis" conducted by the IOM Bangladesh. I was attached to the research team of IOM Bangladesh during my field study, where I interviewed around one thousand returnee migrants. Out of one thousand interviews I used one hundred seventy interviews for this research considering the scope of my master's thesis. The analytical framework and methodology section will provide a more detailed description on how research was designed and conducted.

1.3 Rationale of the Study

Bangladesh has experienced a significant growth of migrant deployments and inflows of remittances in recent years. Labor Migration from Bangladesh increased rapidly since 2007, which put Bangladesh on a firm footing in remittances earning. Before 2007, around two hundred to four hundred thousand workers migrated abroad from Bangladesh. The figure grew to around nine hundred thousand just in the year 2008. In 2011, approximately 569,000 workers went abroad, and remittances inward stood at US\$ 12 billion (BMET 2012; Byron 2011; World Bank 2012a). Before 2007, the remittances inflows were around USD 1 to 3 million. Bangladesh has emerged as one of the largest remittances earners despite global economic and political crisis.

There are some studies available on the economic and social impacts of migration and remittances at the micro level in Bangladesh, but these studies are very general and they can only offer a partial view of impacts of migration and remittances on the household level. Moreover, most of the studies

were conducted during 1990 to 2005. There is a lack of empirical evidence of the contribution of recent growth of migration and remittances on migrant sending households in Bangladesh. Therefore, it is difficult to say something about the impacts of recent significant growth, without having any empirical analysis. Thus, it provides the opportunity to explore this area and to develop some understanding of remittances and household development interactions in Bangladesh.

This paper addresses the existing information gap on the impact of international migration on migrants' families/households development from the perspective of migrant sending families. Additionally, the study plans to contribute to the debate on the existing classical and contemporary theories of migration and development, and try to link them in the context of Bangladesh. Therefore, it will scrutinize the investment patterns of remittances by migrant workers and their families, in order to grasp its contribution to the households. The study will look at how the households and individuals within the households make decisions and prioritize on use of remittances. Certain factors (such as social norms or values) differ across societies. Decisions or choices of remittances expenditure may vary with the decision maker's age, sex, education, profession, and other social orientations. Engendering information in order to address the present dearth of knowledge in these areas is one of the main research purposes. To put up a comprehensive policy framework one cannot generalize, without taking into cognizance these factors. This study attempts to identify the factors that affect remittance-related behavior at the household level. In addition, measures for improving household well-being by remittances are also reviewed and suggested. The gender perspective is also a critical dimension to explore in this study as women's migration, in the context of Bangladesh, is increasing. Moreover, it is also beneficial to see how migration and remittances act in establishing gender roles.

1.4 Disposition

In order to put this study into context, this thesis begins with a background of international migration from Bangladesh and remittances inflow, followed by theoretical background of migration, remittances and development. It then discusses the analytical framework of this study; the "Three R's" model, before describing the methodology used to collect data. The core of this paper is subsequently the findings and analytical chapter where the overseas employment, importance of remittances, use and investment patterns of remittances by households and the consequences of return of migrants are presented and analyzed. This chapter also includes few noteworthy features: migration and gender roles, perils of excessive reliance on remittances, migration and poverty

alleviation, ending with perceived economic status of households after migration. The final chapter presents conclusions and policy recommendations.

2. Setting the Scope for the Study: An Overview of International Migration of Bangladesh

This study is concerned primarily with the effects of migration and remittances on migrant sending families. The significant effects of remittances on the economy of Bangladesh have already been mentioned earlier in this paper. However, to set this study in the appropriate framework, it is essential to outline the magnitude and patterns of international migration from Bangladesh, the process of international migration, the level and origin of remittances, and the channels of remittances transfer.

2.1 The Background of International Labor Migration in Bangladesh

The root of international labor migration from Bangladesh can be traced back to the colonial past, when people migrated to industrialized countries, mostly in the west. During the 18th & 19th centuries, sailors who were from the southeastern part of East Bengal, now Bangladesh, working in the British merchant navy travelled from Kolkata port, India to other parts of the world. A segment of landless and jobless peasants from the northern part of Bangladesh, also found jobs in the British Merchant Navy. Unlike the sailors from the southeastern part, this segment of peasants did not have much oceangoing experience and jumped into the ship when the opportunity came up. Later, they discovered themselves in a number of countries including the USA and the UK. These groups of people are considered pioneer expatriate workers to the west (Siddiqui 2003:2).

New era of international migration emerged after the independence of Bangladesh in 1971, when the Middle Eastern countries experienced significant growth in infrastructure development with rising oil prices. To build their infrastructure they recruited a larger number of workers from various countries, where different categories of Bangladeshi workers constituted a significant portion. Subsequently, such migration continued to the newly industrialized countries of South East Asia. The nature of such migration was different from migration to the West in terms of duration. Migration to the Middle East and South East Asia was on short term employment, and migrants had to return home after the completion of their employment contract (ibid). This migration reflects the nature of current migration and is the largest category of the country's migrants.

2.2 Patterns of Migration in Bangladesh

It is already mentioned in the earlier section that short-term migration represents the most common form of labor migration from Bangladesh and Bangladeshi migrants mostly go to the Middle Eastern and South East Asian countries; Saudi Arab, UAE, Qatar, Kuwait, Bahrain, Oman, Iran, Iraq, Singapore, Malaysia, South Korea, Brunei, Hong Kong as well as Libya, a North African country. Among these countries, almost one half of the total number of workers migrated to Saudi Arab, followed by UAE and Malaysia. However, evidences show that migration patterns change over time. Workers from Bangladesh are now migrating to a wider range of countries including South Africa, Mauritius, Lebanon and Jordan. UK and USA, among the western countries, are the two main destinations for Bangladeshi migrants. However, skilled and professional migrants move to Canada, Germany, Italy, Australia, New Zealand, France, Switzerland, Belgium, Netherlands, Spain and Japan (BMET 2012; MPI 2012; Siddiqui 2003:3).

According to BMET, there are four types of temporary migrants: professional, skilled, semiskilled and unskilled. Semiskilled and unskilled workers comprise the majority of migrants, while skilled and professionals represent minority, though the share of professional and skilled workers, during the early years, was higher than that of semiskilled and unskilled workers.

2.3 Process of Migration

Intermediaries, followed by friends and relatives, are the prime agents of managing migration from Bangladesh. A recent survey of IOM (2009) shows that many migrants used intermediaries as their agents for migrating overseas followed by their relatives, friends, and government channels. Using private agencies for the purpose of migration was not significant. There is also a fascinating fact regarding uses of private agencies as it is usually assumed that numerous number of the intermediaries agents are, in fact, agents of the private agencies (IOM 2009:38). Intermediaries carry out all the activities in the process of migration on behalf of potential migrants in Bangladesh.

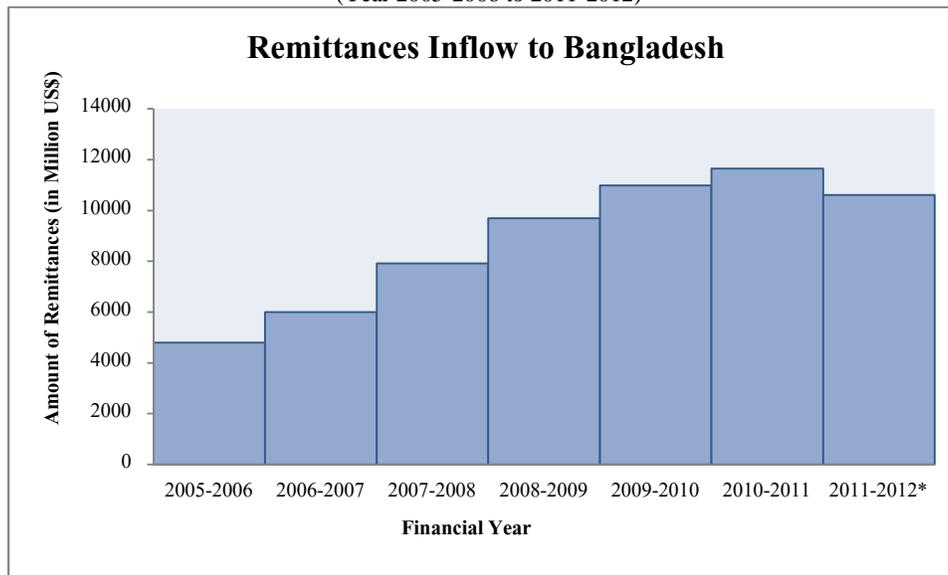
In terms of having a contract of employment before migration, most of the migrants usually get it before they go to country of their destination. The IOM (2009) survey shows that 79 percent migrants received their employment contract before migrating. However, a significant number (21 percent) did not have their contract of employment before they went to their country of destination. The study shows that, on average, it took approximately 6 months for migrants to get employment agreement before migrating (ibid:36).

2.4 The Level and Origin of Formal Remittances

Inflow of remittances to Bangladesh has increased constantly over the years (Figure1). Remittances reached the figure of USD 10614 million upto the month of April of the financial year 2011-2012 from less than USD 25 million in the mid-1970s and USD 1000 million in the early 1990s (Bangladesh Bank 2012). According to the World Bank (2012a), Bangladesh is one of the top ten remittance receiving countries in the world.

Figure 1: Remittances Inflow to Bangladesh

(Year 2005-2006 to 2011-2012)



*Data upto the month of April of the financial year 2011-2012

(Source: Foreign Exchange Policy Department, Bangladesh Bank 2012)

During the second half of the 1970s and the early 1980s, the increase in labor migration to the Middle East pulled up remittances flows. Since then the upward movement of remittances flow has irregularly been interrupted by war and political instability in the host country. For instance, Iraq-Iran war during the period of mid-1980s might be attributed to indolent growth of remittances. Then again, a slow growth rate of remittances was observed in the beginning of 1990s and during the Gulf War. However, the remittances inflow to Bangladesh has significantly increased after 2005, even the recent global financial crisis could not disrupt the flow of remittances. Greater use of official channel to transfer remittances has significantly contributed to the recent increase followed by increased attention to antiterrorism policy. Moreover, a considerable number of commercial banks in the country have been playing a very active role in recent years to attract remittances through official channels (Choudhury and Habib 2008: 8).

The major portion of total remittances mainly comes from the Middle Eastern countries, as most of the Bangladeshi migrant workers are working in these countries. A significant volume of remittances also comes from UK, USA and other developed countries. Only five countries accounted for a substantial part of total remittance flows to the country (Table 1).

Table 1: Country Wise Remittances

Country Wise Remittances		
[Top Five during July 2011-March 2012]		
Countries	Volume (in million USD)	Percentage of Total
Saudi Arab	2716	28.50%
UAE	1776	18.63%
USA	1118	11.73%
Kuwait	893	9.37%
UK	764	8.02%

(Source: Foreign Exchange Policy Department, Bangladesh Bank 2012)

2.5 Channels of Remittances Transfer

Remittances are transferred using both formal and informal channels and in cash or in kind. It is nearly impossible to estimate the flows of remittances transferred through informal channels, while they emerge to be large. Remittances transferred through informal channels include friends, relatives, neighbors or others travelling to the home country, whereas *hundi* (money courier) is a tremendously popular informal channel. Formal channels used for remittances transfer include bank account to account transfer, electronic transfer, postal order demand draft issued by a bank or an exchange house, telegraphic transfer, travelers cheques, automatic teller machine (ATM) facilities (Siddiqui 2004:9).

A study by Siddiqui and Abrar (2003) found that only 46 percent of the total remittances had been channeled to households using formal channels, while majority (40 percent) remitted through *hundi* followed by friends and relatives. Some of the migrant workers themselves carried remittances when they visited home (Siddiqui and Abrar 2003:4).

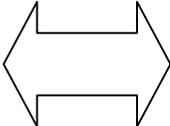
3. A Theoretical Overview of Migration, Remittances and Development

Reviewing literatures and studies on the contribution of migration and remittances to the development of migrant sending areas and countries, it is asserted that a continuous and sometimes heated debate has been going on for the last couple of decades about the impact of migration and remittances in migrant sending families, communities and countries. Thinking on migration and development can be distinguished into four different periods after Second World War. Developmentalist optimism view prevailed in the 1950s and 1960s while structuralist and pessimistic views dominated over the 1970s and 1980s. More nuanced views emerged in the 1990s influenced by the new economics of labor migration, livelihood approaches and transnational perspective on migration and development. After 2001, remarkably optimist views came out with the rediscovery of remittances (Haas 2008; Haas 2007; IOM 2005; Rahman 2000).

3.1 Migration and Development Optimists vs. Pessimists

The neoclassical and developmentalist theory argues that migration is a voluntary, and economic rational choice to increase the income of family, collect funds to invest in new activities, and making balance between production and investment constraints in vulnerable environments (IOM 2005: 41). Followers of this view believe that mobility of migrant workers ensures their efficient allocation and provides them with an opportunity to sell their labor best (Rahman 2000:111). This theory states that mobility of labor, within the country or across borders, is a prerequisite for economic growth. Migration optimists tend to think that migration has positive impacts on the development process in the sending areas. Remittances sent by migrants improve income and quality of life of migrants families beyond what other available development options can deliver (Keely and Tran 1989 cited at Haas 2010:232). Migration is viewed as north-south transfer of investment capital and enhancement of the exposure of traditional communities to more liberal, modern, democratic ideas, knowledge and education. From this perspective, return migrants are seen as change agents, innovators and investors for the country of origin (Haas 2008:24).

Table 2: Opposing Views on Migration and Development

Migration optimists		Migration pessimists
Functionalist		Structuralist
Neo-classical		Neo-Marxist
Modernization		Disintegration
Net North-South transfer		South-North transfer
Brain gain		Brain drain
More equality		More inequality
Remittance investment		Consumption
Development		Dependency
Less migration		More migration

Source: Adopted from Haas (2010:229)

Whereas, “migration pessimists” or followers of migrant syndrome, neo-Marxist or structural theory argue that migration provokes the extraction of human capital in their originating areas, thus breaks down the traditional, stable village communities as well as their economies, and makes communities unproductive and dependent on remittances. Migration weakens local economies as it encourages massive departure of young valuable labor force from rural areas causing scarcity of labor in agriculture and other sectors (Haas 2007:5). The migration pessimists’ views perceive that the choice of migration is not free or rational choice of profit maximization; rather it is a forced decision arising from lack of alternatives at the local level (Rahman 2000:111). Migration is a process of capital accumulation, and an instrument to strengthen the developed economics to the detriment of developing economics (ibid: 111). The neo-Marxist theory sees migration as a result of global expansion of the capitalist system based on inequality that reinforces spatial and interpersonal disparities in development (Haas 2007:5). From this perspective, migration is seen to increase the problem of underdevelopment rather than decreasing it, and it increases inequalities in migrant sending communities. In this view, migrants are typically believed to be talented, skilled, innovative, and already employed. Migration pessimists have also argued that remittances are mainly spent on conspicuous consumption (such as consumer goods, housing) and a significant part of remittances is spent on paying debt incurred in financing migration; hence remittances are hardly invested in the productive sector (Haas 2010:236).

3.2 Pluralist Views of Migration and Development

As a response to two fundamentalist views, a contemporary social theory emerged towards more pluralist, hybrid approaches, which simultaneously take into account optimists and pessimists' views (Haas 2010: 241-242). This view presents a more nuanced perspective and provides more scope for explaining and interpreting the heterogeneous relationship between migration and broad development processes. The pluralist perspectives are discussed in three strands; New Economics of Labor Migration (NELM), Migration as a Livelihood Strategy and a Transnational Perspective on Migration and Development. These approaches view migration as an element of a broader household livelihood strategy to expand income sources and conquer social, economical and institutional development limitations in places of origin (Haas 2008: 34; 2007:6). The NELM strand perceives migration as income risk spreading or sharing behavior of families or households, hence migrant remittances ensure income insurance for households of migrants. As a livelihood strategy, migration maintains, secures, and improves the livelihoods of households by generating income activities. The transnational perspective enables migrants and their families to live transnationally and gives room for migrants to maintain the relationship with their families, societies or origin through improved technical possibilities; such as telephone (mobile), fax, television (satellite), internet, and to remit money through globalized formal and informal channels. This facilitates migrants and their family to promote loyalties, travel back and forth, and to work transnationally at the same time (Haas 2010:247).

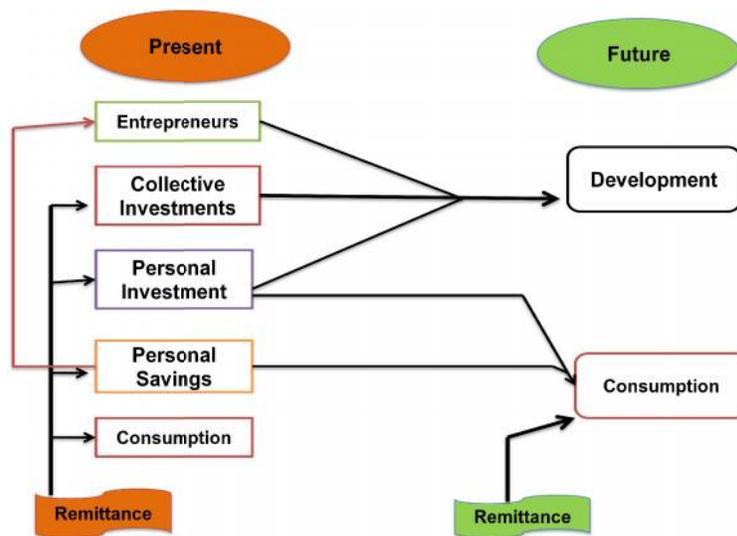
3.3 Recent Empirical Insights into Migration and Development

More recent empirical studies generally confirm the pluralist views of migration that labor migration is a livelihood strategy pursued by households (typically, but not exclusively), and spreads the livelihood risks, increase income, collect investment capital and improve economic and social status. To overcome local development constraints, remittances play the key role in the household strategies. Specifically, remittances are perceived as an outcome of strong transnational social ties and of the desire to improve the lives of family members left behind. Remittances are the return of household investment in migration to diversify income risk and to collect investment capital to be used for entrepreneurial activities, education of family members, or to enable other family members to migrate. Though remittances help to diversify or raise household income or protect people from undermining the effects of ill-functioning markets, it does not imply that remittances contribute to poverty alleviation. As migration is not an option for poor families, remittances are unlikely to flow

to the poorest members of the society (Haas 2007:7; 2008:40; 2010:249). However, some extensive surveys conducted by World Bank and various other institutions on migration and remittances in developing countries revealed that international migration and remittances remarkably reduce the level, intensity and harshness of poverty in developing countries (Lacroix 2008:3).

There is a lack of concrete information about the links between migration and development. It is widely acknowledged that the ways in which migration affects development and development affects migration are complex to determine. The international community is increasingly focusing on positive impacts of migration and remittances on development of migrant sending families, societies and countries. Remittances are seen, in the world of volatile capital flows, as a stabilizing element of external resources transfer to the developing country. According to Martin (2004), Carling (2004), Wets (2004), WESS (2004), Hugo (2003), Solimano (2003), Stark (1978), and Griffn (1976) the long-run effects of remittances growth in receiving economies can be seen through savings and investment. The short-run impacts on cumulative demand and output can be seen through consumption (cited at Thao 2009:6). The linkages between remittance and development are shown in the following figure.

Figure 2: The linkages between remittance and development



Source: Adopted from Carling (2004:2)

The above figure explains that remittances expenditure only on consumption today directs to need of further remittances in order to meet future consumption. If remittances are used for investment and/or savings, that can also meet future consumption. Remittances saved in financial institutions facilitate access to credit and permit entrepreneurs to mobilize the remittances to the development (Carling 2004:2).

3.4 Gaps in the Study of Migration and Development

Migration is perceived, as a fundamental element of processes of social change and development, by both social scientists and policy makers. There is increasing acknowledgment that migration has potential to reduce poverty and to promote sustainable development. A significant increase in research on explaining the relationship between migration and development has created valuable new insights. However, a considerable research gap still exists (Lacroix 2008:11).

There is still a lack of complete understanding of the pull and push factors¹, which cause migration and the ways in which these factors interact. The pull and push factors are context specific and do not facilitate to develop general migration theory. However, there is increasing awareness that there are many other factors of transformation, which facilitate the processes of societal change and development, and influence migration. In order to understand the reasons or drivers of migration it is essential to determine the economic, social, political, cultural and environmental factors which form migratory trends. Existing empirical and theoretical evidences highlight the diverse nature of migration, remittances and development interactions. The fundamental question is not whether migration tends to lead to development or not, rather why migration has different outcomes across a range of communities or countries. The mixed impacts of migration on development can be understood through systematic empirical research in the different migrant sending communities and countries (ibid: 11-12).

This study provides some scope to understand the factors that determine the migration and development interactions in the context of Bangladesh, through empirical verification of the theoretical hypothesis. Thus, it offers the opportunity to explore this area and to improve the understanding of remittance and development interactions in rural Bangladesh

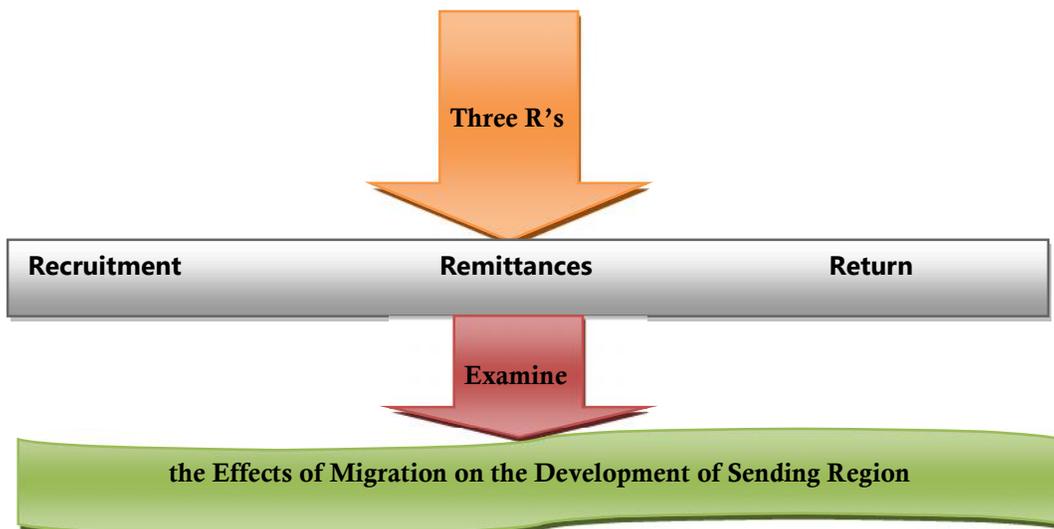
¹ Pull factors (such as lack of employment and income opportunity, poverty, economic and political crisis, unfavorable environment, insecurity) are those which drive people to migrate from an area. Whereas, push factors (such as higher income and employment opportunity, more wealth, economic and political stability, favorable climate, security) are those which attract people to migrate to an area.

4. Analytical Framework

4.1 Analytical Approach: “Three R’s” Model

This analytical framework analyses the effects of migration on sending countries at different levels; effects on employment, living standard of households and the return effects of migration on the accumulation of human capital. The “three R’s” model proposed by Papademetrious and Martin (1991) link recruitment, remittances and return to the key development effects of migration and remittances. The three R’s review the effects that migration can have on the development of sending region, at three different levels. First, *recruitment* deals with who migrates, thus creating an impact on employment. Second, *remittances* enhance the living standard of migrant households and thus contribute to the development of communities and regions. Finally, *returning* migrants bring technical know-how, which affects the quality and quantity of the workforce (Rahman 2000:112; Martin 2004).

Figure 3: The “Three R’s” model proposed by Papademetrious and Martin



This analytical model comprehensively examines the effects of migration on the development of migrants sending countries. It views that the link between migration and development is not straightforward rather it is often uncertain or unsettled. The effects of migration vary across countries, which makes it difficult to determine migration and development interaction. The “three R’s” model describes that economically motivated migration can put in motion virtuous circles, as migration

provides young workers the opportunity to find jobs abroad, without which they would not have been employed at their country of origin. Migrants send remittances to home which ease poverty and are invested to stimulate economic development and create employment opportunities. When migrants return to their home country, they come back with new skills, ideas, and technologies which contribute to new industries and employment opportunities. The alternative vicious circle can open up when skilled and professional workers (nurses, teachers, doctors, engineers etc) are recruited for overseas jobs, which decline the quality, and accessibility in health and education at home country and factories suspend workers due to unavailability of key managers. Migrants do not remit money significantly to the home country, do not invest in the economic development or in creating jobs. Migrants often do not return to their home country and thus create limited opportunities for transferring new skills, ideas, and entrepreneurial capabilities. If migrants return they hardly gain skills working abroad, which can use at home and they often prefer to work in another sector after their return (Papademetriou & Martin 1991; Martin 2004).

The “three R’s” model does not address the economic cost of migration which is a very important element in the context of Bangladesh, where migrants bank on families, and other traditional sources; selling of land/fixed assets, borrowing money from money lenders with high interest rates, savings, etc. for the purpose of meeting the cost of migration. This greatly affects the subsistence economy of migrants’ left behind families and thus raises a question with regard to the development effects of migration at the micro level, specifically at the household level (Rahman: 2000). This model also tends to assess migration and development links from the economic perspective and to view migrants as laborers only and ignores other dimensions; social, cultural, and political (IOM 2002b:15). The purpose of my study is primarily to explore the economic impacts of migration and remittances. However, I have made an attempt to address some social impacts of migration along with “three R’s”.

5. Research Design

This chapter presents an outline of the methods and materials which I used to collect data and to answer the research questions. First, it briefly provides the theoretical standpoint of the research framework followed by the methods of data collection and analysis. Then, it presents some of the ethical challenges which I faced throughout my field research in Bangladesh. Finally, it will put forward the limitations of my research methodology. In order to examine the development effects of

migration and remittances on migrant sending households, I spent six months in Bangladesh to conduct my field research in between 2011 and 2012.

5.1 Methodological Remarks

Considering the purpose and type of my research questions, a qualitative approach, constructivist ontological position and interpretivism stance of epistemology, was adopted to study the phenomena of how migration and remittances affect migrant sending households. The constructive ontological stance was chosen, as it perceives that social phenomena and their meanings are continuously formed and revised by social actors and their way of thinking (Bryman 2008:19). While interpretivism position of epistemology as meta science point of departure was adopted, as it believes that our ability of understanding the reality is determined by our interpretation of it (Mikkelsen 2005:135).

My theoretical standpoint was both deductive and inductive in nature, as I wanted to test this hypothesis that migration and remittances have positive contributions to the household development. Moreover, I also wanted to construct an understanding out of interview data deriving from households' interviews regarding the effects of migration and remittances on migrant sending households as well as how remittances are distributed and used by households.

The use of qualitative methods helped me to get a detailed view of the information on how households understand their own actions and to interpret how they perceive migration and remittances as a contributor to their lives, how they make decisions on the uses of remittances. The qualitative approach allowed me to establish my researcher's role as an "active learner" and helped me to avoid "expert role" to make a judgment on participants, and enabled me to tell the story from the participants' point of view (Creswell 1998: 15-18). With a qualitative approach, I offered my respondents enough room to express and to reveal their words and experiences. I encouraged them to talk about their lives, activities and impact of migration and remittances on their lives. For the sake of my research purposes, I adopted a listener role to learn about my respondents' daily lives and carefully pushed them to speak about the role of migration and their remittances use behavior. However, a qualitative research approach has been criticized by the social scientists for being subject to the researcher's bias, and it usually deals with small samples, which lack the reliability and generalizability of findings (Pickbourn 2011:12). A quantitative approach would have been appropriate in my study if I were to measure the type and frequency of migration, size or amount of remittances etc. Moreover, a quantitative approach with a structured questionnaire would not help me

to obtain and to understand the drivers and results of migration and remittances. Therefore, a qualitative approach was adopted to collect descriptive information in order to explore the role of migration and remittances in migrant sending families.

5.2 Description of Field and Collection of Data

Considering the nature, topic and model of my research, primarily I chose migrants survey, individuals' interviews with households and returnee migrants, informal interviews with key informants and textual analysis as tools to investigate, and to collect data to be used for answering specific questions of my research and to analyze specific problems. The data collection took place in two phases. The first phase took place in Dhaka, the capital city of Bangladesh, between September and November of 2011. The second phase was held in Brahmanpara upazilla of Comilla district, one of the migrant intensive areas of Bangladesh, between December 2011 and January 2012. This section presents the detail of selecting samples and data collection procedure for the purpose of my research.

Figure 4: Location of Study Area in Bangladesh



Source: <http://blogs.esri.com/esri/arcgis/2011/11/05/figure-ground-whitewash/>, ArcGIS (Accessed on 15 May 2012)

5.2.1 Field Work in Dhaka and Data Collection

During my internship with IOM Bangladesh, I was assigned to a research project “*A statistical review and analysis of Bangladeshi migrant workers affected by the Libya crisis*”, where I interviewed approximately one thousand returnee migrants in three months. The questionnaire was provided by IOM, containing the questions about demographic and household characteristic, migration history, reasons for the migration, process of migration, remittances sending behavior, employment status after return, as well as, skills gained abroad (see appendix II). I use the findings of this IOM survey for the purpose of my study. Considering the limitation of time, limited access to all data and scope of my thesis, I randomly selected 170 interviews out of 1000, which I interviewed personally, with the consent of authorized representative of IOM Bangladesh, in order to use in my study.

5.2.2 Field Work in Brahmanpara

The second phase of my field research took place in Brahmanpara upazilla (sub-district), which has 31,110 units of household with the total population of 181,477 and an area of 31,852 acre (BBS: 2001). Considering the complexities of producing a sampling frame when working with such a large population, I applied a combination of purposive and snowball sampling method as it helped me to select samples strategically, which were only relevant to my research and to understanding specific phenomenon (Bryman 2008:415). For the purpose of my study, I wanted to interview migrants and their left behind households. My snowball sampling method was facilitated by NGOs who were working in the field of migration. I made an initial contact with NGOs before entering into the field, and these NGOs helped me to contact the local associations of current and returnee migrants. Through these local associations, I got direct access to my target households. These associations also facilitated my overnight staying in the migrants households who were my direct target group. I selected my samples or respondents based on certain criteria: The respondents were required to be the primary financial decision-makers of their households; only remittances receiving households were surveyed; migrants who came to the country on vacation and were supposed to get back to the country of destination. I interviewed a total of 25 migrant’s households and 7 migrants including both male and female. I attempted to maintain the gender balance, but the majority of the primary financial decision makers of the households were female. The process of my sampling was also subject to time constraint, cost and logistical limitations.

5.2.3 Methods of Data Collection

5.2.3.1 In-depth Interviews

In-depth interviews with migrants and their households were my primary method of data collection, and my samples varied in terms of gender, age, social class and, religion (Mikkelsen 2005:156). The interview questionnaire was semistructured in nature and was divided into two segments. The first segment asked a number of demographic (i.e. age, sex, marital status, family members, education, occupation and income level, etc) and household characteristic-related questions (i.e. relationship to the migrant, total household members, education and monthly/yearly household income etc). The second segment of the interview asked respondents specific questions about the reasons for migration, employment and income status before and after migration, for what purpose did they spend the remittances, importance of remittances for them, who received the remittances, who made the decision about how the remittances were spent, as a result of remittances how have there been improvement (see appendix I). This segment of the questionnaire also asked the respondents to rank the overall economic change of households, because of remittances, compared to pre-migration status. My intension was to explore the impacts of migration and remittances on households, and semistructured interviews helped me to deal with more specific issues (Bryman 2008:439). Each individual/household interview lasted on average between 50 and 60 minutes.

5.2.3.2 Key Informant Interviews

In my field research, I interviewed representatives from OKUP, an organization of returnee migrants, and a National Program Officer of IOM Bangladesh. These interviews were unstructured, relaxed, and very much in the nature of conversational meetings, as I wanted my participants to respond freely, though, I convinced them to talk regarding those points which were worthy to my study (Bryman 2008: 437-438). The purpose of conducting Key Informant Interviews was to get special insights and knowledge on my research area as key informants were expected to have better knowledge regarding the behavior of migrants and their households (Mikkelsen 2005:172).

5.2.3.3 Document Review

In order to collect the secondary data, I reviewed various relevant documents, earlier research papers, literatures, and newspaper articles. Reviewing literatures helped me to have good insights and to understand the critical factors of my study. It directed me to create a link between my library and

field based work, helped me to develop my research questions, and to improve my analytical skills (Meth and Williams 2007:209). It guided me to triangulate the preliminary findings of my research.

5.2.3.4 Observation

With a purpose of developing a narrative explanation of my respondents, I adopted an unstructured observation style in order to document the behavior of my participants as much as possible (Bryman 2008:257). I have already noted it earlier that I stayed in the migrants households for a couple of days to observe their behavior in their social setting.

5.2.3.5 Audio Recording Interview

I used a tape recorder to record my interviews for documentation, and to focus my mind on the topic and dynamics of the interview, it also helped me to transcribe my interviews extensively later (Kvale 1996:160-162). Before recording my respondents interviews, I asked for their consent and no one refused to be taped, it allowed me to track them without any disruption of taking notes on what they said (ibid:451).

5.3 Transcribing and Analysis

In the previous section, I have mentioned that I recorded the responses of my interviewees using a tape recorder, these recording clips I used later to transcribe the interviews. Transcription has its limitation, as it does not provide visual particulars of the situation, among other things it lacks social ambiance and personal interaction. Taking the limitations of transcripts into consideration, I wrote down the important and significant elements of my interview sessions with respondents as I did not want to depend only on my empathy and memory to memorize everything (Kvale 1996: 161). To analyze my research, I adopted verbatim form of transcription including pauses, repetitions, tone of voice, and level of anxiety or the meanings of rejection (ibid: 166). I also adopted a role of transcriber to maintain the reliability of my interviews, to make error free transcription and to make it interesting by using relevant portions with close and careful attention to interviews(Bryman 2008:455). Being a native speaker enabled me to do accurate transcription.

5.4 Ethical Consideration

I faced a number of challenges while investigating the effects of migration and remittances on migrant sending households as I dealt with different sensitive issues such as financial decision-

making process of households, sources and level of income, as well as remittances expenditure behavior. I put my best and careful efforts to maintain ethics in my study, respondents were informed with the purpose and process of my research as well as the type of research questions before attending to interviews. They were also notified about the people who will have access to the findings of my research and the ways in which my research would be publicized. Each participant was given the freedom to participate, refuse or even to withdraw participation in research at any time (Scheyvens and Storey 2003: 144). Confidentiality was maintained by not reporting the private data identifying the subjects (Kvale 1996:114). Ethical decisions are involved in all stages of research ranging from thematizing a research plan to reporting stage of the research (Kvale 1996:110). “Flexibility in ethical decisions” was my ethical stand which derived from a post modern, feminist philosophy, and argues that the researchers are not neutral observers, rather they are fully concerned, self-aware, and have adequate knowledge regarding the code of ethics, as well as responsible for their actions. Ethical decisions arise from considering the goodness or correctness (Scheyvens and Storey 2003:142).

5.5 Critical Analysis of Methodology and Study

Having a critical view on my research process enabled me to find out the numerous ways in which my research would have been improved. The overall purpose of my research is to analyze the development role of migration and remittances in migrant sending families, and thus contributes to our understanding how migration and remittances play out in changing the socio-economic status of migrant households. However, considering the small sample size, this study does not represent either total population or even urban or larger rural areas; thus this study lacks the criteria of generalizability. Another limitation is that non-migrant households were not included; therefore it does not offer any comparative view. Moreover, interviewing returnee migrants from Libya crisis may not represent the overall picture of Bangladeshi migrants and may influence the results of this study as returning from Libya under the conflict is a special case. This research focused only on those issues which I felt important in order to address my purpose; thus it was controlled by my focus and narrowed down its view to address those focal points. Relying heavily on the NGOs to reach my target groups may not reflect the overall scenario of migrant households.

6. Findings and Analysis: The Situation on the Ground

This chapter presents findings drawn on a qualitative study to answer the questions; what are the factors that drive migration, how remittances are distributed and used by households, how migrant remittances contribute to migrant sending households, and what are the impacts of return migration. It will use the concepts outlined in the analytical framework to interpret these findings, and it will address missing variables in the proposed analytical framework. One memo from the author must be noted by all readers while going through this study that the scope of this thesis work permits to examine the migration and remittances scenario and their causal effects in a limited extent; this is basically a picture of migration and remittances contribution to households in a rural area of Bangladesh. It does not represent a general picture of the whole country.

Before going to the main analysis, it is important here to state the socio-demographic profiles of migrants and their families participated in this study. It is also important to mention that the impact of migration and remittances on households is not homogeneous in nature. It has both positive and negative implications in terms of economic, social and psychological perspectives. Some interviewees stated that migration brought big changes in their lives, at the same time others did not feel any change, for some respondents migration brought hardships, sufferings and uncertainties into their lives. Different types of abuses, human rights violations were committed against them while working abroad. Some of them were the victims of illegal recruiters and were sent to jail. These sufferings they had to go through for some reasons that they were not clearly accountable. More recently, hundreds of thousands were subjected to the devastation and hardships of Libya war during 2011. More than 36000 migrant workers were repatriated by IOM and Government of Bangladesh from the civil and political unrest in Libya. Many of them could not even get back the money they had to spend in going abroad, when they returned they had large debts and uncertainties surrounding them (IOM:2012).

6.1 Socio-Demographic Profiles of Migrants and their Families

Although the decision on remittances utilization and its causal effect relations with various factors are qualitative in nature, a few numbers on these factors (such as age, education, demographic profile) might help us in examining them more closely.

The findings of my study and the IOM survey show that the majority of the migrants were young at the time of their migration. The average age of the sampled migrants was 27 when they went abroad. Migration among the younger age group people was also noticed. Some of the sampled migrants were even aged below 18, though they did not disclose their real age for the sake of going abroad for employment. They knew that being below 18 years of age would not permit them to go abroad and to work, and hence, they mentioned fake age in their passport. Majority of the migrants were married when they went abroad and belonged to extended families. A small number of the sampled migrants belonged to nuclear families. The average household size was six. In most cases, migrants were sons of the households' heads and were the only income earners in the sampled households.

The IOM survey shows that a larger number of both the sampled migrants and the decision makers in their households have middle or little educational background (6-10 years of schooling). Before going abroad approximately two-third of the sampled migrants were self-employed in farming, non-farming and other professional activities (Small Businessmen, Mason, Carpenter, Electrician, Steel Fixer, Plumber etc). The rest of them were either unemployed, student or employed in the private sector. The average household monthly income was BDT 8000 (USD100) prior to migration.

The analyses of findings indicate that migrants enter into the overseas employment when they are young, either soon after marriage or before getting married and they belong to extended families. Migrants are the only income earners for their families. Farmers, non farmers, students and other professional workers participate in overseas migration.

6.2 Recruitment/Employment

The interviewees were asked about the reasons for migration. Poverty or lower economic status of migrants' households appeared as the main factor. Lack of employment opportunity was also another dominant factor for deciding on migration. In most cases, migrants themselves were the main decision maker, while their families financed the cost of migration. Apart from the financial well being causes, there were diverse responses as well. In one of the cases, I found a female migrant stated that she went abroad to earn money for her daughter's treatment:

"I went abroad just because of my daughter as she had been suffering from blood cancer. I could not earn enough money here to bear her medical expenses and then I decided to go abroad and to earn money."

(Interview 26, February 15, 2012).

The returnee migrants and the households interviewed under this study gave a mixture of responses on the contribution of migration to their employment and earning. Some felt that employment and earning opportunities were far better before migration, while others indicated that migration for overseas employment ensured their better lifestyle. Wife of a migrant worker answered when she was asked how they could sustain their family if her husband would not go abroad for employment:

“We would not be able to maintain our family as we are maintaining now. Even we could not send our children to school, they (migrant workers) can’t work hard in home but they work very hard in abroad”

(Interview 7, December 11, 2011).

In another interview, a returnee migrant said:

“When I was in my country I was a fisherman, I had a boat for fishing. I could earn enough money. But I sold my fishing boat to go abroad where I earned very little money, I never even got my salary on time and could not send money to home”

(Interview 2, November 18, 2011).

The above statement indicates that migration for employment not necessarily increases the income of migrants rather sometimes it puts migrants into a world of uncertainty.

Many migrant households shared their views that migration of their family member had established a new source of income for them. Migrant workers are the only income earners for their families. Other sampled households reported that migration extended their existing sources of income and agriculture is their other source of income.

The findings of my qualitative study show that most of the returnee migrants were working in the agriculture sector before they went overseas. This was followed by employment in the industry and services sector. Some of the respondents were unemployed or student. Migrants who were involved in the agricultural sector were unlikely to be fully employed throughout the year as producing and managing crop did not require them to work every day in a year. Uncertainty of weather condition and recurring floods were also responsible. After their return to home, a significant number of migrants went back to the agriculture sector and were unhappy as agriculture did not provide regular and adequate income. An important number of migrants are unemployed and looking for further migration or employment at home. Some respondents have either started their own business or employed in some services.

In summary, the result of the findings indicates that poverty, unavailability of employment opportunities, unfavorable ecology, vulnerable socio-economic status of households, and lower earning opportunities act as push factors for deciding to migrate for overseas employment. Migration decisions are usually taken by the migrants, and the households make investment in sending their family members to work abroad. Though the decision to migrate comes from the expectation of earning more money, the reality may not be so. Choice of migration sometimes posits migrants and their households into an inferior situation compared to their pre-migration status, whereas for some others migration improves the quality of life.

One common aspect among respondents was the fact that the respondents identified poverty as the root of migration choice. However, migration, in my opinion, is not an option for poor people as it costs a substantial amount of money, and if we look at the average income of the sampled households prior to migration, it shows that they were not from the poor households in the context of Bangladesh. The explanation would therefore be more appropriate if we represent the initiative of migration for overseas employment as the result of a desire to enhance their standard of living rather than the result of absolute deprivation and poverty (Skeldon :2003).

6.3 Remittances

This section presents findings on how households received remittances and, how these remittances affected the households. In order to do that this section discusses remittances sending behavior of migrants, who received the remittances, reasons for sending money to families, importance of remittances for migrants households and the uses or investment patterns of remittances by households.

In my study and the IOM survey, the sampled households and the migrants were asked about the amount and frequency of remittances they received and sent in the last twelve months prior to this study. The analysis of findings indicates that in general migrants sent money to home ranging from Tk 100,000 to 150,000 annually (US\$ 1250 to US\$1875). The households normally received remittances for three or four times in a year. The reasons behind not remitting on a monthly basis are the cost involved with remitting and sending a handsome amount of money every three or four months with a belief that their family would be happy to see a big amount and could utilize the money properly.

It appears that remittances sending behavior varies with gender, nature of migrants, duration of stay, countries of destination, level of income and education, and types of jobs overseas. Female migrants tend to send less money than their male counterparts as they earn less, migrants working in the developed countries, staying more than three years in abroad, or employed in professional, high skilled jobs with high education tend to send more money. Though female migrants send less money, cost of migration for them is lower than male migrants.

6.3.1 The Receiver of Remittances

When the sampled households were asked to report who received the remittances within the households, responses show that though households were the centre of thought for sending remittances by migrants, not each member within the households received remittances, and could make the decision on the use of remittances. In most cases, the mother of the migrant received remittances, followed by the wife, the father, and brother.

6.3.2 The Purposes and Reasons of Sending Money to Families

Three main factors were derived out of my qualitative interviews as the reason of remitting to families by migrants. *First*, migrants wanted to improve the status of the family by providing money to meet family expenses, medical treatment, educational expenses of children or siblings, and constructing or repairing houses. *Second*, migrants remitted to pay back the cost of migration or debts; and *finally*, migrants remitted to purchase the land or assets, to save or to invest in farming and non-farming activities. It is noteworthy here that holding a considerable size of land is perceived as a symbol of economic prosperity in the context of Bangladesh. Therefore, the households feel proud when they own land.

The attitude of wanting to improve the status of the family or to help family was shown by a migrant in the following way as a response to why he remitted:

“I remit because I want my children to go to school and to be educated so they will have a job. I want my children’s future to be secured, I feel it is my responsibility to help my family”

(Interview 10, December11, 2011).

Some respondents expressed that they remitted as they wanted to improve the living standard of their families and to secure their own future;

“I remitted to improve the living standard of my family, to build a good house for them and to buy lands so that I can do something in future”

(Interview 9, December 11, 2011).

These interviews indicate that besides raising the families’ immediate standard of living migrants also remit in order to meet his/her own interest with a purpose of inheriting afterward. Remittances can thus be seen as a means to gain valuable assets for migrants to insure them against future income insecurity, shocks and anxieties.

6.3.3 Importance of Remittances for Migrants Families

The role of remittances for migrants’ households is significantly important as households take migration as a livelihood strategy and hence, invest money in sending their family members to work abroad and to earn money. The findings of my study present that remittances contributed significantly to the earnings of the migrants sending families. Migrants’ families were highly dependent on remittances for their livelihood, remittances were a major source of income, and for most of the households, remittances sent by migrants were the only source of income.

The sampled households were asked to state what were the improvements they felt as a result of support from remittances. The most prominent answers were; remittances directed them to economic improvement and enhanced standard of life; remittances helped them to increase their daily food intake, and to eat adequate and quality food, to take good care of their health, to send their children or siblings to a better school, to give children/siblings proper education and adequate learning materials. The majority of the respondents reported that they could not meet educational opportunities of children/siblings, could not afford the health care of family members if remittances were not available. Remittances provided income insurance for households to diversify and to mitigate their risk of income. For example, a mother of a migrant expressed in the following way, when she was asked “could you keep up the increase in income even after remittances have ceased”:



Figure 5: A migrant's children are going to school (Photo: Bilash 2011)

“No, my son is the only income earner for our family, if he stops sending money to us, we don’t know what we will do,we do not have any other available sources to earn.....”

(Interview 11. December 11, 2011).

As implied in the comment above, remittances featured as the only source of income for this particular household. Thus, remittances insured them against income shocks by establishing the source of income.

In summary, the importance of remittances for households cannot be underestimated. Remittances constitute a significant portion of the earnings of households, and for some households it is the only source of earnings. Households with an overseas migrant worker are increasingly dependent on remittances. Remittances enable the households’ access to adequate food, nutrition, health care, education and to invest in productive activities to ensure their future income.

6.3.4 Uses or Investment Patterns of Remittances by Migrants Households

The contribution of remittances to the household development depends to a large extent on the way remittances are used within households. It was observed in my study that remittances created a significant source of earnings for households economic development, nevertheless, the main concern is how remittances are used by migrants’ households, as the actual effects of remittances on households are largely determined by the remittances spending patterns of households.

Insights from the migration literatures and the empirical evidences regarding the use of remittances suggest that remittances are mostly used for direct consumption (Arif 2009; Siddiqui and Abrar 2003; IOM 2009; Thao 2009; Martin 2004; IOM 2005). One of the major concerns has been raised, over the years, about the limited use of remittances for productive purposes. However, perceptions about what forms productive use varies among authors (Siddiqui and Abrar 2003:46). An old perception of use of remittances is that spending on consumption does not lead to productive investment. The study by Chandavarker (1980) showed that uses of remittances in personal consumption, social ceremonies, real estate or housing construction are the idle way of utilizing remittances (cited in IOM 2006:65). Whereas, Haas (2010) and Skeldon (2008) mention that spending on consumption, for example housing construction, generates multiplier effects through the creation of job for local people and stimulates the demand for local products.

The household respondents I interviewed were asked to give the breakdown and rank the expenditure of remittances on different activities; family expenses (including food and clothing), education,

health care, purchase of land, construction/repairing of house, savings, payment of loans etc. As shown in the following table, remittances were most commonly used to finance the immediate consumption expenses of families followed by payment of loans mainly incurred to finance the cost of migration, construction/repairing house, children or siblings education and health care.

Table 3: Magnitude of Remittances Use by Migrants Households in Different Avenues

Avenue of Expenditure of Remittances	Rank*
Family Expenses	1
Payment of Loans	2
Construction/Repairing Houses	3
Education	4
Health Care	5
Insurance	6
Purchase of Land	7
Agricultural Expense	7
Savings/Fixed Deposit	8
Investment in Business	9
Taking Mortgage of Land	9
Marrying off Brother/Sister	9
Purchasing of Cattle	9

* 1 stands for high and 10 stands for low

Source: Author's analysis of the household study

The data derived from my study in the context of using remittances indicate that remittances were mainly used for family expenses which include food, clothing, transportation and other day- to- day expenses. Investment in business and other traditional productive purposes was very small. However, investment in human capital in the form of education and health-care was noticeable. If we consider Sen's (1999) broader concept of human development where he defined development as the "*process of escalating the real freedoms that people enjoy*" - spending on education, health-care can also be seen as development as they also contribute to expand the freedom of the people (Sen 1999:3).

A significant finding in my study on remittances expenditure was the repayment of debts used for costs incurred during the process of migration. Findings show that a large segment of remittances received by some households, during initial two to three years of migration of their family member, was spent on repaying the cost of migration. After paying all debts or cost of migration, households could enjoy the real benefits of remittances.

The decision of spending remittances on consumption and investment was found to be determined by different factors. Not all categories of households spent remittances on consumption and investment in an equal manner. Socio-economic status of migrants' households prior to migration played an important role in shaping remittances expenditure decision, for example, better-off migrant households could direct the remittances to advance their existing resources as they already had better access to resources prior to migration of their family member. The utilization of remittances was likely to be affected by the demographic features of the migrants as well. The households with young children of migrants left behind at home spent more on consumption. Whereas, migrants who took the loan at the time of migration to finance their migration process were found to use remittances more on paying debts. The households with migrants staying abroad for a longer period of time reported that they used remittances not only for meeting regular expenses, but also for savings and investing in different productive activities such as financial institutions, different insurance schemes, and in establishing small enterprises. Another important factor in determining the remittances expenditure behavior was the alternative sources of earnings. The households with no other alternative sources of earnings spent remittances mainly for maintaining their families, and thus had less opportunity to make savings or to use remittances in different productive activities (Arif:2009).

Such a respondent gave some insights into the use of remittances to invest, buy assets or to save:

“My son remits money in every three or four months in a year and the amount is not quite enough. We even can't meet our regular expenses, how could we save money to invest?”

(Interview 15, December 12, 2011)

This statement provides evidence of the pattern of remittances use by a household who does not have any non remittances income, spends remittances only for meeting immediate consumption, and nothing is left for them to save and to invest.

In essence it is possible to argue that the uses, savings and investment patterns of remittances are influenced by various factors. Socio-economic status of migrants families before and after migration, alternative sources of income, migrants life cycle stage, size of remittances, status of debts, duration of migration all these factors appeared to have had impacts on determining uses and investment patterns of remittances by households. In general, remittances help households to meet daily family needs, provide better access to education, improve access to health facilities, and provide good

quality housing and so on, but the extent to which remittances affect the well being of households varies across the nature of households and migration.

6.4 Return

Migrant workers I interviewed were mostly unskilled or semi-skilled, the positive effects on return of those migrants were still far away to achieve. It would therefore not be prudent to predict any notable changes upon their return. Even if they would return with skills it was unlikely that these skills could be easily used productively in the local setting. They were not even interested to go back to their earlier profession or employment in their home country before migration. The possible reason, in my opinion, could be that they changed their mindset in other ways as they were exposed to different lifestyles. One of the returnee migrants who did not get any job after his return home denied working in the agricultural sector where he was involved earlier to migration:

“I am unemployed now and do not want to do agricultural works, I am looking for a job..... but I can’t find one.....”

(Interview 4, November 18, 2011).

The testimony highlighted above paints a picture where a migrant worker finds difficulties to reintegrate into the local setting. He is considering himself to remain unemployed but not to be employed in his earlier profession before migration.

The effects of return migration on the households were seen in my study in two different ways; whether returnees were successful migrant returnees or failure migrant returnees. Successful migrant returnees were those who had been able to earn sufficient income from abroad and accumulated assets, invested and established new sources of income in the home country. Returnees who could integrate into their local setting were found to feel themselves proud. A returnee migrant, for example, stated that:

“I earned sufficient money while working abroad and invested in couple of business in my country. After my return, I have become entrepreneur, my family is doing well and I created job for local people. They respect me and I am happy”.

(Interview 12, December 12, 2012)

Not all interviewees shared this view. A returnee migrant, who could be defined as failure migrant returnee, was forced to return from Libya crisis in 2011 with no savings. He fatalistically stated:

“No one is responsible for my crisis. I am still unemployed with no means of supporting my family”.

(Interview 3, November 18, 2011)

As seen in the quotes from the interviews above, return migration has both positive and negative impacts on the place of their origin. Impacts of return depend on various factors such as reasons for return, ability to reintegrate to the local setting, availability of capital, and work opportunities.

The inference here is that, the effects of return migration on households and home country development varies significantly depending among other things on the nature of returnees (skilled or unskilled), and scope of using their skills and knowledge productively in the local setting, financial capital brought back home, and the reasons for return.

6.5 Behind the Mask of Remittances²

6.5.1 Cost of Migration

One of the major concerns originated in my study was the economic cost of migration for both the workers and their households. It should be borne in mind while reading or using this present study, that the limited scope of this study do not allow me to speak of the Bangladesh picture as a whole. However, the findings may give an indication of the overall scenario. Further studies are required to see whether this is generalizable to Bangladesh.

Though my respondents knew about the high cost of migration, they considered migration for overseas employment as the most crucial strategy to augment the living standard of households. In fact, many interviewees did not have the required money to finance the high economic cost of migration. Consequently, they financed their migration process through loans and the sale of their properties with a hope that they would earn enough money working abroad and could pay back the loans.

² Firoze Manji, “Behind the mask of remittances”, Pambazuka News, 2007-12-04, <http://pambazuka.org/en/category/features/44839>,(accessed on 8 May 2012)

The analysis of data which I collected during the first phase of my study from 170 returnee migrants while working with IOM and the second phase of my field research with 25 migrants households in the Brahmanpara village of Comilla district of Bangladesh show that on average, migrants paid Tk. 200,000 to 250,000 (US\$ 2500 to US\$ 3060) as agent's fee, visa fee, medical test and the cost of air ticket to complete their migration process. Early migrants and skilled workers paid less than the current and unskilled migrants. Many migrants reported that they paid directly to the local intermediaries for the purpose of completing the whole migration process. Whereas, some migrants reported that they paid to their relatives and friends already living abroad, and they arranged working visa for migrants. An important issue needs to be noted here that in the short-term workers employment system, employers are accountable to bear all the costs associated with migration procedures in order to bring migrant workers at the destination.

It is easily assumed that potential migrant workers have to face difficulties in arranging required money for their migration purposes. The potential migrants think that if they could go abroad, they could earn easily. Going abroad for employment is also a big dream for potential migrant workers. Therefore, they collect money from different sources: selling fixed assets, livestock or lands, loan from moneylenders or relatives, personal or family savings and so on. In general migrants and households reported that they borrowed money to pay high costs or fees to go abroad. The most common statement was that they borrowed from moneylenders. Others collected money from selling their lands or mortgaging, borrowing the loan from friends and relatives, selling livestock, personal and family savings. Migrants felt pressure to make money to reimburse their debts. The workers who borrowed money from moneylenders paid a large amount of interest. On average, they paid 10-25 per cent as interest rates per month against their loan; they could even not pay back the principal amount³, they only paid interest amount. Salaries they got abroad were very little due to different facts; some workers did not have required technical skills, they were not allowed to negotiate with their employers, even they did not get their salary on time. One of the respondents (a returnee from Libya crisis) answered when he was asked about the repayment of his debts:

"I borrowed taka 150,000¹ from a moneylender to go to Libya, I could not pay back any money and I had to come back because of civil unrest. Now I can't go back to my home, I am still without a job, I want to go abroad again for employment, but can't to do so.....I am running away from my moneylenders..."

(Interview 5, October 19, 2011).

³ The amount of a loan excluding interest or the unpaid portion of amount borrowed which does not include interest amount.

The excerpt from the interview above clearly indicates that migration is not a very easy option to undertake. Migrants face several challenges to undertake migration as a household livelihood strategy. Difficulties start with arranging required money for migration. When they collect required money from different sources and migrate to their destination countries, then difficulties arise to earn required money to support their families, and themselves, to recover the costs incurred by the migration process and to pay back the debts. If something goes wrong in the host country or when their employment contracts are terminated they need to return home. In most of the cases, migrants come back home with very small or no savings, pushing their families further into uncertainty.

The overall result is that the cost of migration appeared to have had vast influence on the process of migration. Migrants and their households collected money from various sources, mainly through borrowing from moneylenders or relatives and selling their fixed assets or properties. After making all of these efforts, the positive outcomes remained far away from achievement. Earning sufficient money to recover the cost of migration and to meet the families' demand varied considerably with other factors such as the amount of money they could earn and save, the political, economical and working environment in the host country. In the event of adverse situation in the destination country, they required to come back to home with empty hands which pushed them into vulnerable situation. Thus, it creates a question for them whether migration has really contributed towards the bright future they hoped for themselves and their families.

6.5.2 Migration and Gender

Female migrants from Bangladesh form a low proportion of total labor migrants. According to BMET, until 2011, only 5.38 percent of Bangladeshi migrants were female. The possible rationales could be unfavorable policies and societal attitudes towards female labor migration which impede women's migration in Bangladesh. My interviews with female migrants suggested that choice of migration sometimes brings difficulties for women to reintegrate into the family and in the society when they return to their place of origin. One woman reported that her husband left her when she returned, and he got married to another woman. Her feelings are expressed below:

“While working abroad, I was used to earn sufficient money and had more freedom in taking decisions regarding family matters. But after return, my husband left me and he got another married, now I am in trouble with my children”

(Interview 27, February 15, 2012)

The above words indicate that choice of migration though empowers women, at the same time it brings difficulties for them to reintegrate into the family. In the case of woman mentioned above, her husband did not prevent her from going abroad to work, the possible reason could be; he thought he and his family would be benefited from the migration of his wife, but when his wife returned he did not accept her.

However, migration of male labor affects the status and decision making role of women left behind. In my study, the respondents were asked to report who controlled the remittances sent by migrants, who made the decisions about how remittances were spent. Information on whose name money was sent or who received money was also gathered. Table 4 shows that migration of men empowered women to make the decision in spending and use of remittances, and other household matters. However, evidences also discover that the change is for short-term, the decision making power goes to the former shape when male migrant returns to home.

Table 4: Migration and gender: who makes the decision regarding uses of remittances and other household matters (%).

Type of Decision	Pre-migration				Post-migration			
	Men	Women	Both/ Family	Total	Men	Women	Both/ Family	Total
To whose name were remittances sent	-	-	-	-	26.08	73.92	-	100
Who controls the remittances sent by migrants					8.69	69.58	21.73	100
Who makes the decision about how the remittances are spent	-	-	-	-	8.69	65.21	26.10	100
Family daily needs and other expenditures including food, accommodation, education, health care, transportation and communication, payment of loans, investment or buy assets	73.82	14.42	11.76	100	9.02	58.61	32.37	100

Source: Author's Analysis of his Findings

It was observed that the migrants sent remittances mainly to the name of a female member (either wife or mother) and remittances were also controlled by a female member of their households in terms of remittances uses decision. Thus, male migration transformed women's status and changed decision making role of women, it might be on a temporary basis, which is subject to further research. During my interview in a migrant household, the transformed status of women was reflected in the comment of a migrant's wife:

"My husband left me in order to earn money. He insisted me to get admission in a college and he finances my education. Now I study and also look after my family. I make all the decisions regarding my family matters and how much remittances to spend as well as to save".

(Interview 24, December 12, 2012)

The remark indicates that migration of a husband empowered wife and enabled her access to higher education, thus changing her social status and improving her bargaining power as she decides regarding the uses and investment patterns of remittances.

In essence, migration has brought mixed changes for women in regards to reintegrate and to change her roles in the family. Societal attitudes could hold back the trends of female migration. Absence of males empowered females to make decisions regarding family matters and to take over the responsibilities of the family though it's sustainability remains to be explored.

6.5.3 Dependency on Remittances

The migrants' households become dependent on remittances for their livelihood. It has already been mentioned that this study revealed that a large portion of total earnings of households studied in this study was derived from remittances. This dependency generates problem when inflow of remittances reduces due to several reasons such as changing of political or economic situation in the host countries, and when migrants return to their place of origin. A migrant's mother answered when she was asked about other available sources of income:

"We do not have any other sources of income. We only depend on my son's earnings. He didn't send any money for last 4 months as he got jailed in abroad. I had to sell my land, which was only asset of mine, to survive. And I got loan from micro credit organization".

(Interview 21, December 12, 2011)

A migrant worker who returned from Libya crisis replied when he was asked about the current source of income after his return:

“My family was very dependent on my earnings, when I came back from Libya, I could not bring any money with me. Now we live by borrowing money from others”

(Interview 6, November 19, 2011)

To sum up, it is clear from this study that remittances dependent households are vulnerable to unexpected situations and the volatility of remittances, especially if the remittances are only source of livelihood or constitute a major part of the earnings.

6.5.4 Migration and Poverty Reduction

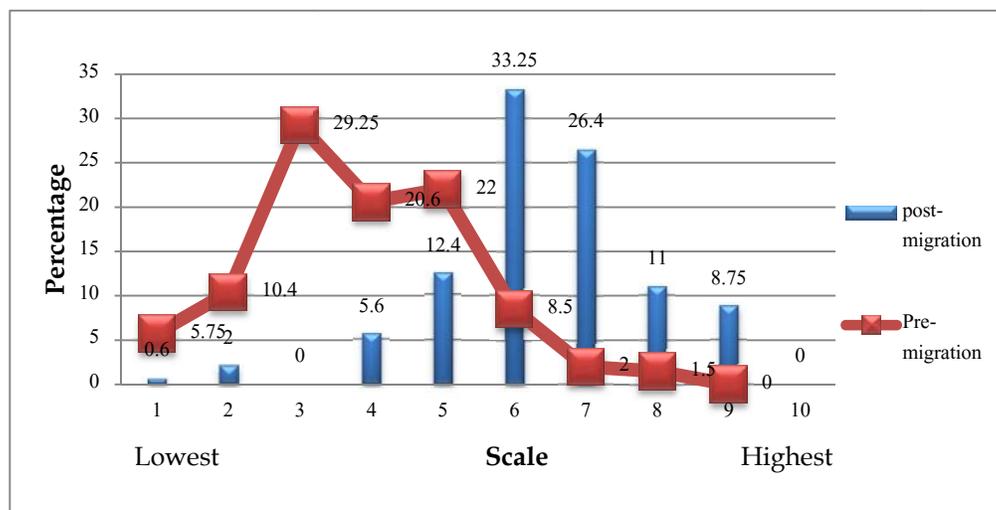
The relationship between migration and remittances is not straightforward, and there is a lack of strong evidence that remittances promote sustainable economic growth (Skeldon 2008:8). To determine the relationship between migration and poverty, it needs baseline data on the poverty status of migrants’ households before migration. This type of data is not available as it needs longer period of time. Relationship can be identified by comparing the poverty status of migrants and non-migrants households. Evidence shows that the economic status of migrants’ households is better off than non-migrants’ households (Arif 2009:72).

My study attempted to cover only the migrant’s households. Therefore, it is beyond the scope of my study to contribute to the debate of migration and poverty alleviation. However, national level poverty data shed some light on this debate of potential of remittances to reduce poverty. According to the Household Income and Expenditure Survey, 2010, jointly conducted by World Bank and Bangladesh Bureau of Statistics shows that poverty head count rate in Bangladesh declined from 40 percent in 2005 to 31.5 percent in 2010 (rural poverty 43.8 percent to 35.2 percent and urban poverty 28.4 percent to 21.3 percent). Bangladesh has managed to reduce its poverty level and improved living standards in current years despite global economic crisis and natural disasters (World Bank: 2011c).

6.5.5 Reflection of Change in Households' Overall Economic Status

In my study, the households were asked to grade their general economic status prior to migration and the current economic status after migration of their family members. The purpose was to get an indication of economic impacts of migration on the migrant's households. The grading used a scale of 1 to 10, where the lowest economic status was characterized by 1 and 10 denoted the highest status. Findings from this ranking show a significant disparity between perceived pre-migration and post migration overall economic condition of households. Most of the respondents graded between 2 and 5 when they were asked to rank their economic status prior to migration, presenting a relatively low economic position. On the other hand, majority chose numbers between 6 and 9 to rank their economic status after migration, showing advancement in their status. Migration of family members has changed the economic status of the majority of households. The households for whom migration did not change their status, reasons were mostly lower inflows of remittances and payment of debts which constituted the part of migration cost. Figure 5 shows the percentage distributions of households by their perceived economic status before migration and after migration.

Figure 6: Overall Perceived Economic Status of Households Pre-migration and Post-migration



Source: Author's Analysis from findings

6.6 Theoretical Discussion in the Light of Findings

This section analyzes my findings in the light of “Three R’s” model developed by Papademetriou and Martin (1991), which I used as my analytical framework. Here, I link my findings and discuss them

in the context of my analytical framework. Finally, I discuss the applicability of “Three R’s” model and its shortcomings in view of my study.

According to Papademetriou and Martin, labor migration process mainly originates from *recruitment* which is closely related to the factors that produce migration. Factors that construct migration include both motivation or reasons of migration and facilitating factors that make migration possible. Unavailable employment opportunities, low economic growth, high population, unequal income distribution drive people to migrate for overseas employment. This recruitment/ employment mechanism is done by networks which link workers in the sending countries with employers or labor markets in the receiving countries. These networks are facilitated by individuals or groups, and official or unofficial (Papademetriou & Martin 1991:28; IOM 2002:14; Martin 2004:8).

The findings from my study show that factors such as poverty, lack of employment opportunities, lower economic status pushed migrants to go abroad to work. Though the poverty was marked as the main cause of migration decision, data indicate that the households’ economic status before migration is not the representation of average poor households in Bangladesh and migration involves a considerable amount of money. My argument here is that the decision of migration is the result of a desire to improve living standard of households rather than the result of absolute deprivation and poverty. Considering the facilitating factors of migration, findings show that intermediaries or local agent, friends and relatives already abroad worked as networks in recruitment mechanisms.

Concerning the *remittances*, Papademetriou and Martin mentioned in their Three R s model that remittances sent by migrants can improve the lives of migrants and their families, can reduce poverty and also can promote development that reduces poverty among non migrant through the multiplier effects of remittance spending. They mentioned that mostly remittances are spent on consumption, and over time remittances may be used in consumer durables, invested in housing, education, health care and in productive activities. However, remittances do not necessarily accelerate the type of economic development which makes households less dependent on remittances (Martin 2004:15; Papademetriou & Martin 1991:41; IOM 2002:14).

The remittances shared a considerable part of earnings for my respondent households and for some households it was the only source of earnings. Remittances facilitated them to sustain their daily living, provided access to health care, education and to invest in productive activities. However, the extent of the development effects of remittances depends on the pre-migration economic status of the

households. Better off households require less time to avail the benefits of remittances than poor households. Moreover, the households with other sources of income can direct remittances to more productive activities such as invest in small business or other sectors, purchasing land. A major concern, in terms of using remittances, which derived from my study, is that the households spent a significant amount of remittances in paying debts which is incurred at the time of migration to finance the cost of migration.

In explaining the development impacts of *Return* of migration, Papademetriou and Martin have taken the both stances where ideally, return migrants are expected to bring energy, ideas, new skills, capital to raise productivity at home or to invent in productive activities in the place of origin. On the other hand, evidences suggest that migrants often do not attain skills working aboard which can be used at home and they favor to work in another sector after their return (Papademetriou & Martin 1991:41; Martin 2004:16).

The Analysis of my study suggests that return migration creates mixed impacts on the place of their origin. Impacts of return depend, among other factors, on reasons for return, available opportunities to utilize acquired skills and knowledge at home, ability to reintegrate in the local setting, and enough financial capital to invest.

Concerning the applicability of Three R's model, it facilitated me to present and to interpret my findings within its framework. I wanted to explore the development impacts of migration and remittances on migrant sending households. The Three R's (Recruitment, Remittances and Return) model helped me to understand the link between migration and development from the perspective of migrant sending places. However, this model only recognizes the economic dimension of migration and development link and ignores other factors such as social, political and cultural. Within economic dimension, this model also overlooks an element; cost of migration which is particularly crucial in the context of Bangladesh. Findings of my study show that many migrants financed their migration cost through loans or other sources such as selling of the lands, prosperities or other assets. They spent a significant amount of remittances to pay back the loan or to recover the cost of migration.

Overall, my study suggests that the "Three R's" model is applicable for exploring the economic development impacts of migration on sending region.

7. Concluding Remarks

This study has made an attempt to understand through a field investigation, the contribution of migration and remittances on migrant sending households. It has also paid attention to other important issues regarding migration and remittances, such as the cost of migration and its financing, which has a significant implication on the migrant households, and the role of migration to women empowerment. From a general perspective, this study found that migration and remittances can have mixed impacts on migrant sending households. Migration and remittances play an extremely influential role in meeting basic needs of migrant households and insuring them against income insecurity by providing employment and constituting an additional income source. In case of some needy households, remittances constitute the major and only source of earnings. It helps them to sustain their livelihood and improve their living conditions, as it opens up avenues for families to invest on education, health care and other family welfare activities. Remittances help the households to overcome the capital constraints to save and to invest in different productive activities, such as farms and small scale enterprises, which diversify the sources of income.

However, this study did not find any convincing proof regarding the impact of remittances on sustainable livelihood solution for migrant sending households. It is observed that the migrant households are highly dependent on remittances for their livelihood. But the flow of remittances is not a sustainable source of income. Migrants from Bangladesh mainly go abroad on short term employment. After termination of employment contract or in case of occurrence of any adverse situation in the destination country, they must return home, which immediately impacts the current flow of the household income. Another dominant factor is the cost of migration which endangers the positive outcome of remittances. The cost of migration processing is quite high in Bangladesh. The aspirant migrants usually borrow money from different sources at high interest rates to finance this cost. They spend several months of their earnings to recover the cost of migration and to repay loans or debts. This calls for a rethinking of our understanding on the development effects of remittances on the household.

Analyses show that the significant or sustainable development impacts of migration and remittances primarily depends on the conditions of migrant sending households and the migration cycle. A better-off migrant sending household can direct the remittances to further improvement and diversifying its existing sources of income. Whereas, a needy household tends to use remittances to meet its daily basic needs such as food, accommodation, health, clothing, education and loan repayments. The

households with migrants staying abroad for a longer period of time can use remittances for savings and investment on different productive activities.

The impact of return migration depends on various factors ranging from the skill composition of returnee migrants, financial capital brought back home, ability to reintegrate, and the scope of using skills gained abroad in the local setting.

Analyzing the effects of migration and remittances from gender perspective, the findings of this study indicate that the pattern of female migration largely depend on the societal attitudes and prevailing policies towards it. The lower representation of female migrants from that of the males in the total international migrants indicates the gender inequality. Although migration of men empowers women in taking decision regarding family matters and the use of remittances, this change is perceived to be temporary, when men migrants return they resume their earlier position. Thus, migration and remittances do not lead to change the traditional gender role or the family structure.

6.1 Policy Implications and Further Research

The findings of this study engender some policy implications and fuel the call for further research. Understanding why the impact of migration and remittances varies across households has significant implications for policy makers and the household. Findings regarding the use and investment patterns of remittances may prompt policy development. It is evident that migrants pay a high cost for migration, often borrowing money from different sources at high interest rates. A significant part of remittances is used for covering migration cost and paying debts. Measures could be taken to trim down the cost of migration by regulating recruitment process and providing loans through formal bodies at lower interest rates. Pre-departure training with migrants and their families to raise awareness regarding the most effective ways of utilizing remittances could be arranged. Micro Finance Institutions (MFIs) could be involved to develop small savings and investment programs in order to facilitate the utilization of remittances. Bangladesh has an extensive network of MFIs, and it is renowned for its pioneering role in the “micro credit” schemes. These MFIs have different loan and saving programmes for rural people, especially for rural women. Involvement of MFIs could be a promising way to utilize the remittances for optimizing development effects of remittances (IOM: 2005).

In order to optimize the development impacts of remittances, it is crucial to develop the institutional and infrastructural environment in the migrant sending region to maintain firm investment

atmosphere, functioning market, improved public services and social security. This will also motivate returnee migrants to participate in the economic development process.

To conclude, the migration and remittances affect significantly the migrant sending households, but the extent to which they can contribute to development depends on many factors. This study gives an indication, within its limited scope, of how these factors interact. This may not represent the homogenic picture for the entire country; further research is indeed called for to examine the impact of migration and remittances on the broader community level in Bangladesh.

(Word Count: 14889)

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Interview 3 (Male Returnee Migrant Worker, Dhaka), Notes taken during the Interview, 18 November 2011.

Interview 4 (Male Returnee Migrant Worker, Dhaka), Notes taken during the Interview, 18 November 2011.

Interview 5 (Male Returnee Migrant Worker, Dhaka), Notes taken during the Interview, 19 November 2011

Interview 6 (Returnee Migrant Worker, Dhaka), Notes taken during the Interview, 19 November 2011.

Interview 7 (Migrant Worker's Wife, Brahmanpara), Recorded Interview, 11 December 2011.

Interview 9 (Male Migrant Worker, Brahmanpara), Recorded Interview, 11 December 2011.

Interview 10 (Male Migrant Worker, Brahmanpara), Recorded Interview, 11 December 2011.

Interview 11 (Mother of a Migrant Worker, Brahmanpara), Recorded Interview, 11 December 2011.

Interview 15 (Mother of a Migrant Worker, Brahmanpara), Recorded Interview, 12 December 2011.

Interview 21 (Mother of a Migrant Worker, Brahmanpara), Recorded Interview, 12 December 2011.

Interview 22 (Male Returnee Migrant Worker, Brahmanpara), Recorded Interview, 12 December 2011.

Interview 24 (Wife of a Migrant Worker, Brahmanpara), Recorded Interview, 12 December 2011.

Interview 26 (Female Returnee Migrant Worker, Dhaka), Recorded Interview, 15 February 2012.

Interview 27 (Female Returnee Migrant, Dhaka), Recorded Interview, 15 February 2012.

Appendices

I. Interview Guide⁴

For the Migrants/Returnees

1. Name
2. Age
3. Sex
4. Marital status
5. Number of family members
6. Current job status
7. Current monthly/annual income
8. Can you save any money?
9. Education
10. What was your employment status in Bangladesh before migrating
11. Income before migration
12. Did you open a bank account before migration?
13. Total cost of migration
14. Source of migration cost
15. Occupation status and name of the host country
16. Number of years working abroad
17. What were the reasons to leave Bangladesh?
18. Which channel did you use to remit?

For the Household Respondents

1. Name
2. What is the relationship to the migrant?
3. Sex
4. Age
5. Education status
6. Number of family members
7. Occupational status
8. Current monthly/yearly household income

For the Migrants and Households Respondents

1. Money sent back to country in the last 12 months (Number of times)
2. Who receives remittances?
3. What was the reason of sending money?

⁴ Ideas for developing interview guide have been generated from IOM (2009): The Bangladesh Household Remittance Survey.

4. For what purpose did you spend the money?
5. Who controls the remittances?
6. Current monthly household expenditure?
7. Items of expenditure
8. Can you please give the breakdown of expenditure of remittances and rank it on different items
9. Who decides about the use of remittances?
10. What other things have you received apart from remittances?
- 11. Impact on Food:**
12. Do remittances make any improvements in consumption of foods in your household?
13. How have there been improvements?
- 14. Impact on Education:**
15. Do you spend remittances on education purposes?
16. Whose educational expense is met with remittance?
17. What educational expenses are supported with remittance?
18. Have the remittances changed the educational opportunities of your family members? Yes, How?
19. How would these educational opportunities been met if remittances were not available?
- 20. Impact on Health:**
21. Do remittances help to pay for medical health care?
22. Before remittances were available, how did you pay for health care?
23. Household Income
24. What is the main source of your family income?
25. Have remittances increased your household income? How?
26. How could you sustain your family if your family member would not go to abroad for employment?
27. Can you keep up the increase in income if remittances are not available?
28. What are the reasons that you cannot raise your household income without remittances?
29. Can you save money? If yes how? If no why?
- 30. Investment and loans:**
31. Did your household spend remittances for investment purposes (invest in business/buy assets or any other investment)
32. How much did you use from remittances?
33. Available Investment opportunities
34. Do you want any financial services (from banks, NGOs, or other investment agencies)?
35. Does your family have any outstanding loan?
36. What were the reasons of taking loan?
37. To what extent migration of your family member changed your family's economic status?
38. (Rank between 1 and 10)
39. How was your family economic status before?
40. (Rank between 1 and 10)
41. Do you have anything to mention or comment?

II. IOM Survey Guide on Returnee Migrants

1. Name	
2. Age	a. 18-25 b. 26-40 c. 40-55 d. 55 and above
3. Sex	a. Male b. Female
4. District	
5. Marital status	a. Single b. Married c. Separated d. Divorced e. Widowed
6. Number of Family member	
7. Education	a. No formal education b. Incomplete primary school c. Primary school d. Incomplete secondary e. SSC f. Incomplete higher secondary g. HSC h. Incomplete Graduate i. Graduate j. Master or equivalent k. PhD or higher l. other.....
8. Employment status before migrating	a. Self employed b. Employed full time c. Employed part time d. Seasonal employment e. Unemployed f. Student g. Other.....
9. Income before migration	
10. Bank account before migration?	a. Yes b. No
11. Recruitment agency	a. Agency b. Sub agent c. Private means
12. Total cost of migration	
13. Source of cost	a. Savings b. Loan c. Land d. Others.....
14. Interest on loan (if any)	
15. Route for going abroad	a. Air b. Ship c. Road
16. Duration of stay in abroad	a. Less than six months b. 6-1 yrs c. 1-2 yrs d. 2-5 yrs. e. more than 5 yrs
17. Training Received in abroad	
18. Timely payment of salary	a. Yes b. No
19. Money sent back to country	a. Every month b. every 2 month c. every 3 month. d.
20. Channel used for remittance	a. Bank b. Monet transfer agency c. Hundi d. Company e. Relative/friend f. other
21. Has there been a change in family income after return	
22. Employment after return	a. Self employed b. Employed full time c. Employed part time d. Seasonal employment e. Unemployed f. Student g. Other.....
23. Want to go abroad again	a. Yes b. No
24. Special skill obtained in abroad	
25. Willing to have the same job	a. Yes b. No

III. List of Participants

Migrant Households (25)

Respondent	What is the relationship to the migrant?	Age bracket	Sex	Education
1	Wife	18-25	Female	Incomplete secondary
2	Mother	26-40	Female	Incomplete primary school
3	Mother	40-55	Female	No formal education
4	Mother	40-55	Female	No formal education
5	Mother	26-40	Female	No formal education
6	Father	40-55	Male	Secondary school
7	Wife	18-25	Female	Incomplete secondary
8	Wife	18-25	Female	Secondary school
9	Mother	26-40	Female	Incomplete primary school
10	Wife	26-40	Female	Primary school
11	Mother	40-55	Female	Incomplete primary school
12	Wife	18-25	Female	Secondary school
13	Wife	26-40	Female	Primary school
14	Wife	26-40	Female	No formal education
15	Mother	40-55	Female	No formal education
16	Father	40-55	Male	Incomplete secondary
17	Father	40-55	Male	Graduate
18	Wife	26-40	Female	Incomplete secondary
19	Father	40-55	Male	Secondary school
20	Brother	26-40	Male	Secondary school
21	Wife	26-40	Female	Incomplete secondary
22	Father	40-55	Male	Secondary school
23	Parents	40-55	Male & Female	primary school
24	Mother	40-55	Female	primary school
25	Mother	40-55	Female	primary school

Migrant and Returnee Migrant (7)

Respondent	Status	Age	Sex	Education
1	Migrant on vacation	18-25	Male	Secondary school
2	Migrant on vacation	40-55	Male	Incomplete secondary
3	Migrant on vacation	26-40	Male	Secondary school
4	Returnee Migrant	26-40	Female	Incomplete secondary
5	Returnee Migrant	26-40	Female	Incomplete secondary
6	Returnee Migrant	26-40	Male	Higher secondary
7	Migrant on vacation	26-40	Male	Secondary school

Key Informant (3)

Respondent	Age	Sex
National Program Officer, IOM	31	Female
Field Coordinator, OKUP	33	Male
Field Supervisor, OKUP	45	Male