



## RESEARCH ARTICLE

### REMITTANCE IS PLAYING ROLES IN THE SOCIETY: QUANTITATIVE STUDY ON BANGLADESHI EXPATRIATES AND THEIR FAMILIES

<sup>1</sup>Al-amin Sarker and <sup>2</sup>Taslim Ahammad

<sup>1</sup>Lecturer (Economics), Open School, Bangladesh Open University (BOU)

<sup>2</sup>Assistant Professor and Chairman of Tourism and Hospitality Management, Bangabandhu Sheikh MujiburRahman Science and Technology University, Gopalganj, Bangladesh

#### ARTICLE INFO

##### Article History:

Received 14<sup>th</sup> July, 2018  
Received in revised form  
17<sup>th</sup> August, 2018  
Accepted 10<sup>th</sup> September, 2018  
Published online 30<sup>th</sup> October, 2018

##### Keywords:

Remittance, Society, Impact.

#### ABSTRACT

Bangladesh has already achieved the status of a developing country in the world recently. To achieve the status remittance played an important role undoubtedly. But, earning remittance has become a very challenging issue at present both in home country and abroad. Most of the expatriates and their family members told their sufferings and despairs regarding earning remittances substantially. They cannot fulfill their entire expectations by receiving remittances. The study has been conducted quantitatively with a structured questionnaire though social variables are very difficult to be quantified and analyzed with the help of SPSS software. The study revealed the impact of remittance in the society of Bangladesh on the basis of some particular social variable and found remittance is destroying the societies in terms of social harassments in absence of expatriates in their families partially.

#### INTRODUCTION

Bangladesh is very largely populated country. The employment opportunities or job sources are not sufficient to meet its labor force. The main economic problem of this country is poverty, unemployment etc. At present "RUHINGA" issue has been added as alarming news for Bangladesh. Although Bangladesh is passing very good times with political stability and expected economic growth, Income Inequality, corruption and capitalistic domination are greatly responsible for imbalance development over here. So, poverty and unemployment problem are still prevailing in its economy that are directly or indirectly influencing the social life of the people of this country.

#### Background of the study

Remittance earning is a great alternative opportunity for reducing poverty and unemployment in Bangladesh. According to the Heckcher-Ohlin Theory Bangladesh is operating its international trade appropriately as it exports labor based products such as Garments and even labor a lot all the year round. Thousands of skilled, semi-skilled and unskilled labors go abroad for earning remittance. But, in absence of the earner, the concerned families have to face much social harassment. Even they cannot be satisfied with the income they earned going abroad. Particularly in the rural areas of this country the poor are being poorer year after year. For going abroad they have to manage necessary amount by losing their existing valuable assets. On the other hand, receiving remittances they cannot use it properly or though some of them can use properly they cannot meet their goals such as their

basic needs food, cloth, house, education, medical treatment etc. Observing the above, the researcher emphasized not on remittance earning but on self reliance using the given resources in the boundary of Bangladesh. If private and Govt. Investment may create a revolutionary change in the economy, No poverty and unemployment problem will be over there. But, it is not expected that we should earn remittance sacrificing our many things. The study predicts that remittance is spoiling the society very slowly but surely in the long run in terms of dependency, social harassments, women violation, social conflicts, even making obstacle in family bonds etc. in Bangladesh.

#### Statement of the Problem

Remittance is contributing to the economy of Bangladesh a lot particularly in its growth and development. But, the social impact of remittance is being very harmful in the long run in different ways by how the society of Bangladesh is destroying itself by migrating of its labor force.

#### Rationale of the Study

The study has been conducted to contribute to the society and nation measuring the variables in quantitative ways.

#### Research Question

- How remittance is playing roles in the Society of Bangladesh?
- Is there (In the concerned family) any harassment in absence of the expatriate?
- What are the positive and negative impacts of remittance?

\*Corresponding author: Al-amin Sarker

Lecturer (Economics), Open School, Bangladesh Open University (BOU)

Name	Year	Findings	Remarks
Hildebrandt and McKenzie	2005	The rest of the immigrants strengthen knowledge change and change the attitude of family members. For example, they think that contraception information increased from Mexico to the United States by migrating to home's members.	Positive impact of remittance inflow
Drinkwater et al.	2003	Has revealed that approximately 30 percent of remittances are used for Ghana's investment and housing. If the primary earner is in the house and maintains the house, income can be saved more easily from immigration and migration.	Self reliance is better than going abroad
ahba	2001	An expatriate / employer / self-employed person or business owner tries to find out the possibility of being expatriate in his / her return to work abroad. Although the results are different for literacy and uneducated immigrants, the general conclusion is that two things - that is, the amount of money spent abroad and abroad - and there is a positive and significant impact on the prospects of returning immigrants home country	Good result of remittance in the country
Ranjan and Subramanyam	2005	Find out that remittances have formed an important incentive for domestic demand.	Remittance mitigate domestic needs
Rodriguez and Tiongson	2001	Arguments that international remittance recipients strictly reduce their efforts That is, when migration happens, get free relatives remittances, which they perceive as extra non-income income. Increasing the income of non-workers reduced their participation in local labor market	Lack of local labor supply
Senegal, Diatta and Mbow	1999	It is found that remittances were a significant source of revenue with expatriate members and it was also used for the development of migrant community communities. Remittances significantly affect welfare.	Remittance ensures welfare
Ratha	2003	Adhering to the fact that immigrants can increase remittance during economic difficulties, especially in low-income countries where their families can be dependent on remittances as a source of funds and live near deprivation levels	Remittance plays role in life leading method
Onan	2001	The impact of remittance of residents of left-wing families of Turkey has shown that remittance has a positive effect on family welfare. Their studies have shown that remittances have direct and indirect income effects, which have minimal impact on productivity, income discrimination and poverty, the local level.	Remittance has its both direct and indirect income effect
Zhu and Luo	2008	Recommend that the income of the country does not increase due to immigration, but income discrimination is shrunk. The goal of this paper is to investigate the relationship between the effectiveness of migration and savings in rural China.	Remittance discriminates income
Mocan and Unel	2011	Increasing the income of non-workers workers at the state level of the United States increased the crime.	Negative impact
Corbacho and Ruiz	2013	The current evidence is that in France a major negative income increase in the property of the 19th century increased crime. Although remittances sent to family members abroad were an important source of family income in many countries in the LAC region, their influence on the crime was largely obsolete.	Positive impact found
Kagochi and Kiambigi	2012	In Mexico, about 5 percent of remittance land is invested for land purchase and construction of houses	Remittance is mainly invested to fixed assets

**Research Objectives:** The research topic has been selected from simple observation. The research objectives have been divided into two parts. These are:

**Broad Objective:** The broad objective of this research is to reveal the impact of remittance in the society of Bangladesh. The study will help the economic policy makers to implicate new and applicable policies.

**Specific Objective:** The specific objectives of the research are:

- To investigate the influence of remittance in the expatriate’s family and Society;
- To assess the social costs of the expatriate’s family for leaving of migrant workers own country;
- To show the changes in basic social needs by earning remittance.

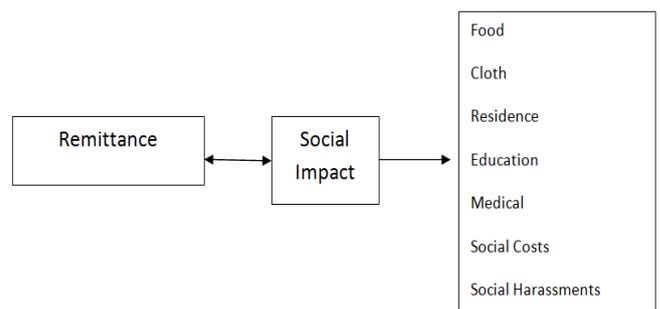
**Limitations of the Study**

The researcher is still aware of its limitations and shortcomings. First of all, the research was conducted in three areas which have lasted for eight weeks. Eight weeks is not enough for the researcher to observe all of the respondent’s views. It would be better if it is done in a long time. Second, the population of the experimental group is very large, only 380 respondents were interviewed. Third, since the questionnaire designed to measure the respondent’s attitude towards the social impacts of remittance in Bangladesh; it seems not to provide enough evidence of the respondents actual behaving to the questions in their answers.

**Literature Review**

Very few literatures could be found in this regard. Most of the research works are conducted on positive impacts of remittance in society and economy. However, the study considered the following literatures to identify and observe the gaps in the existing studies and knowledge on remittance in Bangladesh and other developing countries of the world. The researcher found some related literatures in Internet, books, journals etc. Followings are some relevant literatures, which reviewed by the researcher for the purpose of conceptual clarity. It is found from the above that remittance is playing role in society in many ways. However, remittance has its many negative impacts.

**Conceptual Framework**



Here, Remittance is Dependent Variable (DV)

Social Impact is Independent Variables. It is showed that Social Impact of remittance is defined by Food, Cloth, residence, education, Medical, Social costs, Social harassment etc.

**METHODOLOGY**

The study took into account the formal and informal sources of information. Qualitative and quantitative information has been gathered to examine the influence of remittance in Bangladesh.

**Nature of the study:** The study is exploratory in nature. Here, quantitative approach has been used to explain social impact of remittance in Bangladesh.

**Kind of information needed:** The information of this research is mostly from primary sources. Case Studies were conducted. Secondary data has also been collected for a reliable research.

**Key Informant Interviews:** Interviews have been made to collect the information from different government and non-government agencies working for international labor migration.

1. Dhaka- Total expatriates-Total Population -48396 (2017)-All age group expatriates
2. Narsingdi-Total expatriates-Total population-28029 (2017)-all age group expatriateGrand Total population-Sample frame-76425.

**Hypothesis**

- **Null Hypothesis-Ho:** Remittance is not destroying social benefits and factors in Bangladesh.
- **Alternative Hypothesis-H1:** Remittance is destroying social benefits and factors in Bangladesh.

Here, Null Hypothesis is rejected and alternative hypothesis is accepted. That means Remittance is destroying social benefits and factors in Bangladesh.

**Data Collection:** The respondents were taken from Different villages of Narsingdi District, Narsingdi district city and Dhaka city. On the basis of remitters’ percentage from the stated zones, the number of respondents was selected from each category of zone. Secondary data has been collected from newspapers, books, journals, articles and reports of different government and non-government organizations (NGO’s).

**Table- One Sample Test**

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Food	380	1.94	.661	.034
Cloths	380	2.68	.906	.046
House	380	2.18	.733	.038
Education	380	2.32	.468	.024
Medical Service	380	2.66	.473	.024
Social Costs of Migration	380	4.12	.698	.036
Social Harassments	380	4.12	.986	.051

**T-Test**

**One-Sample Test**

	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Food	57.195	379	.000	1.939	1.87	2.01
Cloths	57.665	379	.000	2.679	2.59	2.77
House	57.919	379	.000	2.179	2.10	2.25
Education	96.685	379	.000	2.324	2.28	2.37
Medical Service	109.697	379	.000	2.663	2.62	2.71
Social Costs of Migration	115.160	379	.000	4.121	4.05	4.19
Social Harassments	81.478	379	.000	4.121	4.02	4.22

**In-depth Interview:** A structured questionnaire for quantitative study have been deployed to collect the information about the impact of remittance from households. Households have been divided into three categories-low, middle and high remittance earners.

**Sample Size Determination:** There was a large scale sample size. As the number of migrant workers in Bangladesh is more than 50,000.So, the sample size was measured with the help of Zikmund’s formula. According to Zikmund’s formula the sample size is 322. According to Cornish if sample size is more than 322, the result will have more acceptances. So, sample size has been taken 380 finally. A simple random probability sampling has been used.

**Sampling frame:** The researcher selected two particular areas of Bangladesh to assess the impact of remittance.

**Interviewed Respondents Information**

**Frequency Table - Respondent's Gender**

Expatriate category	Frequency	Percent
Male	308	81.1
Female	72	18.9
Total	380	100.0

**Frequency Table - Respondent's marital status**

Expatriate's Marital Status	Frequency	Percent
Married	281	73.9
Unmarried	99	26.1
Total	380	100.0

**Frequency Table - Expatriates Country Location**

Expatriate's Location	Frequency	Percent
Middle-East	166	43.7
South-East Asia	71	18.7
Europe	48	12.6
America	47	12.4
Africa and others	48	12.6
Total	380	100.0

**Frequency Table - Expatriate's work type**

Job type	Frequency	Percent
Permanent Post	123	32.4
Temporary Post	257	67.6
Total	380	100.0

**Frequency Table - Expatriate's educational qualification**

Respondent's Qualification	Frequency	Percent
Illiterate	118	31.1
Below SSC	118	31.1
SSC or HSC	117	30.8
Degree & Above	27	7.1
Total	380	100.0

**Frequency Table - Expatriate's family living Place in Bangladesh**

Expatriate's Home Location	Frequency	Percent
Metropolitan City	54	14.2
District City	104	27.4
Village	222	58.4
Total	380	100.0

### After receiving remittance the expatriates' and their families records on social variables to the interviewer

#### Firstly, Food...

- 95 respondents said their food condition developed substantially.
- 213 respondents answered that their food condition developed after getting remittance.
- Just 18.9 percent of the whole respondents said their food condition developed something.
- Chi square is significant.

#### Secondly, Cloth...

- 23 interviewees said they have developed substantially in cloth wearing. Because, getting remittance they have increased purchasing power.
- 167 respondents said their cloth wearing status has been developed for remittance.
- 99 respondents answered that their cloth wearing status has been developed something.
- 91 respondents said after receiving remittance their cloth wearing condition is unchanged. Because, amount is not enough to cope with modern cloths.
- Chi square is significant.

#### Thirdly, Housing..

- 50 respondents said getting remittance their house construction developed substantially.
- 236 respondents answered that they have development in this regard for remittance.
- 18.4 percent remittance receiving families said their housing sector something developed.
- Only 6.3 said their cloth wearing status is unchanged, though they receive remittance.
- Chi square is significant.

#### Fourthly, Education...

- 257 respondents said their family education developed after getting remittance.

- 123 of the whole respondents answered that they have something development in education.
- Chi square is significant.

#### Fifthly, Medical...

- 128 respondents said their family developed in Medical treatment after getting remittance.
- 252 of the whole respondents answered that they have something development in Medical treatment.
- Chi square is significant.

#### Sixthly, Social costs of Migration...

- 72 respondents said they have no social costs after going abroad.
- 190 respondents answered that their social costs is unchanged.
- 118 respondents said that their social costs a lot and this fact has been deteriorated.
- Chi square is significant.

#### Seventhly, Social harassments...

- 23 answered that their family have no social harassments due to migration.
- 95 answered that their family have some social harassments.
- 75 answered that their families have the same condition in this regard.
- 187 answered that their families have a lot social harassments in absence of migration of their family heads.
- Chi square is significant.

### Conclusion

The real impact analysis of remittance is wide and tough much. The study has been conducted to reveal the social impact of remittance in Bangladesh on the basis of some particular social variables or factors with sufficient limitations. The researcher believes and thinks that the study findings are to be used for implicating and implementing policies related and regarding remittance in Bangladesh. Knowing the outcomes of the study the people of Bangladesh or any other developing countrymen may suppose to measure the costs and benefits of earning remittances by how they can decide what to do and what not to do!

### REFERENCES

- Afsar, Rita, Mohammad Yunus and Samsul Islam 2000 'Are migrants chasing after the golden deer: A study on cost benefit analysis of overseas
- BMET, Ministry of expatriates' Welfare and Overseas Employment, Govt. of Bangladesh. 2007
- International Organization for migration (IOM), 2006
- Nabi, MD guzare and Alam, MD Mahmudul, 2011. A study of performance and challenges of remittance inflows in Bangladesh, Bangladesh economy in the Twenty first century, UPL, Dhaka
- Siddequi Tasneem, " Migration as a Livelihood strategy of the poor: the Bangladesh Case", Dhaka University (Bangladesh paper was presented at Regional Conference on 'Migration

Development and Pro-poor policy choices in Asia', held in Dhaka on 22-24 June, 2003)  
The Daily Star, April 21, 2011,(A Daily newspaper of Bangladesh) [www.thedailystar.net](http://www.thedailystar.net)  
World Bank 2006, Migration, remittances and female migration workers, Washington D.C. world bank

World Migration report 2010(WMR), the future of migration: Building Capacities for change, International Organization for migration (IOM)  
[www.academia.com](http://www.academia.com)  
[www.bangladeshbank.com](http://www.bangladeshbank.com)  
[www.bmet.com](http://www.bmet.com)

\*\*\*\*\*