



**USE OF REMITTANCE IN BIMA VILLAGE OF MALIKA RURAL MUNICIPALITY OF MYAGDI, NEPAL**

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**ABSTRACT**

This study analyses use of remittance at household and social levels particularly in Bima Village of Myagdi District, Nepal. The research issues are analyzed based on push and pull factors of migration, theories of human capital formation, economic development and sustainable livelihood. This study applied quantitative approach and trend survey method. Required data/information were collected through household survey, observation and informal communication techniques with 169 respondents and twelve participants.

This study found that all remittance is becoming prominent source of family earning in Bima Village. Owing to that monthly family earning found comparatively more than national average per capita income 753\$. The remitters are working in Gulf and western countries and some of them are operating business in Korea, Japan, Belgium and UK. The monthly income of the remitters found ranging from NRs. 30000 - 2, 00000. The remittance is equally using at households and social levels. Chi square test between; family income and places of school/higher education and education of remitters and financial support on road construction project found significant. Remittance is also using for micro hydro, drinking water, temple and building infrastructure of technical education projects. However, Chi square test between incomes of the migrated youth and decreasing trend of agriculture production, working countries of migrated youth and their future planning to invest in tourism and agro entrepreneurship sectors found insignificant.

Similarly, remittance is also using to buy unnecessary goods, foods, clothes and cosmetic items, electronic accessories and also expensing during the celebrations of cultural functions. Chi square test between religion of family and expensing in cultural functions, family system of migrated youths and migration of remitters' wives in urban centers, land holding pattern of family and migration planning found significant. Finally, empirical findings of this study have supported to the theoretical propositions applied during analysis. Here is why, knowledge generated from this study is equally fruitful to the remitters, members of remittance receiving households and rural development stakeholders.

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**INTRODUCTION**

**Background**

Remittances<sup>1</sup> are defined as the earnings international migrants send to family members in their country of origin and represent one of the largest sources of financial flows to developing countries. The International Monetary Fund separates remittances into three categories. Income subcategory refers to the wages salaries and other compensation received by border, seasonal and other workers, who have lived abroad less than a year. Current transfer refers to the remittances from workers who have lived abroad for

more than one year and migrant transfers are reported under the capital transfers in the capital account (Nepal Rastra Bank [NRB], 2012).

Each year between 2 million and 3 million people emigrate because of learning or educational purposes as well as skilled, semi-skilled and manual job purposes (World Bank [WB], 2015). Worldwide remittance flows reached \$550 billion, with developing countries receiving the lion's share of these flows \$414 billion (WB, 2013). Top five remittance receiving countries in the same year stood India at (\$53.1 billion), China (\$51.3 billion), Mexico (\$22 billion), the Philippines (\$21.4 billion) and Bangladesh (\$10.8 billion) respectively whereas Nepal received only \$ 3.513 billion (WB, 2013). The globalization, social fragmentation and development mean in the context of a world that faces an increasing number of people on the move in search for a better future for earning (Lopez, 2016). It was estimated that 405 million people will be involved in migration until 2050 (World Migration Report

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<sup>1</sup> Remittances include both cash and noncash items that flow through in/formal channels, such as via migrants, electronic wire or couriers.

[WMR], 2010). Low employment opportunity, lacking of rural infrastructures minimum and not availability of services are major causes which help to migrant make compulsion for pushing from origin areas and vice versa (Todaro, 1960). The informal sector activities in urban will likely absorb most of the rural migrants. It is because rural in migrants to enter into the formal sector that usually demands labor that is more skilled. Rural labor generally lacks high skilled knowledge. Thus, the probability that a rural migrant to get a high pay job with in a period is very low.

People can get three times more wages and opportunity in the urban center thus economic factor is a main reason of labormigration (Todaro, 1960, as cited in Lekhi, 2008). Nepal is primarily an agricultural country with about 26.6 million human populations. Labour migration is a form of geographical or spiritual mobility between one geographical unit and another generally involving a change in residence from the place or origin of place of destination (UN Dictionary, 1956). While it is widely recognized that remittances are the least controversial and most tangible link between migration and development. The low levels of land holdings, unproductive land, low yield, forest degradation, unequal distribution of income, insufficient calorie requirements, negative food balance, low levels of literacy, low human development index, very poor access to basicservices and needs are some of the factors that are being hindering Nepal's overall development (KC, 2004).

There are currently more than 200 registered manpower agencies in Kathmandu Valley to supply Nepalese youths in foreign employment. From the fiscal year 2006/7 to fiscal year 2014/15 total number of 3,201,268 Nepalese left the country for foreign employment among them 3,065,462 are men and remaining 135,806 are women (Economic Survey, 2016). More than 1,300 youths leave the country every day because of unemployment. Around 3.48 million foreign employees who left country from in/formal means are categorized as 1.5% skilled<sup>2</sup>, 23% semi-skilled and 75.5% unskilled (Economic Survey, 2016). However, remittance income that had registered a growth of 4.0% in FY 2015/16 has grown by 15.2% reaching 427.27 billion in the first eight months of current fiscal year (Economic Survey, 2016).

Nepali remitters are engaged in 3D works (Difficult, Dirty, Dangerous works) in international labor market. However, by utilizing social networks and transnational ties, about 1800 youths (i.e., 75% of the young men) from Malmavillage of Baglung District are currently working as cooks in Nepali restaurants in Japan who are classified as skilled labor (cook) and working legally in Japan (Kharel, 2016). There are more than 500 Nepali restaurants in in Japan in which majority (about 29,000 out of 55,000) are associated with Nepali restaurants serving Indian curries and nan bread. Nepali migration to Japan has grown rapidly in recent years. The number of registered Nepali migrants increased from 5,314 in 2005 to 55,236 in 2015, making them the largest South Asian community in Japan (Immigration Bureau of Japan, 2016).

The rise in remittance income boosted the country's foreign exchange reserve as well as put the country's overall Balance of payment into surplus though most of this foreign currency comes from the unskilled or semi-skilled workers. Due to

increasing flow of international migration remittances have also been increasing in quick pace in the past few years. Since remittance helps people improve the living standards, it has been observed as a good contributor for the poverty reduction. In general, foreign labor migration has become a major feature of Nepal's economy and society, with international remittances to Nepal contributing 29.1% of the country's GDP (Department of Foreign Employment 2014). Thereby, since few decades the economy of the country has been depending on remittance in which Nepal received 5.5 billion US dollars in remittance during last fiscal year. Around 527814, 512887 and 418713 Nepalese youths got work permit from foreign employment department in 2013-2014, 2014-2015 and 2015-2016 respectively (National Planning Commission [NPC], 2016).

Primary occupation of majorities of the rural households is agriculture but their livelihood comprises with both farm and non-farm activities. In the hills only 0.2% of the households sampled obtained all their family economy from a single source; in the Terai, the percentage of households depending on one income source was 9.8 and most of those were landless. Roughly 25% of household income in both hills and Terai came from non-farm sources, notably from wages and salaries, pensions and remittances (Seddon, Gurung & Adhikari, 1998). This shows that rural people are practicing diversified occupational practices like rural to urban migration, commercial farming and local business and remittance for the sustainability of livelihoods. The Labor Act, 1985 came as a boon for facilitating foreign employment and opening up avenues for the private sector. With the enactment of Foreign Employment Act, 1985 and arrangement of distributing passport to the potential migrant workers by the District Development Offices, accompanied by higher demand for labor created by the oil boom in the Gulf, the Nepalese remitters started to migrate beyond India, particularly to the Gulf<sup>3</sup>. Remittance inflow has been growing in recent years with a growing outflow of workers for foreign employment. Inflow of remittance also contributed to reduce poverty and transform rural life and livelihoods even in economic stagnation and transition period of the country (Panday & Shrestha, 2012). It is the reason behind why remittance becoming alternative sources of employment to the majorities of the Nepalese youths. Large portion of remittance in Nepal has been used for basic consumptions, food, healthcare, education, recreational activities. It does not mean that nobody are investing remittance in productive e sectors. Remittance has multiplier effect on rural entrepreneurship development. A total of 6,328 industries have been registered by mid-March, 2016 and NRs. 10.84 billion has been invested in those industries that generated employment for 512,159 people (Economic Survey, 2016).

Finally, the overseas migration and remittances have been instrumental in poverty alleviation and for improving the living standards of the people (Seddon et al., 1998). In this line, when the researcher heard, remittance is equally contributed in household and social level in majorities of the rural areas of Myagdi District (a contribution of remittance told in *SajhaSawal*<sup>4</sup>: BBC Nepali Service [DA]), the curiosity in researching on remittance had been mounted dramatically.

<sup>3</sup>Foreign Employment Act, 1985 identified the number of countries to which Nepalese were encouraged to migrate for employment

<sup>4</sup>The discussions was told by member of constitutional assembly, a inhabitant of Bima village.

<sup>2</sup>171705 received skill development training in first eight months of 2011/16

The data HDI 0.558, percapita income 753 US\$, 21.6% people below poverty line indicate that there need to use of remittance in productive sector of the rural economy. Until quite recently, federal government and political parties are working for economic development agendas. The status of national agriculture growth rate is 1.3% and industrial growth rate is 0.6% that is expected to increase by 4.7% and 8.4% within couple of years (NPC, 2016). Is it possible without mobilizing skilful human resources equally in agriculture and non-agriculture sectors? In this background, remittance is not only improving family economy and livelihood but also investing in community infrastructure development projects in the study area. Hence, it deserve to analyze use of remittance at household and social level from skeptical view point<sup>5</sup> in Bima Village of Myagdi District.

### Objectives

- To examine social demographic characteristics of the remittance receiving household members.
- To assess educational and professional status of the remitters.
- To analyze use of remittance at household and social levels by remittance receiving households.

### METHODOLOGY

This study applied post-positivism paradigm, a determinist philosophy that helped to identified causes or quasi-experimental knowledge related to the use of remittance equally at household and social levels (Creswell, 2012). Hence, quasi-experimental knowledge of this study are based upon careful observation and measurement of the objective truth that exist in the research field (Phillips & Burbules, 2000).

Ontologically, use of remittance as an empirical knowledge, which relies on objective facts have been measured with objective ontology and hypothetic-deductive epistemology (Creswell, 2014). In so doing this study applied survey methodology quasi-experimental research design under that covers remittance and rural livelihood as major subjects in the field of study (United Nations, 2007; Cohen, Manion & Morrison, 2007; Sharma, 2007). More so, 2294 number of remittance receiving household of Malika Rural Municipality are regarded as theoretical population and 378 number of remittance receiving households of Bima village are regarded as sample population of the study. Finally, only 169 remittance receiving households (respondents) are selected by using sample size determination formula (Krejcie & Morgan, 1970). Household survey, observation and in/formal communication techniques were applied in the process of primary data collection and information generation. Before that the researcher also conducted pilot test with 20 (10% of total sample size) respondents in Nallu Village of Konjosyom Rural Municipality of Lalitpur. These respondents were similar with nature of targeted samples but not exactly the sampled one. The reliability test was done through calculating the Cronbach alpha value for applying more consistent tools that was 0.711 (Cohen et al., 2007, p.148).

### Results: The Field at a Glance

Malika Rural Municipality (MRM) lies in Myagdi District of Gandaki Province. MRM is situated within 28. 42° to 83. 41° easting and 28.42° to 28.42° northing that covers 56.8 square kilometer total area with 4300 households and 19458 population (8770 male and 10688 female) (Village Level Profile, 2017). The density of MRM is 325.2 square meter that covers total areas of six Village Development Committees such as; Niskot, Darbang, Okharbot, Ruma, Devasthan and Bima. Darbang Bazar located on the bank of Myagdi River is an administrative center. Name of MRM is borrowed from Malika Devi temple situated in Bima village on the top of Malika hill side having 3275 meter altitude. MRM is remarkably rich from the perspectives of natural and cultural resources. Beautiful scenic view of mountain range, river, forest land, ponds, hilly region, dispersed settlements with terraced shaped agriculture lands are some of the natural capital. There are 39 community forestry managing 4114.51 hector lands by 4588 user groups.

Majorities of the people are belonging to Hinduism. There are 10 lakes and 18 temples having religious values. Hindu people (i.e. 59.42% Magar, 24.63% Dalit, 3.8% Brahmin and 2.15% Chhetri) living with sense of belongingness, cooperative and supportive with same religious groups and others (2% of Buddhist people and some of the Christians). Primary occupation of the local people is dominated by agriculture. MRM has 474 hector irrigated and 3077 hector non irrigated land (District Agriculture Office Myagdi, 2074). Annually, farmers produce 186 metric ton cereals from 195 hector lands, 1948 metric ton vegetable produce from 168 hector lands, and produce 1030 metric ton fruits from 171.5 hector lands. Irrigation facilities are managed through 26 river streams. However, in recent days, remittance becoming alternative source of occupation of the majorities of the local youths. In 2073-74 local people received NRs 15 0,000,00 remittance in this rural municipality. There are total 148 agro/non-agro enterprises that invested around NRs 1,420,000 and earning NRs 256,000 annually and providing employment opportunities to the 150 local people.

Bima village, a second biggest hinterland of MRM is situated above 1200 meter from the sea level. It lies within 43. 04° to 93. 53° easting and 29.20° to 29.47° northing with 1,607 hector total area (VDC Profile 2016). There are 419 households with 1,856 total population where male population is 842 and female 1,014 (CBS, 2012). It has cold wet climate and alluvial soil. The river side is full of sand and other land is covered by slope area and stone hills. Purchasing capacity of the people is increasing day by day because of remittance and commercial farming activities reasoning that demand of goods and services are mounting day by day. The hinterland is stretched from north to south along with 9 kilometer Darbang road.

Remittance is becoming major sources of earning in all the villages of Malika Rural Municipality but there are some rationales behind why Bima village was selected as a field of the study. Firstly, local youths from the village are not only working in Gulf and India but also working and involving in business activities in developed countries like; America, Australia, Japan, Korea, London, Belgium. Secondly, Kisani Higher Secondary School of Bima has been providing technical educational service opportunities to the local youths

<sup>5</sup>Remittance brings public moral hazard by detaching state and public and it also brings house hold moral hazard because people stop working but they prefer to migrate (Ebeke, 2012).

and others. The school has been offering agriculture junior technician assistant (JTA) program since 2011 and ISC agriculture program since 2015 and producing agriculture technicians who are contributing in women empowerment (Garbuja & Pasa, 2016). Majorities of the local intellectuals and politicians claimed that the school could not run technical education programs without financial support of the local people living and working in the foreign countries. During informal communication with local intellectual researcher understood, remittance is also investing for rural road and electric power networking, child education and rural entrepreneurship. Farming activities and remittance are major sources of earnings. Local people are supplying their agro based production i.e. food, meat, fruits, dairy products and herbal medicines in service centers especially in Darbang, Beni, Baglung and Pokhara. Increased level of agriculture knowledge/skills of the farmers, availability of modern technology, marketing and irrigation facilities helped to perform commercial farming practices around the village.

### ***Social Demographic Characteristics of the Remittance Receiving Households***

The Bimeli people have been applying diversified livelihood strategies like such as government jobs, private jobs, commercial farming, business and remittance. The study found that majorities 82.2% respondents are Hindus as Magar people are also following Hindu religion and lowest 6.2% are Buddhist. Majorities 53.85% respondents' primary occupation is agriculture and 26.04% are also involving in business. The highest 56.2% respondents belongs to current transfer (receiving remittance for more than one year) and lowest 15.4% respondents belongs to income subcategory (received remittance for <6 months). Similarly, 28.4% respondents belongs to capital transfer (remitter with PR or PR process especially in Hong Kong and UK). Hence, remittance has transformed life and livelihoods of the members of remittance receiving households. The monthly family earning and expenditure found comparatively more than national average per capita income 753\$ only. The highest 34.9% respondents monthly family earning found > NRs. 50000 and lowest 32.0% earn NRs < 30000. Majorities, 60.4% of the family have only one person in abroad and lowest 9.5% have more than 2 persons involving in foreign employment. Foreign labor migration has become a major feature of Nepal's economy and society, with international remittances to Nepal contributing 29.1% of the country's GDP (Department of Foreign Employment 2014).

Testing hypothesis between land holding pattern of family and food sufficiency found significant as p value (0.007) is < alpha value (0.05). This indicates that land holding pattern of family matters with the status of family food sufficiency in Nepal. The reasons for this could be access with large portion of farming land and small number of family members. And testing hypothesis between income of the migrated youth and income of the family members also found significant as p value (0.00) is < alpha value (0.05). This shows that income of the migrated youths in the foreign country really matters the income of the family in Nepal. The reasons for this could be access of remitters in developed countries and their involvement in business and skilled jobs.

### ***Educational and Professional Status of the Remitters***

The Bimeli youths have been learning various occupational and trade related skills from international labor market. The majorities 76.3% of the remitters have completed basic education whereas 10.7% have completed Bachelor. The majorities 82.2% of the remitters are male whereas lowest 5.3% are female. Most 32.5% youths are working in Gulf countries and others are working in USA, UK, Germany, Belgium, Portugal, Cyprus, Japan, Korea. And some of the migrated youths/and migrants are also involving in business in Korea, Japan and Belgium and UK. They are becoming entrepreneurs and operating Nepali restaurant, handicrafts and garment shops in Belgium, Korea, Japan and United Kingdom. The highest 55.62% of the remitters are working in manufacture sectors and least 5.33% in business. Similarly, 15.38%, 12.43% and 11.24% are working in hotel and restaurant, super markets and agriculture sector respectively.

The majorities 71.6% youths processed through legal agent and 11.2% processed through illegal agents in which 16 Magar and 2 Dalits youths are working in western countries especially in USA illegally. During informal interaction, participant shared that he was proud with his elder son who owned Myagdi Tara award two years before in folk music competition. After competition of grade twelve he has been working in Japan. Because of remittance his family livelihood becomes improved and he successfully used of remittance in social purpose (K. B. Bishowkarma, informal communication, 30th March the lowest 1.2% youths through kinship. The study found that no youths from study area are cheated by illegal agents till date. However, during past three years Nepali migrants registered nearly 7,500 complaints, citing numerous instances of fraud and malpractice during their recruitment and employment abroad (ILO, 2017). Testing hypothesis between selection of countries by the remitters and the medium of foreign employment found significant as p value (0.000) is < alpha value (0.05). This indicates that selection of the countries really matters with different methods of foreign employment. The reasons for this could be safety/security as well as attractive salary. Similarly, testing hypothesis between caste group of the remitters and the types of countries they have migrated also found significant as p value (0.039) is < alpha value (0.05). This depicts that selection of countries for foreign employment by the remitters depends upon their caste. The reasons for this could be good socio-economic status of the family members and supportive role of remitters society formed in developed and middle income countries.

Regarding health status, the majorities 85.8% remitters are found healthy, 8.3% are suffered by venereal diseases and remaining 5.9% are suffered by paralysis. Similarly, 5.9% of the remitters faced industrial accidents and three family members also received death body of remitters. This information indicate that Nepalese youths are working in critical situations and some of them are losing their life in foreign countries. In case of villagers, primary health center has been offering health related services since last year. Villagers collected more than NRs. 15,00000 for implementing this project. Some local intellectuals also donated their land property to build physical infrastructures. At present, local intellectuals are planning to offer telemedicine service in health center. Remitters are also planning to provide financial supports for telemedicine projects.

The highest 38.6% youths received membership from UK-Bima society and lowest 2.9% youths received membership from Korea-Bima society. Similarly, 32.9% remitters received membership from Japan-Bima society, 12.9% youths received membership from USA-Bima society and remaining 12.9% youths received memberships from Hong Kong-Bima society. The data indicate that local youths from Bima village are cooperative and supportive. There is a wee feeling and community sentiment among them. They need to formed such society even in other countries, this helps them to work together against any unexpected events and also help to collect amount while providing financial support to the villagers.

The highest 37.3% remitters' monthly income falls between NRs. 30000-49000 and 30.8% of the remitters' monthly income falls between NRs. 100000-299999 and remaining 24.3% of the remitters' monthly income found more than NRs. 2,00000. Chi square test between; income of the migrated youths and family income, caste groups of migrated youths and types of countries they have been working as well as selection of countries and medium of foreign migration found significant. Testing hypothesis between social and economic status of the migrated youths and their professional life found significant as p value (0.000) is < alpha value (0.05). This shows that social and economic status of the migrated youth family matters the types of earning by the migrated youths. The reasons for this could be both educational and economic status of the remitters and migrated youths. The remittance helped to improve economic well-being and social status of the remittance receiving households. The overseas migration and remittances have been instrumental in poverty alleviation and for improving the living standards of the people (Seddon et al., 1999). That encouraged family members to offer educational and vocational training opportunities to the local youths. They are becoming human capital as human capital formation is a process of investing on people through education or trainings and involving in foreign employment.

#### ***Use of Remittance at Household and Social Level***

The Bimeli youths are becoming human capital as significant amount of remittance has been investing at social level. Human capability approach has intrinsic value for the well-being of people; an indirect role in influencing social change; and an indirect role in influencing economic output (Sen, 2000). Bima village was declared as 100% literate village three years before. Hence, remittance is using for providing quality parenting to their children. The majorities 78% of the respondents enrolled their children in own community school and 32.1% enrolled their children in college located in neighboring Districts. During informal interaction, participant, school teacher of Kisani secondary school expressed that they have been applying English medium teaching learning instructions since six years to attract local parents who were planning to migrate from the village to enroll their children in English boarding schools. This school also has been offering technical education program since seven years. It was/is possible without financial and moral supports of the local people. Till date, ten local intellectuals have donated their farm land to school. They are planning to construct new building infrastructure with NRs. 3, 0000000 financial support of lions club (J. B. Garbuja, informal communication, 28th March Thursday, 2018). During observation around technical school, I saw students of JTA mostly belong to other districts were studying in the class room of one story building. It was

constructed by the financial supports of different stakeholders including remittance. Green house shaped plastic tunnel was located nearby school venue. It was for practical purpose where tomatoes were planted (Observation, 28th March, 2018: 8 AM-9 AM).

The remittance is also using in farming activities too. The highest 38.3% of the respondents bought land property around their village and 43.1% of the respondents are using remittance in commercial vegetable and horticulture productions. The trend of horticulture farming including animal husbandry practices have been increased in the village since few years because of demonstration effects technical education program, annual earning of role model farmers and marketing opportunities. During informal interaction, participant, role model farmer expressed that he worked as a vice president in village development committee for 15 years. Because of worthless impact of his leadership, he decided to become role model farmers rather than talkative leader. He then started orange faming in 1990. It is extended in fifteen Ropani land. In the beginning, he served orange plants to his neighbors. At present there are fifty plus farmers supplying more than 90 metric tons oranges annually. The trend of horticulture farming is increasing. Earning of farmers helped to provide financial supports to the local youths who wanted to involve in foreign employment (S. L. Jugjali, informal communication, 28th March Thursday, 2018).

Local intellectual including farmers of Bima village registered Malika agriculture cooperative in 2012. The objectives was/is to offer practical works to the agriculture students studying locally and was to produce fresh vegetables. Beyond doubt, this cooperative is providing motivational role to the local farmers as it is supplying its products in rural hinterland and even in urban centers. It was a sunny morning time. Nearby local shop, students and teachers of ISC agriculture were preparing for practical work in Malika agro enterprises. Majorities of the students were female. Some students carried bundle of sugar cane that was going to place in the ground. Some students were carried utensil and fooding items. It looks like picnic cum plantation project. Some girls and boys started cooking meals and other started work. Coordinator of technical education in community school program also was working with students. This practical field was located nearby local road and Myagdi River. I notified electricity substation is going to construct nearby this venue (Observation, 28th March, 2018: 7 AM-11AM).

The remittance is also using for implementing community infrastructure development projects like road, micro hydro, temples and school building. For example, 27.2% of the respondents collected more than NRs. 50,000 and lowest 17.8% of the respondents collected more than Rs10,000 for road construction. Testing hypothesis between education of the migrated youth and providing financial support on road construction projects also found significant as p value (0.085) > alpha value (0.05). This proved that educational levels of migrated youths in the foreign country does not matters with providing financial supports to the local road construction projects in Nepal. The reasons for this could be equal social responsibility perceived by the remitters. Large amount of remittance is also investing voluntarily in technical education program implemented in Kisani secondary school of Bima village. Villagers creating basket fund by collecting NRs. 2,000-50, 000 to the school management committee. During

informal interaction, participant, a school teacher working since decade said that there are around 500 students in basic stream and 132 students in technical (ISC Ag/JTA Plant) stream. During the beginning of technical education program, school management committee itself managed salary of teachers for more than three years. It was impossible without financial supports of remitters (B. K. Subedi, informal communication, 28th March Thursday, 2018).

In school, I observed name list of the people and their donation amount were written on wall. Photo frame of local intellectuals who supported to the school were hanged around the room. There was no space to hang other photo frames and no space to write name list of other people. I calculated eleven remitters working in Dubai donated NRs. 51,200. Eighteen remitters member of Bima-Hong Kong and Bima-Korea society donated NRs. 10, 68,835. Twenty four remitters working in Malaysia donated NRs. 17,154. Thirty one remitters working in Quarter donated NRs. 1, 13,647. Twenty nine members of X -Army Society donated NRs. 40,500. Bima-UK society donated NRs 2, 64,000. And twenty remitters donated 6649 pounds dollar equal to NRs 9,70, 754 (Observation, 28th March, 2018: 1-3 PM). Local youths society conducted charity show programs in Hong Kong and Japan to provide financial support to the school management committee. It was planning to conduct trade fair program on the occasion of golden jubilee and also planning to establish science lab in the school. Youths society provided NRs. 20,00000 financial supports to conduct trade fair program. Top level politicians and bureaucrats were invited as chief/guests. This trade fair program was lasted for seven days. At a time Non residency Nepali living in UK and Hong Kong assured villagers to invest their earning in their own village especially in agriculture and tourism sectors. In this response, I was also interested to know different amount of remittance collected by the respondents for technical education program. During informal interaction, participant, member of ward committee said that his elder son is working in Portugal and younger one is studying Bachelor level. Form his family; he supported more than sixty thousand to the technical education program (B. B. Jugjali, informal communication, 28th March Thursday, 2018).

During informal interaction, president of sixty four mothers expressed that we collect fund from local youths. When they returned back to village we invite them to visit community home within three days. Then we conduct welcome program with *raotika*, flower garland and entertainment. Instead of that we collect NRs 5,000-10,000 from each *Lahure*. Till date we spent NRs.15, 00000 to construct temple. This year we spent NRs 2, 00000 for toilet construction in the temple venue. Today we arranged Jhara program for cleaning surrounding of this temple (G. Jugjali, informal communication, 28th March Thursday, 2018). My next participant also shared that because of collective efforts of the villagers three drinking water projects are running with meter system whereas seven projects are running without meter system. With greater access to drinking water facilities, this village declared as a free out defecation area in dated 2068-10-29 with the collective efforts of district development committee Myagdi and Western Nepal Rural Drinking Water and Sanitation Project Myagdi (B. P. Garbuja, informal communication, 29th March Friday, 2018).

The remittance is also planning to use in rural entrepreneurship development activities. Out of total 107 respondents, 29.9% remitters are planning to invest in tourism sector and 42.4%

are planning to invest for establish horticulture farms. Chi square test between; family income and places of school education, family income and places of higher education and education of the migrated youth and financial support on road construction project found significant. However, Chi square test between incomes of the migrated youth and decreasing trend of agriculture production, working countries of migrated youth and their future planning to invest in tourism and agro entrepreneurship sectors found insignificant. In the same theme, next participant shared that few members of Bima-Japan Youth Society are planning to invest remittance to establish resort in the village as it is located on the way of Dhaulagiri base camp and DhorPatan Hunting reserve. And they are also planning to establish wine factory in the village as the village is pocket area of orange farming (C. P. Garbuja, informal communication, 29th March Friday, 2018).

With four hours trekking, I reached Malika temple site. On the way, I observed greenery farming and forest land, numbers of settlements. Nearby temple, there was a newly built cottage. I understood, all the materials like; cement, iron trust and jinks sheets were carried by local youths themselves. It was really a challenging project, implemented due to their collective efforts and social interest. I enjoyed with dense fogs and cold winds for one hour. After that weather became clear. I got a chance to observe Churen, Gurga Dhaulagiri, Nilgiri, Annapurna and Fish tail Himalayans. I also observed some part of Pun Hill and hundred plus settlements of Myagdi, Baglung and Parbat Districts. I observed large amount of barren plot nearby jungle. It was located on the way of Bim-Malika road trials. I noticed there is more than 1200 Ropani farm land. In the past during rainy seasons, farmers stayed there with cattle for three months. They returned back to village before winter season. For me in one hand, this barren filed is located inside the Ramayan circuit (Beni-Pullchaur-Gandhi-Todke-Malika-Dhaultagiri base camp) constructed by Nepal Tourism Board. In other hand, this location is more suitable and potential for horticulture farming and tourism activities. Then why not use of remittance in this place (Observation, 30th March, 2018: 9 AM-6PM).

#### **Miss Use of Remittance at Household and Social Levels**

The remittance is also investing in unproductive sectors. More specifically, remittance is expensing to buy unnecessary daily necessities goods, foods, clothes and cosmetic items, electronic accessories and also expensing during the celebrations of religious and cultural feasts and festivals as well as rituals and rights. Large amount of family earning is expensing to buy alcoholic products. During informal communication, participant shared that elected government has restricted to buy and sale alcoholic products. It is very good initiation as large portion of family earning is expensing to buy alcohol during cultural functions celebrating almost every day (B. P. Garbuja, informal communication, 29th March Friday, 2018).

Majorities 38.7% of respondents are planning to migrate from the village for urban lifestyle and quality parenting. The logic of the push-pull theory is that if the pluses (pulls) at the destination outweigh the pluses of staying at the origin then migration is likely to occur (Lekhi, 2008). Chi square test between religion of family and expensing in cultural functions, family system of migrated youths and migration of remitters' wives in urban centers, land holding pattern of family and migration planning found significant. However, chi square test

between incomes of the migrated youth and decreasing pattern of agriculture production in Nepal found insignificant. Likewise, because of remittance the trend of separating housewives from joint family system is increasing, agriculture production pattern is decreasing. It is argued that the shortage of labor due to the emigration might compel to keep land barren, reduces the agricultural productivity and ultimately requires importing food grains (CBS, 2011). In one hand there are shortage of manpower in the village for agriculture development. In another hand, because of remittance family members are not interested to work in farming land that is why the amount of barren land has been increasing annually. During informal interaction, participant shared that there is 1200 hector national forest, 400 hector community forest and 70 hector pasture land. Along with that around the village, there is more than 400 Ropani barren farm land (B. P. Garbuja, informal communication, 29th March Friday, 2018). Because of remittance family members are becoming passive as all their daily necessities can be bought from the market centers and rural hinterland. At the same time, investing remittance at social level caused to make local government passive and non-responsible. In bad governance, remittance inflows lead to public moral hazard in developing countries (Ebeke, 2012).

### **Theoretical Interfaces**

This study analyzed research issues from push and pull factors for migration (Lee, 1966), human capital formation (Psacharopoulos & Woodhall, 1997; Schultz, 1987) and sustainable rural livelihood (Chambers & Conway, 1992) theoretical propositions. Empirical findings of the study proved that all the theoretical propositions are interfacing with each other. Multiple employment opportunities in international labour market and poor family economy, unemployment and rampant poverty are becoming major pull and push factors for Bimeli youths. Family well-being improved through agriculture, remittance and local business successfully motivated local youths to complete school education and vocational trainings program before involving in foreign employment. Even remitters are acquiring occupational and trade specific skills through work place leaning. Remitters are thus becoming human capital and motivating their parents to use remittance in productive sectors. Because of that parents are investing remittance to offer educational opportunities to their children and also investing in commercial farming. No doubt, this helps to produce human capital and generate rural economy. Even remitters are also planning to run tourism and agro based enterprises in their own village. This will helps to create employment opportunities to the youths in local level and also helps to trigger family economy. It seems to be continuous employment opportunities for the subsistence sectors for the long run without substituting existing opportunities. There are chances of re-investing the capital for the additional employment. At the same time, there might be the additional opportunities for the wage labor (from subsistence sector) to shift towards the self-employment after certain level of professional and economic attainment of educated/skilled workers in foreign jobs. In this respect, rural livelihood diversification is essential to change rural life through construct a diverse portfolio of activities and social support capabilities for survival and in order to improve rural life (Ellis, 1998 as cited in Pasa, 2017). DFID also argued, sustainable livelihood can be achieved through high quality education, information, technologies and training, supportive

and cohesive social environment, better management of natural, infrastructure and financial resources, and institutional environment (DFID, 2002 as cited in Pasa, 2017). Owing to that local development stakeholders are working together for sustainability of rural livelihood through full utilization of human capital potentials.

### **CONCLUSIONS**

This study came up with the conclusions that remittance is becoming primary source of family economy in case of Bima village. The local youths (Remitters) are working in Gulf and western countries. Remittance is improving the lives and livelihoods of remittance receiving households and also helped to increase social status and prestige of the family members. Large portion of remittance is investing to provide quality educational opportunities to the children in English Boarding Schools. And also investing to buy land property, domestic animals and also investing in commercial farming and business. Remittance is also using at social level to implement different infrastructure development projects related to health, education, road and rural energy. Here is why, remittance is equally using at household and social levels and it is becoming driving factor for rural development process in this village.

However, large portion of remittance also has been using in unproductive sectors to maintain social and cultural prestige. Even most of the remitters are not yet planning to invest their earning in their own village having huge potentiality for agro-tourism based entrepreneurship development. Some remittance receiving household members are also planning to migrate from the village, the amount of barren land has been increasing due to shortage of manpower. That is why remittance is increasing domestic household hazard in this study area but not yet increasing public moral hazard as rural projects such as road, hydro, health post, school building infrastructure have been equally implementing by local, provincial and central governments. However, local government policies of Malika Rural Municipality need to be supportive to invest in agriculture and tourism based entrepreneurship development projects. Even local government must appreciate to the remitters who are playing leadership role and who are also planning to becoming entrepreneurs in their own community. Finally, beyond doubt, the trend of using remittance especially in social level by the remittance receiving households of Bima village can be a good example to the rural development stakeholders including local people of other Districts throughout the country.

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