

2012

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Recommended Citation

Skamarock, Evan, "Migrant Remittances in Rural Nepal: A Mixed Methods Household-level Analysis" (2012). *Summer Research*. Paper 163.
http://soundideas.pugetsound.edu/summer_research/163

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Migrant Remittances in Nepal: A Mixed Methods Household-level Analysis

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Abstract:

This paper aspires to add to the burgeoning field of interest concerning migration practices in the Gulf States. Based upon first hand ethnographic experience conducted in Bhairawah, southern Nepal, this paper hopes to encourage a deeper, more humanistic exploration of migratory practices that are currently approached from a political and economic lens. This paper begins with a chronological analysis and description of individual and household experience with migration. Moving further, this paper touches on a change over time of traditional gender roles for women.

Introduction:

The oil and petroleum rich countries situated in the Middle East—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates—have seen an unprecedented rate of foreign immigration to either help with the extraction of these natural resources, or in development projects funded with money made as a result. Due to the immense flow of workers into these GGC states (Gulf Cooperation States), academic focus has attempted to better understand these complex social, economic and political processes. Within this burgeoning field of interest, disproportionate focus has been committed to political and economic analysis. Statistics attempt to situate the significance of income earned abroad: in India, it is estimated that 17.4%¹ of the total economy is composed of remittances sent from abroad compared to 25%² of the national economy in Nepal. While there have been investigations into the experiences of migrants in the receiving countries, little attention has been offered to help explain the experience of those directly and indirectly influenced by these practices in the sending countries—the very households from which these migrants travel. As part of the Student Summer Research Grant, I spent 43 days “in the thick of it,” learning directly from those affected in Southern Nepal. Within this paper, I hope to shed light upon the experiences of those in the household, their experiences with migration, and the multitude of ways their lives have been thus affected.

¹ Azeez, Abdul; Begum, Mustiary. 2009. “Gulf Migration, Remittances and Economic Impact.” *Journal of Social Science*. 20:1, 55-60.

² William, Nathalie E., Arland Thornton, Dirgha J. Ghimire, Linda C. Young-DeMarco, and Mansoor Moaddel. 2012. “Nepali Migrants to the Gulf Cooperation Council Countries: Values, Behaviors, and Plans.” Pp 155-185 in *Migrant Labor in the Persian Gulf*. London: Hurst and Co. Ltd.

Methodology:

For 8 weeks between June 2nd and July 16th I lived with Deependra Giri's (my research assistant) family in Bhairawah, a developing city with a population of around 100,000 near the central southern Indian border. Not only was I able to observe, engage and learn directly about Nepalese culture and tradition, but it also provided me an invaluable experience to relate openly with a family who has direct experience with the very thing this project hoped to understand: migration practices and its influence on households and broader communities. In order to satisfy the types of questions formulated, we employed the ethnographic toolkit: a dynamic and diverse set of methods that aim to explore individual's experiences and understandings of a particular subject. Deependra and I engaged in semi-structured interviews: an interview format loosely defined around generalized areas of interest areas (formalized within an interview guide) however with a fluid ability to change direction and focus depending on the nature of the conversation. Totaling in 20, each interview began with several basic quantitative questions in order to situate the relative situation of each family; family name, average income, number of members, and years spent in current location, among other questions were asked. Later questions probe the family's experience with migration: original motivation, the decision-making process, fears and concerns, household changes, ect ect. This project was conceptualized as exploratory in nature—the acknowledgement of openness to findings. Therefore, while remittances were a main driving interest, we attempted to remain flexible to how the Nepalese defined significance within their own experience. Interviews were recorded and transcribed for later access. As part of the funding accrued, a research stipend was paid to each family, amounting to 10 USD (~800NPR).

Throughout the course of the 20 interviews, I was often asked the reason I was in Nepal, asking households about their experiences with migration. Having practice with this statement, I conclude: With this research I hope to accurately and honestly depict the experience of those directly influenced by migratory practices and explore the ways in which life may be influence for the better, and perhaps for the worse. Furthermore, I hope to show how migratory practices fundamentally interact and influence traditional gender roles relating to women.

Migration Motivation and the Decision Making Process

In the evening periods, when the heat of day recedes to a comfortable temperature, many Nepalese head outside to greet and enjoy these cool periods. Whether to causally stroll, or perhaps buy vegetables at the market, the incidence and rate of human interpersonal interaction seems to reach an all time high. During my first several weeks in Bhairawah, Deependra and I would enter into this evening flow where he would introduce me to his male friends (many of which owned or worked at various shops) and explain to me contextual facets of Nepalese life. It was during these periods where my appreciation of the more subtle effects of migration was born. After shaking hands with acquaintances, both dressed and presented well, Deependra would remark, “Did you notice his watch? This is something that he could only afford after going abroad,” and “that suit? There is no way he could afford such a thing with his current job.” I became interested in the more subtle ways migration, and the opportunity to migrate advertised itself to the Nepalese population. It did not surprise me when, seeing return migrants presenting symbolic expressions of wealth, affluence and modernity that there is a draw for younger generations of potential migrants seeking similar statements. However, after becoming

situated with different households experiences, a constellation of different motivations unraveled—speaking directly to the diversity of household composition and situation. While for some, migration presented itself as a means by which one can increase individual purchasing power (and its relation to presentation of self, projecting wealth/class/affluence), on the contrary, many of the households interviewed portrayed quite a different reality—one where the “opportunity” for migration presented itself more as a necessity rather than a choice.

From these first interactions a central nexus of understanding was born: In order to better comprehend households’ ultimate decision to send members abroad, we strove to appreciate the convergent forces that weighted into the decision making process: What variables influence an individual’s or a family’s consideration of migration? How are these topics discussed within the family? What is the role of individual motivation/agency? In this sense, we attempted to build an understanding of motivation: if we can understand the forces that are pushing people to migrate, we can use this framework to appreciate the constellation of issues, financial and otherwise, of those who remain in Nepal.

After conducting a brief informational exchange at the beginning of each interview (family name, period of time in present location), we asked two questions that attempted to satisfy this understanding: how did you first learn about migration, and why did you decide to send a member abroad? We received a multitude of differing responses, however several patterns emerged. In the end, a combination of poor domestic work opportunity coupled with large amounts of debt, spoke to the experience of most. Take for instance, the second household we interviewed. With 6 members living together under one roof, and only 2

male members able to work for salary, the family found themselves spending more each month than they could earn. Even with a small shop providing a daily salary of around 300 NPR, enough for nightly vegetables, they were not able to accommodate for all the necessities for living (in their situation: cooking materials, children's educational fees, medicine, and house rent) eventually finding themselves in a hand-to-mouth financial situation (whereby all money earned is immediately transacted to fill momentary needs, most often food and medicine). After learning from their neighbors that "...if we go abroad then we can earn a huge amount of money, and we can save a part of that money..." they decided that migration would beneficially influence their family's economic situation, as there seemed to be a lack of domestic opportunities to salvage or support their dwindling financial reserves.

Save for the households we interviewed that would be considered wealthy, nearly every interview reiterated these same points: an inability to find employment in Nepal that pays enough to support the cost of modest living. While household #2, among a majority of households interviewed, had financial concerns relating to the supply of basic necessities, not all households we interviewed were facing similar problems—these households consequentially conceptualized the opportunity to migrate differently. Household #5 constructs a contrasting narrative with the motivation to migrate. Receiving competitive monthly pensions from 30 years work in a governmental position (considered by many to pay the best within Nepal), the elder grandfather provided more than enough each month to satisfy basic necessities: food, clothing, educational fees, housing. Understandably, this positioned his children and grandchildren with more freedoms and opportunities, not

constrained by basic economic worries. When the 24-year-old grandson declared his desire to migrate abroad, he did so not with concern about the family's current wellbeing, but with his own aspirations in mind. His primary goals were to put the money firstly towards an extravagant marriage ceremony, and secondly to invest in a business, with which he could build and garner enough to live off of for some time. Buoyed by familial financial reserves, the grandson from household #5 migrated not with desire to financially support his household, but rather as a personal investment for his future. These two examples seek to exemplify the polar ends of this spectrum (in which many shades of gray exist)—migration for personal or familial support.

For many poorer households, the decision to work abroad therefore appeared self-evident. Burdened with high costs of living relative to average salary, large family size, poor domestic labor market, potential financial debt and aspirations to live a “modern life” many of these families understand migration as the only means to financially satisfy these ends. Many of the families interviewed (before migration, and some even afterwards) do not earn income after expenses on a monthly basis but rather break even, or go into debt. These economic/systemic problems, whose exploration is not the goal of this paper, seem to be inextricably linked to Nepal's current political and economic situation. Due to these poor domestic working opportunities, and with an increase in migratory practices (with subsequent remittance flows), further scholarship is required to better understand the relationship between the current state of the Nepalese economic/political system and migration.

Following the Dream

After being ushered into the coolness of an air-conditioned studio—equipped with photography equipment and covered with pictures of the most popular Bollywood, and Nollywood (the Nepalese flavor of Hollywood) actresses—and given a chair and cold drink, I entered into a conversation with a man named Sam who had recently returned from abroad. While he had spent most of his savings in the renovation of the photography studio in which we sat, I was curious to relate to him on a different subject—his recent engagement with migrants looking for work abroad. Known as the *Kafala*, or sponsorship, system, Sam, among many other “agents”, work with corporations in the receiving countries to arrange the legal documents for migrants looking to work abroad. Having conducted around half my interviews at this point, I understood the role of the agent, while positioned as a utility for migrants, was structurally positioned so that potential migrants may be easily exploited. The ensuing conversation situated my understanding.

Common perception of migration is generally perceived as positive: most families believe that migration poses an opportunity to increase buying power, and to fulfill material aspirations and goals otherwise unrealistic. After making the decision to migrant, the next step requires securing legal documents, namely the individual’s passport and travel/work visa. At this junction, the utilities of the agent come into play—the communication, transaction, and procurement of the essential documents and travel tickets necessitated by the current *Kafala* system. The initial cost of for these services, reported by each family within the interview, is generally situated anywhere from 50,000NPR to 150,000NPR. The variables that dictate the initial cost are malleable and often relate to the

agent (whether or not these prices accurately reflect the actual cost, however, is another question) through which the passport and visa documents are acquired. Conditional upon their financial situation, families generally struggle in acquiring funds for these preliminary costs, most often taking loans from banks (which charge interest) and borrowing money from relatives to support their own contributions. These financial measures are taken with the understanding that migration remittances, while an expensive initial investment, will pay off over longer periods of time, speaking to the positive framework in which migration is often poised. These problems, ideally recognized by the families before migration, do offer obstacles and roadblocks to an idyllic migration experience. Furthermore, this does not mean to suggest that all experiences are positive.

Discrepancies between promised occupations, salary, working condition, and the cost of passport and visa were common iterations between households. Due to the relative obscurity of visa/travel/passport systems to most Nepali households, in part because a lack of engagement with such systems, it leaves agents open to request more money than necessary, or simply exploit constituents. The 4th household we interviewed related their unfortunate circumstance. Situated in a lower economic class, they applied for a loan from a bank and borrowed the rest from relatives living in India. The agent they were working with requested (by our own knowledge, based upon the relative costs learned through interviewing) a high amount of 150,000NPR to acquire a passport, visa and traveling costs. Upon arrival in Qatar, the migrant learned the job he had applied for did not, in fact, exist. Instead, the agent had arranged for a benefit-less construction job that paid 500QR (Qatari Riyals) less than promised, positioning him with only 600QR a month (~12,000 NPR). Not

only was he now responsible for purchasing his own food and medical support, but also could not send the projected amount home each month; he currently sends home around 8,000 NPR a month. Having migrated 3 years ago, the family has just finished paying off the debt accrued by the initial costs—all future remittances can be used for the benefit of the household. All expenses considered, the mother of the household relates, they are at a net loss as a result of sending him abroad. His salary in Qatar is only marginally higher than what he could earn working in Nepal (given his qualifications), and as a result, they effectively lost 3 years worth of salary.

Most households related a period of time, anywhere from several months to three years, in which repayment of debt was required. The example given above shows how these financial relationships can place households in worse economic situations, whereby the costs associated with migration endangers a household's financial (and therefore lifestyle, eating habit, ect—the effects are multifaceted) livelihood. That being said, when agents' work proactively with prospective migrants, as Sam relayed to me, families are able to contemplate and organize a cost/benefit understanding—not all households described such an exploitative relationship.

Having situated the experience of households considering the opportunity to migrant, and exploring some of the issues and roadblocks that impede this process, the question remains, in what ways do remittances change, shape, and influence those who remain in Nepal?

The final topic within our interview guide asked interviewees to talk about their aspirations and intentions with the money earned. In this way, we were trying to gain an understanding about how this flow of money will be used proactively within the lives of those who receive the money. Furthermore, this inquiry is to ask about aspirations—probing deeper, it strikes at one's perceived financial opportunities, and larger questions about how one desires to live one's life.

The first family we interviewed, an impoverished rural subsistence farming family living close to the Indian border, related that their interaction with remittances is the first instance of working within an economic system that is not operated by the transactions of goods, but rather of paper money. With the money earned thus far (1 payment of 60,000NPR), they have been able to construct the brick foundation for the first permanent house anyone within their immediate familial line has lived within. Furthermore, it has allowed access to the semi-socialized health care system, a notable improvement in quality of life.

Across all households interviewed, several themes emerged. For poorer households dealing with debt payment, and day-to-day expenses, remittance money provided a set amount, received on a consistent semi-frequent basis with which one can plan and spend accordingly. Basic necessities of life become realistic purchases; education for children is no longer disregarded as an impossible opportunity. For those looking at migration as a long-term investment, many options open up. Congruent with the example above, many desired to invest into the maintenance, addition or construction of domestic housing locations. Land investment, as a 5-10 year opportunity, was also quite popular. But perhaps

among the most present was the desire to invest in a small business, one that would provide enough income for day-to-day life for many years to come. In true Nepalese style, it appeared that migration was a means to an end; the end being a comfortable living situation whereby one was required to work less than one was free to enjoy daily experience. Ultimately, remittances received through migration generally improved the quality of life for the receiving households, adding to their conception of financially feasible options, and providing low income families with access to resources and education previous unattainable.

Section 2: The evolving role of Women

Despite the heat of the day, the central market district in Bhairawah throngs with energy—the hustle and bustle of bodies in motion, the beeping of cars and motorbikes, the cry of the metal recycling man. Brightly covered *Sari*, a traditional female clothing style, periodically dot the humanscape of mostly working class men. Even 15 years ago, Deependra relates to me, it would have been strange to see a woman conducting business outside of the house, where her traditional roles and responsibilities as housekeeper, mother, and cook would suggest her to remain. In the 21st century, it is not an uncommon sight to see, and what more? Most of these women are completing the tasks once accomplished by their male relations—the same relations that are now earning money working abroad.

Due to the rate at which men migrate in comparison to women (of those that migrate: on the order of 97% men vs. 3% women³, many women remain in Nepal while

³ William, Nathalie E., Arland Thornton, Dirgha J. Ghimire, Linda C. Young-DeMarco,

their male relations head abroad for work. While all of the traditional roles and responsibilities originally handled by the women remain, many of the tasks traditionally associated with the male members fall upon the women to maintain. Williams et al. (2012) describe well the general social positioning of women in southern Asia: “Compared to men, women have lower social status in South Asian societies in general. Most women, regardless of their ethnic group, wealth, and age, are discouraged from participation in education, the labor market, politics, and business. Furthermore, their personal autonomy and decision-making power are limited” (166). I argue that migration practices have created a disparity between more traditional perceptions of a woman’s role and the multitude of new responsibilities created by this vast outmigration of men.

Women are positioned to handle out of house responsibilities that were once handled by their male relations. These responsibilities include, but are not limited to, paying bills, buying food at the market, and generally participating within a greater sphere of social and economic engagements. As the introductory paragraph suggests, this results in more engagement within a social sphere, namely, seeing women conducting business outside the household. However, for some families, migration of male members poses its own set of conflicts.

One family interviewed consisted of a mother and her infant daughter. Due to financial difficulties in Nepal, the father rationalized that going abroad was the means by which to distance the family from impending poverty. Unable to work, due partially to an obvious lack of working positions for women, but also because of responsibilities to her

and Mansoor Moaddel. 2012. “Nepali Migrants to the Gulf Cooperation Council Countries: Values, Behaviors, and Plans.” Pp 155-185 in *Migrant Labor in the Persian Gulf*. London: Hurst and Co. Ltd.

infant daughter, she struggled to complete her daily tasks. Having previously cultivated close relations with a nearby Indian family (who we also interviewed), she was able to spend most of her time, and receive food and medicine, from them when she needed it most. After the interview was conducted, she immediately used the stipend money to buy fever medicine for her daughter that she was previously unable to afford. While migration was seen as an opportunity to financially help this family, the cultural and social responsibilities left the woman struggling to maintain basic requirements for flourishing. This example illustrates issues encountered within a small family of three members. The cultural practice of joint families creates another instance of change.

While Nepalese women generally experience greater social freedom outside the household, changes within the fundamental interpersonal organization of the household appear. Many Nepali families organize in what is referred to as a joint household. This term acknowledges a living arrangement whereby several generations live under one roof, most typically under a patrilineal organization (male relatives bring in their wives and children). Family sizes can therefore range anywhere from 6 members to 26 (the largest family we interviewed). While each additional member indicates another mouth to feed, it also represents another pair of hands to help around the house, take care of someone who is sick, and work for income (while for female members, marriage with dowry). Due to the large size, interpersonal relations can become a tricky and complicated experience, with plenty of opportunities for disagreement. With wives being invited to join the joint family of their husbands, this tension often expresses itself between the eldest matriarch, whose understanding of a wife's responsibilities within the household and to her husband, might differ from the schema in which the wife originated and with which she is most familiar.

Deependra suggested that it is the responsibility of the male members (all of whom are related) to help navigate everyone to a peaceful compromise. However, this is not always a possibility, especially when migratory practices rearrange living conditions.

Within interviews, most women held conflicting views about the changes induced by migration. With fewer bodies to account for, this usually translated into more free time for themselves. With a social life that finds expression outside of the household, this time could be used to pursue a number of various activities. We talked with a mother of a household who organized a woman's club. Once a week, various women from around the neighborhood would congregate at the host's house to carry out traditional practices: sewing, preparation of ritual material, cooking, and many other activities.

Conclusions:

The beauty of ethnographic fieldwork allows for an investigation into the lived experience of a subject population of interest. Having the opportunity to go into the field and work with individuals and households provides invaluable evidence. Within this paper, I have addressed concerns and issues that households face in the decision making process, especially concerning cost versus outcome comparison, and how different economic situations result in different perceptions and experiences with migration. Furthermore, I have laid a basic framework for the changing social and cultural role of women as a result of extensive outmigration. Having gone into the field with a distinct set of questions, I look back in retrospect and find myself reformulating and reconsidering my approaches, new questions and conceptual frameworks begging expression. There are a multitude of new questions and approaches that would be appropriate to advance this research, and I hope

that both my Senior thesis class, and Political Ecology class offer new frames of reference to better understand this complex topic.

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