



MANAGEMENT DYNAMICS

A Peer-reviewed Journal of Management and Economics



Published by
Shanker Dev Campus
Tribhuvan University, Nepal

Labour Migration and Economic Impact in Nepal and Sri Lanka

Khom Raj Kharel

Asso. Professor of Economics,
Saraswati Multiple Campus,
Tribhuvan University
Email: kharelkhom@yahoo.com (corresponding)

Yadav Mani Upadhyay

Asst. Professor of Economics,
Saraswati Multiple Campus,
Tribhuvan University
Email: yadavghimire@yahoo.com

Article Info:

Received: 28 Aug 2021

Revised: 14 Sep 2021

Accepted: 19 Sep 2021

DOI:

<https://doi.org/10.3126/md.v24i2.50035>

Keywords:

*economic growth,
labor migration,
Nepal,
remittance,
Sri Lanka,*

ABSTRACT

Nepal and Sri Lanka are recognized as labour-exporting countries. The flow of labor migration in foreign labor markets has been increasing each year. Trends of foreign labor migration started to increase in both countries after 1990. Both countries are categorized under income group countries. Foreign employment has become one of the nation's main household income and foreign exchange earnings sources. After the 1990s, Remittance contributed to foreign exchange earnings and had a favourable impact on the balance of payments, solving unemployment problems, reducing poverty, and boosting economic growth. This study aims to examine the impact of foreign employment on Remittance and the economic growth of these economies. The impact of labor migration on macroeconomic variables (balance of payments, economic growth) has been measured using statistical tools such as correction and regression models from 1995-2019. The study finds that the flow of Remittance has increased and positively impacted macroeconomic variables in the study periods. The study shows that foreign employment has become the main destination for the youths of both countries. The results showed a positive relationship between foreign employment and Remittance and a positive impact on economic growth.

1. INTRODUCTION

The issues of labor migration started at the beginning of human civilization. Gradually labor migration took shape in diverse forms and now has become essential and common in every corner of the world. Millions of people leave their usual residences to seek better employment opportunities and supply food for their dependents. The

advancement of globalization and the integration of regional economies have increased the mobility of workers across borders. Poverty and the inability to earn enough and produce enough to support oneself or a family are major factors behind the movement of work seekers from one place to another. These are not only characteristics of foreign employment from poor to rich states; poverty also fuels movement from one developing country to others where work prospects seem at a distance, at least to be better.

Labor migration has become a tradition for developing countries where many people have been migrating, searching for economic opportunities (World Bank, 2005). Many youths have been leaving the country searching for jobs in the foreign labor markets from Nepal and Sri Lanka. Foreign employment has become the major source of foreign exchange earnings in remittances. Remittance has a significant role in boosting the national economy of Nepal and Sri Lanka. The contribution of remittances from formal sources to Sri Lanka was USD 7.01 billion, accounting for around 8 percent of the Gross Domestic Product (GDP) and 68 percent of the trade deficit in 2018 (ILO, 2020).

In the context of Nepal, foreign employment dates back to the early 19th century, while Nepalese soldiers started to join the British Army. In the ensuing decades, thousands of Nepalese youths worked in the British and Indian Army. Over 60 thousand Nepalese are working in the Indian Army and other government institutions in India. India is the chief destination of employment for Nepalese workers. Nepal and India share a long open border. India received 93.1 percent of Nepali emigrants in 1981, gradually decreasing to 89.2 percent in 1991, 77.2 percent in 2001 and 37.6 percent in 2011 (MOLE, 2018).

There are two international migration patterns in Nepal: migration to India and to third countries other than India. As the border between Nepal and India is open, thousands of Nepalese people move to India for labor employment. It increased dramatically after 1996, and the consequence of shrinking economic opportunities back home compelled Nepalese youths to look for alternatives elsewhere.

The massive unemployment inside the country is the main reason behind this upsurge in venturing out to distant lands. India has been a traditional destination for Nepalese migrants. The primary reasons are geographical proximity, historical and cultural links and an open porous border. The 1950 Treaty of Peace and Friendship between India and Nepal formalized the free border movement of people. The bulk of these migrants is employed in the private and informal sector. These migrants hold semi-skilled and unskilled jobs in restaurants and factories and are employed as domestic workers, security guards, and maids. However, a significant proportion of the Remittance from India has not been recorded systematically in the balance of payment as they are brought in by the migrants themselves or sent through relatives and friends.

As an increasingly larger share of remittances now comes from countries other than India, reflecting changing migration patterns and higher earnings in these locations. Moreover, the composition of skills of the labor flows is different among destinations. The Middle East and gulf countries have become the major destination for Nepalese and Sri Lankan labourers, where they employ security personnel, chauffeurs, and construction workers and South East Asian countries demand workers in industrial enterprises. Many Nepalese students migrate to the USA, UK, Australia, New Zealand and European countries for education purposes, but they rarely return to their home country. They are remitting earnings through unofficial channels since the commission charge in official channels was very high.

Thus, foreign employment is one of the major sources of foreign exchange earnings for both countries. A significant number of labor forces leave their country searching for job opportunities in foreign markets. Both countries have been receiving a significant amount of foreign currency each year. Foreign exchange earnings contribute a significant

percentage of their GDP. The present study has examined the impact of remittances on the national economy regarding GDP, employment and other socioeconomic parameters.

This study aims to examine the relationship between remittances and the economic growth of Nepal and Sri Lanka, which have been receiving a significant number of remittances each year. Nepal's history of Remittance started after the British-India and Nepal wars during 1814-16, since Nepalese youths were recruited in the British national Army (Thieme, 2004).

Miller and Thieme (2007) remarked that volumes of Remittance increased after 1995 when the civil conflict destroyed the local labour markets and people started looking for overseas employment. The political turmoil blocked the industrial and business expansion and halted heavily small and medium enterprises all over the country, deducting employment opportunities. The study of remittances and household welfare suggested that remittances can play a significant role in maintaining macroeconomic stability and household well-being in Bangladesh; however, remittances did not increase household demand for durable goods, education and health (Raihan, Khondker, Sugiyarto & Jha, 2009).

Sutradhar (2020) examined the impact of remittances on the economic growth of emerging countries from South Asia. The result showed that negative effect of remittances on the economic growth of Sri Lanka, Pakistan and Bangladesh, whereas there was a positive impact on Nepal. Weeraratne (2018) showed the positive implications of the zero chargeable policy on men, including acceptance of the position. The study emphasized three policies: the imposition of maximum chargeable amounts, which agents collected for recruiting migrant workers, mandatory pre-departure training for migrants and family background report requirement.

Paranavithana (2014) examined the impact of remittances on economic growth, which showed a positive impact and other negative impacts on economic growth in Sri Lanka. Remittance is typically helpful to meet the specific needs of the respondent's family members and thus tends to increase their standard of living. In a lower class or poor household, they may finance their remittances to fulfil their basic needs, such as consumption, housing, children's education and health care and to pay for a loan. In a middle-class or rich households, they may provide either loans for individuals going abroad or capital for business and entrepreneurial activities. From a macroeconomic point of view, this source may be more stable than capital flows (Gaudel, 2006).

Nepal's major export is labor, and most rural households now rely on at least one member's earnings from employment away from home. Nepalese workers have sought foreign employment as the agricultural and non-agricultural sectors struggle to generate new employment opportunities with limited arable land. In contrast, the number of landless households has gradually increased in agriculture. The Moist insurgency and exogenous shock have further retarded the pace of employment creation after 2001. The conflict also created difficult living and security conditions, especially in the rural areas in that period. It also promoted people to look for overseas employment (Panta, 2011).

Kafle's (2018) study analyzed the relationship between remittances received and economic growth in Nepal. There was a long-run association between Remittance, trade and economic growth. Moreover, the finding indicates that the relationship between Remittance and economic growth is insignificant in the short run. Gibson and McKenzie (2012) highlighted that emigration could be an instrument for reducing output and labour outflows could dampen tax revenue. Ebeke (2010) remarked that remittance inflows could raise consumption-based tax and reduce labor tax revenue by affecting labor decisions.

Meyer and Shera (2017) investigated the impacts of remittances on economic growth by using panel data set of six high-remittance-receiving nations. The study suggested that remittances had a positive impact on growth and the impact influenced the

higher level of remittances relative to GDP. Dridi et al. (2019) examined how changes in aggregate demand with the additional income from household remittances expand through the network of input-output linkages in African countries. As per the study, the effects of remittances on recipient countries tend to increase with the degree of linkages across sectors.

Nepal from abroad through banking channels has become efficient and easy. It is now possible to measure the amount repatriated by the Nepalese migrant from abroad to Nepal annually through a formal channel. However, it is estimated that only 40% of Nepalese migrant workers use the formal channel to send their earnings back home. The rest still rely on informal channels like Hundi, which is believed to be fast and economic. Worker's Remittance is now considered the backbone of the Nepalese economy. According to a study by Seddon for the DFID, the value of foreign Remittance from migrant labors could be equivalent to 25% of the official gross domestic product (GDP). Shrestha (2008) remarked that revenue of support for remittances has emerged as one of the premier sources of foreign exchange and an important avenue of support for family members.

The economy of Nepal and Sri Lanka has been influenced by labor migration. Both countries have a long history of labor migration, an increasing trend. The contribution of remittances has significant to GDP and other socioeconomic parameters. The remittance volume in both countries gradually increased during the study period. The effective implication of labor migration policies of both countries seems to be a serious issue. There is an urgent need to manage international migration, both emigration and immigration, keeping national interest as a high priority.

In the last few years, remittance income is playing a vital role in foreign currency earnings and has had a favourable impact on the balance of payment situation, reducing the number of people who fall under the poverty line and boosting the economic growth of the country. Reviewing different research papers and books has invited that there should be a comprehensive study of foreign employment and Remittance in Nepal.

2. RESEARCH METHODS

This paper is based on secondary data and descriptive and analytical research design is applied to examine the data. All analysis and discussion have been based on published sources of secondary data and information published by the Ministry of Finance (Economic Survey), Nepal Labor Migration Report, Nepal Rastra Bank documents, Migration Data Portal, Economic Statistics of Sri Lanka-2020 and other various research reports, journals, books which were related to documents towards labor migrations and impact of remittances on GDP. Descriptive statistics such as a table, chart, ratio and diagrams have been used to present the labor migration and remittances of Nepal and Sri Lanka. Econometrical models were applied as required to examine the impact of labor migration and remittances on the economy.

The remittances transferred through informal operators or hand carried by travelers are unlikely to be captured in official statistics. However, they may represent a substantial addition to remittances sent through official channels. It is not easy to estimate the actual flows through informal channels that appear to be large (WB, 2005).

Model Specifications

The impact of Remittance (R_N) on GDP of Nepal is estimated as:

$$GDP_N = \beta_0 + \beta_1 R_N + \varepsilon_t \dots \dots \dots (i)$$

The impact of Remittance (R_{SL}) on GDP of Sri Lanka (GDP_{SL}) is estimated as:

$$GDP_{SL} = \beta_0 + \beta_2 R_{SL} + \varepsilon_t \dots \dots \dots (ii)$$

The impact of foreign labour migration (FLM_N) on Remittance (R_N) of Nepal is estimated as:

$$R_N = \beta_0 + \beta_3 FLM_N + \epsilon_t \dots \dots \dots (iii)$$

The impact of foreign labour migration (FLM_{SL}) on Remittance (R_{SL}) of Sri Lanka is estimated as:

$$R_{SL} = \beta_0 + \beta_4 FLM_{SL} + \epsilon_t \dots \dots \dots (iv)$$

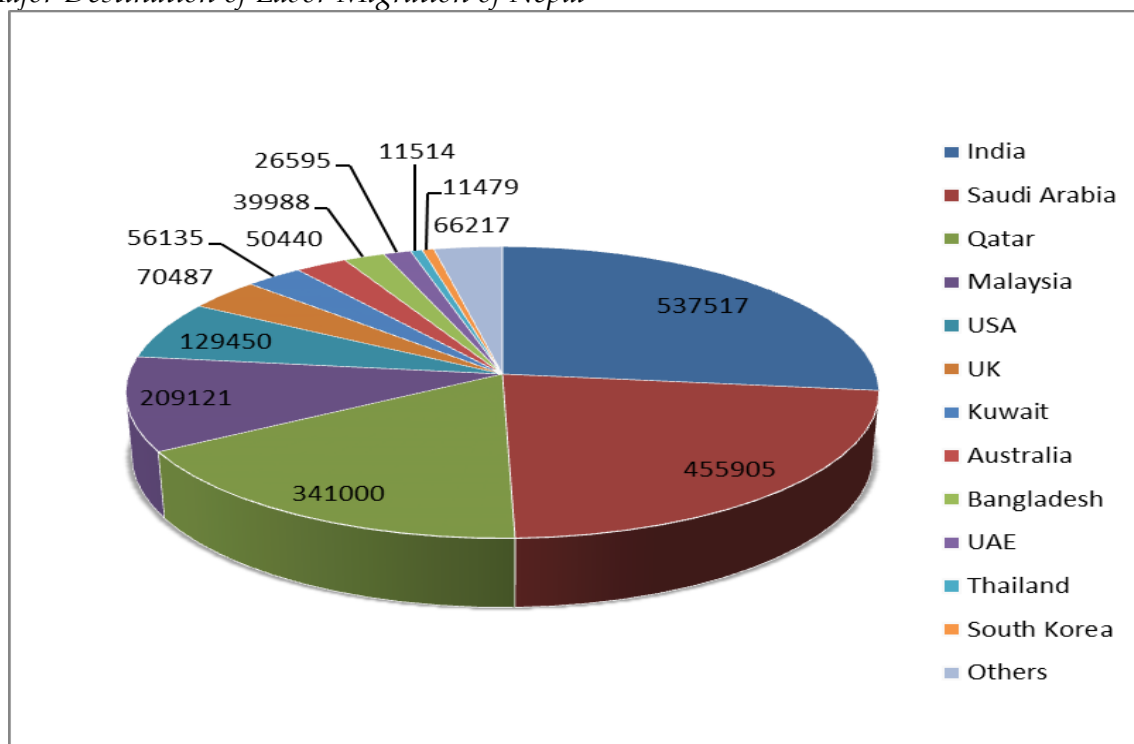
where GDP_N is the Gross Domestic Product of Nepal and is estimated to be increased as remittance increases. GDP_{SL} is the Gross Domestic Product of Sri Lanka, also estimated to be increased as remittance increases. Remittance of Nepal (R_N) is expected to be increased as foreign employment increases in Nepal, and remittances of Sri Lanka (R_{SL}) are also estimated to be increased as foreign labour migration of Sri Lanka increases of β_0 , β_1 , and β_2 are the parameters and ϵ is the error term.

3. RESULTS AND DISCUSSION

Foreign Employment Situation of Nepal and Sri Lanka

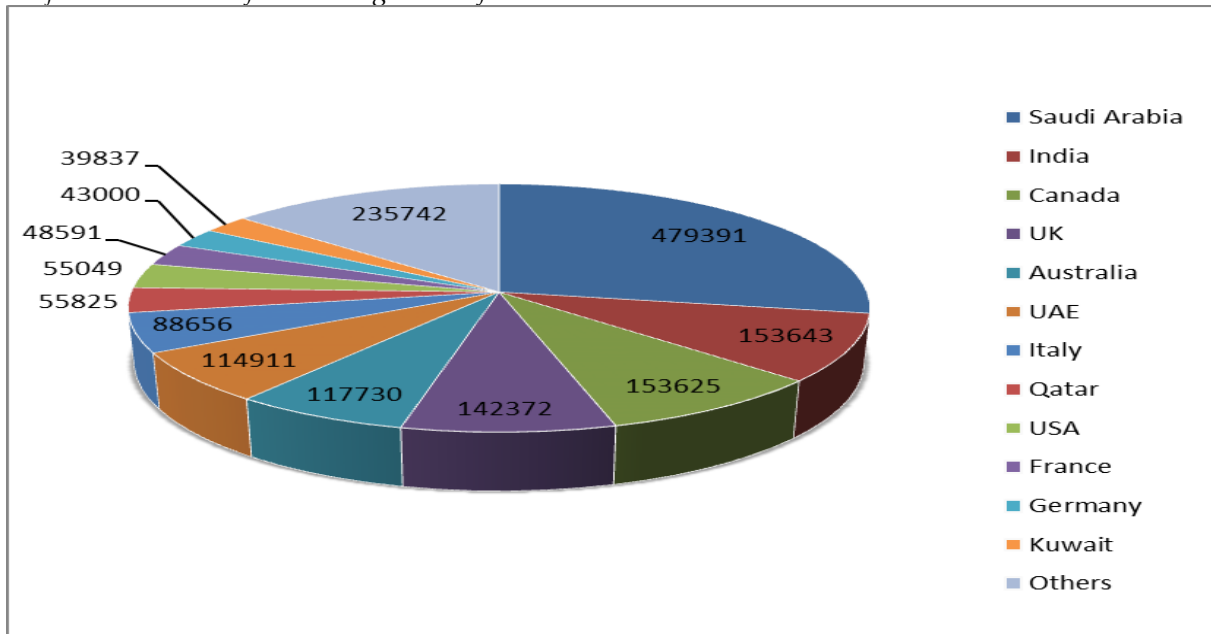
Nepalese labor forces have spread to more than 70 countries all over the world. The major destination of Nepalese labor migrant countries as India, Malaysia, Qatar, Saudi Arabia, USA, UK, Kuwait, Australia, UAE, Thailand and South Korea etc., whereas Sri Lankan labour forces have spread more than 90 countries, all over the world, the major destination for Sri Lankan labour migrant countries were Saudi Arabia, India, Canada, UK, Australia, UAE, Itlay, Qatar, USA, France, Germany and Kuwait etc in 2017. The nature of both migrated labourers has found unskilled, semi-skilled and few skilled were equally selected to receive foreign employment in these countries. Figure 1 reflects the major destination of labour migration in Nepal and Sri Lanka:

Figure 1
Major Destination of Labor Migration of Nepal



Source: Migration Data Portal, 2021.

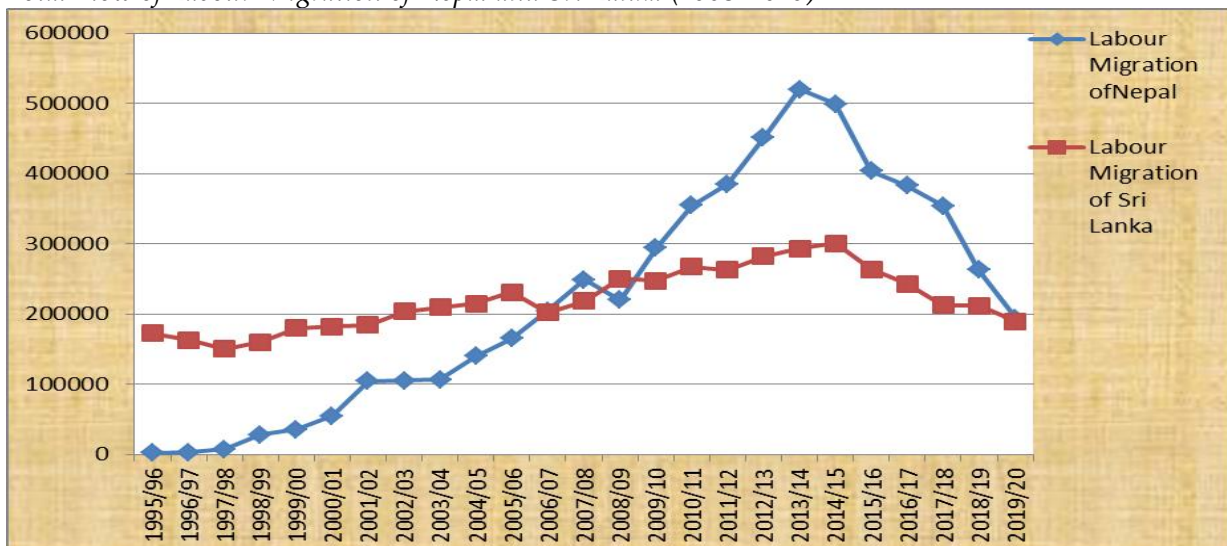
Figure 2
Major Destination of Labor Migration of Sri Lanka



Source: Migration Data Portal, 2021

Figure 1 depicts Nepal's major destination of labor migration, whereas Figure 2 shows the labour migration from Sri Lanka in 2017. For Nepalese labor, India, Saudi Arabia, Qatar, Malaysia, USA were highly opting destinations where nearly 5.5 lakh Nepalese labor migrated to India, 4.5 lakh labor migrated to Saudi Arabia, 3.4 lakh labor migrated to Qatar and 2 lakh labor were migrated to Malaysia in 2017. More than 2 million labourers migrated from Nepal all over the world's labor markets. Similarly, 4.79 lakh labourers migrated to Saudi Arabia, 1.53 lakh to India, 1.53 lakh to Canada, and 1.42 UK migrated on the same date. The table and figure depict data that more than 1.72 million labourers migrated from Sri Lanka all over the world's labor markets. While comparing the labor migration between Nepal and Sri Lanka, more labourers migrated from Nepal rather than Sri Lanka.

Figure 3
Total Flow of Labour Migration of Nepal and Sri Lanka (1995-2019)



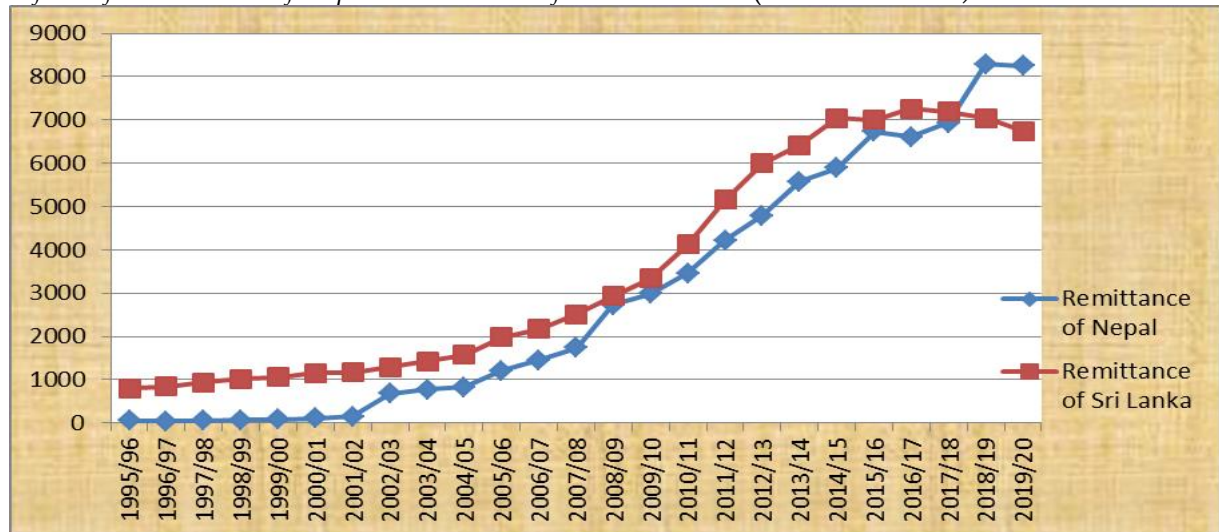
Source: The World Bank, IBRD-IDA, 2020, MOF. (Economic Survey (2010/11 & 2019/20))

Figure 3 shows the total arrivals of tourists to Nepal and Sri Lanka from 1995 to 2019. The total arrivals of Nepal and Sri Lanka indicate increasing trends during the study

periods. The tourist arrivals trends of Nepal and Sri Lanka are similar in the study periods. However, Nepal has found for fluctuating nature of total tourist arrivals while comparing both countries.

Figure 4

Inflow of Remittances of Nepal and Sri Lanka from 1995-2019 (USD in Millions)

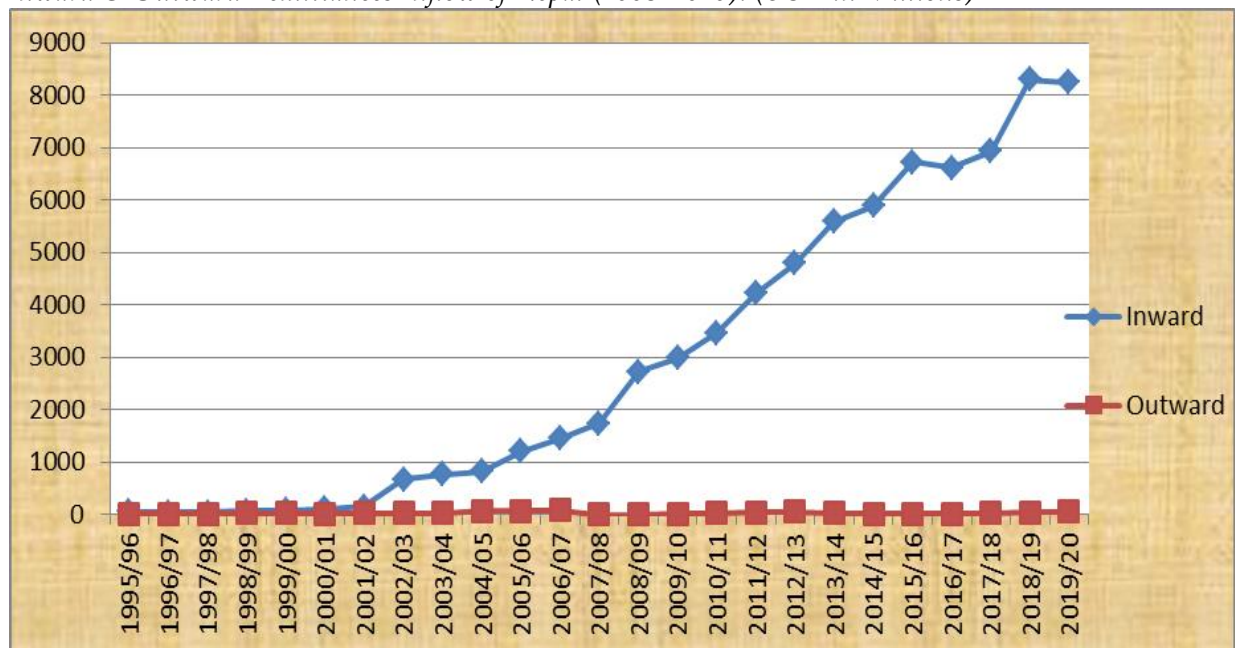


Source: Migration Data Portal, 2021 and MOF. Economic Survey (2010/11 & 2020).

Figure 4 depicts the remittance inflows from Nepal and Sri Lanka from 1995-2019. The inflow of remittances from Nepal and Sri Lanka has increased during the study periods. The remittance income of Sri Lanka was higher than Nepal before 2018, and the remittance inflow of Nepal was higher than Sri Lanka after 2018.

Figure 5

Inward & Outward Remittances Inflow of Nepal (1995-2019). (USD in Millions)



Source: Migration Data Portal, 2021. Year

Figure 5 represents the inward and outward trends of remittances in Nepal from 1995-2019. A significant volume of remittances is traced inward and a little segment of remittances is traced to outward from Nepal.

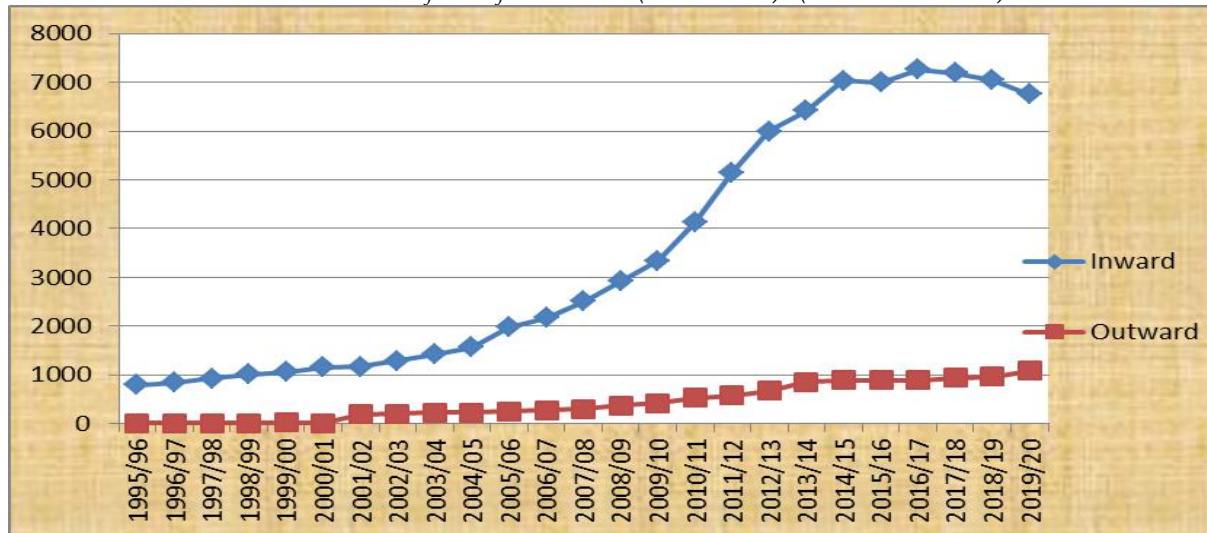
Figure 6*Inward & Outward Remittances Inflow of Sri Lanka (1995-2019) (USD in Million)**Source: Migration Data Portal, 2021.*

Figure 6 reflects the inward and outward remittance trends in Sri Lanka from 1995-2019. The inward trends of remittances contribute a significant portion of foreign exchange earnings to the Sri Lankan economy. The flow of Remittance outward shows a very insignificant ratio to inward volume.

Contribution of Remittance to the GDP of Nepal and Sri Lanka

There has been a significant contribution of Remittance to the GDP of Nepal and Sri Lanka. The contribution of Remittance to GDP has been increasing in Nepal in comparison to Sri Lanka. The contribution of Remittance to the GDP of Nepal was just 1.23 percent in 1994. It was 0.98 percent in 1996, which was the lowest; it was the highest at 31.43 percent in 2015 and 26.92 percent in 2019. The nature of the contribution of remittances to the GDP of Nepal has been found to increase and fluctuate during the study period. Similarly, the contribution of remittances to the GDP of Sri Lanka was just 6.10 percent in 1994, it was the highest, 8.86 percent in 2014 and 8.03 percent in 2019. The nature of the contribution of remittances to the GDP of Sri Lanka has been found to steady and gradually change in the study period.

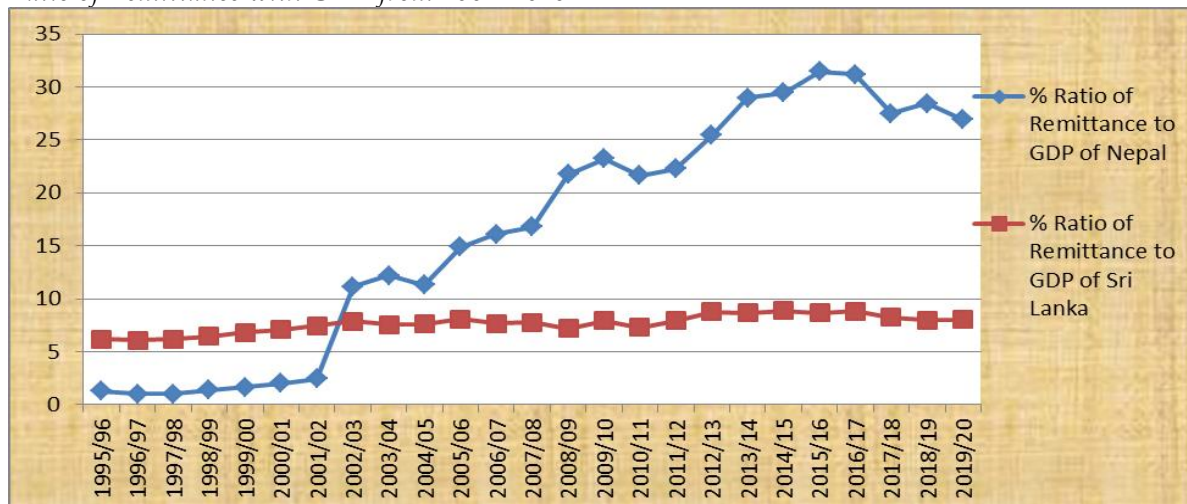
Figure 7*Ratio of Remittance with GDP from 1994-2019**Source: MOF, Economic Survey (2010/11 & 2019/20), Central Bank of Sri Lanka, 2020*

Figure 7 depicts the contribution of remittances to the GDP of Nepal and Sri Lanka from 1995-2019. Before 2020, the contribution of remittances to the GDP of Sri Lanka was higher than Nepal. Then the contribution of remittances to the GDP of Nepal exceeded the contribution of Remittances to the GDP of Nepal.

(i) For First Regression Model

	Multiple R	R Square	Adjusted R Square	Standard Error	Observations
	0.990054699	0.980208307	0.979347798	1189.329056	25
	df	SS	MS	F	Significance F
Regression	1	1611266298	1611266298	1139.104	0.000
Residual	23	32533582.88	1414503.604		
Total	24	1643799881			
	Coefficients	Standard Error	t Stat	P-value	Lower 95%
Intercept	4766.630048	343.6144602	13.87202985	0.000	4055.80938
Remittances	2.8389586	0.08411577	33.75061046	0.000	2.664951871

Source: Author's calculation

From the regression equation,

$$GDP_N = \beta_0 + \beta_1 R_N + \varepsilon_t \dots \dots \dots (i)$$

$$GDP_N = 4766.63 + 2.8389 R_N + \varepsilon_t$$

$$P\text{-Value} = 0.000 \text{ and } R^2 = 0.980208307$$

From the equation, there is a positive relationship between GDP_N and R_N which means when R_N increases, then GDP_N also increases. The intercept term β_0 is 4766.63, which indicates that GDP_N would be 4766.63 if the R_N is zero. The result shows that the change β_1 of R_N is 2.8389, which explains that one unit increase in R_N causes GDP_N would increase by 2.8389. The coefficient of determination, R^2 is 0.980208307, which means that the explanatory variable, i.e., R_N , determines 98.02% of the variation of GDP_N . In other words, if we are trying to explain what may affect GDP_N . Other factors might explain this variation, but this model, which includes only R_N , can explain 98.02% of it. This means that 1.98% of the variation in GDP_N cannot be explained by R_N alone. Therefore, there must be other variables that have an influence also. Similarly, the calculated P- value of 0.000 means zero of P- value, which is less than 0.05, implying that the model is statistically significant. Hence, the study is statistically significant.

(ii) For Second Regression Model

	Multiple R	R Square	Adjusted R Square	Standard Error	Observations
	0.995783197	0.991584175	0.99121827	2720.743666	25
	df	SS	MS	F	Significance F
Regression	1	20060233658	20060233658	2709.946604	0.000
Residual	23	170256260.2	7402446.095		
Total	24	20230489918			
	Coefficients	Standard Error	t-stat	P-value	Lower 95%
Intercept	3844.406674	941.7594331	4.082153615	0.000	1896.228855
Remittance	11.34706814	0.217973298	52.05714749	0.000	10.89615602

$$GDP_{SL} = \beta_0 + \beta_2 R_{SL} + \varepsilon_t$$

$$GDP_{SL} = 3844.406674 + 11.34706814 R_{SL} + \varepsilon_t$$

$$P\text{ value} = 2.2733E^{-25}, \text{ and } R^2 = 0.991584175$$

From the equation, there is a positive relationship between GDP_{SL} and R_{SL} which means when R_{SL} increases, then GDP_{SL} also increases. The intercept term β_0 is 3844.406674, which indicates that GDP_{SL} would be 11.34706814 if the R_{SL} is zero. The result shows that the change β_1 of R_{SL} is 11.34706814, which explains that one unit increase in R_N causes GDP_{SL}

would increase by 11.34706814. The coefficient of determination R^2 is 0.991584175, which means that the explanatory variable, i.e., R_{SL} , determines 99.15% of the variation of GDP_{SL} . In other words, if we are trying to explain what may affect GDP_{SL} . Other factors might explain this variation, but this model, which includes only R_{SL} can explain 99.15% of it. This means that 0.85% of the variation in GDP_{SL} cannot be explained by R_{SL} alone. Therefore, there must be other variables that have an influence also. Similarly, the calculated p -value of 0.000 is less than 0.05, which implies that the model is statistically significant. Hence, the study is statistically significant.

(iii) For Third Regression Model

	Multiple R	R Square	Adjusted R Square	Standard Error	N
	0.773104537	0.597690625	0.580198913	1869.99636	25
	df	SS	MS	F	Sig (F)
Regression	1	119488373.2	119488373.2	34.16993	0.000
Residual	23	80428386.85	3496886.385		
Total	24	199916760			
	Coefficients	Standard Error	t-stat	P-value	Lower 95%
Intercept	-72.9540205	637.9319231	-0.114	0.910	-1392.62
Labor Migration	0.0136633	0.002337403	5.85	0.000	0.0088

$$R_N = \beta_0 + \beta_3 FLM_N + \varepsilon_t$$

$$R_N = -72.9540205 + 0.0136633 FLM_N + \varepsilon_t$$

$$P \text{ value} = 0.000, \text{ and } R^2 = 0.597690625$$

Analyzing the data of 1995-2019, the study finds that there has been found a significant relationship between remittance income and labour migration in Nepal. The result seems valid as all diagnostic parameters justified the relationship, such as the regression coefficient being significant at 5 percent p -value with a coefficient of 0.5976 ($R^2 = 0.5976$). The result can be interpreted that remittance income significantly impacted labour migration during the study period. The overall model is statistically significant ($R^2 = 0.5976$, $p < 0.5$).

(iv) For Fourth Regression Model

	Multiple R	R Square	Adj. R Square	Standard Error	Observations
	0.674500993	0.45495159	0.431253833	1921.489216	25
	df	SS	MS	F	Significance F
Regression	1	70881654.91	70881654.91	19.198	0.000
Residual	23	84918778.53	3692120.806		
Total	24	155800433.4			
	Coefficients	Standard Error	t Stat	P-value	Lower 95%
Intercept	-5272.71401	2044.635573	-2.57880381	0.017	-9502.36
Labor Migration	0.04002941	0.009135878	4.381562117	0.000	0.021

$$R_N = \beta_0 + \beta_3 FLM_N + \varepsilon_t$$

$$R_N = -5272.71401 + 0.04002941 FLM_N + \varepsilon_t$$

$$P\text{-value} = 0.000217509, \text{ and } R^2 = 0.45495159$$

Analyzing the data of 1995-2019, the study finds that there has been found a significant relationship between remittance income and labour migration in Sri Lanka. The result seems valid as all diagnostic parameters justified the relationship, such as the regression coefficient being significant at 5 percent p -value with a coefficient of 0.45495159 ($R^2 = 0.4549$). The result can be interpreted that remittance income significantly impacted labour migration during the study period. The overall model is statistically significant ($R^2 = 0.4549$, $p < 0.5$).

4. CONCLUSION AND IMPLICATIONS

Labor migration is a global issue in the emerging world. Millions of people migrated from one country to another for employment and better lives. Many youths migrated from South Asian countries to East Asia, Europe and American countries. Similarly, millions of youths migrated to those countries from Nepal and Sri Lanka. Labor has a major solution for solving unemployment and sources of foreign exchange earnings for Nepal and Sri Lanka after the 1990s. The remittances have significantly been contributing to GDP and socioeconomic sectors.

The remittances have been boosting household's daily life by solving financial problems. The remittances have contributed to expanding the national economy's size and enhancing both countries' economic activities. The study finds both countries' positive and significant impact of remittances on GDP. By comparing the whole study period, Nepal received more remittances, and more youths migrated from Nepal. However, the size of the GDP of Nepal is lower than Sri Lanka.

Though increasing Remittance has its advantage, it is also that over-dependency on it, in the end, will eventually lead to economic failure if the flow of Remittance is disrupted. There is massive leakage in actual remittance inflow because most labourers prefer to send their earnings through informal channels. So, the government should make plans to encourage the migrants to follow the formal channels to send their earnings. The finding of regression analysis between foreign employment and Remittance indicates that foreign employment is a significant predictor of Remittance.

REFERENCES

- Dridi, J., Gursoy, T., Perez-Saiz, H. and Bari, M. (2019). *The impact of remittances on economic activity: The importance of sectoral linkages*. IMF Working Paper WP/19/175, African Department.1-37.<https://www.imf.org>.
- Ebeke, C. H. (2010). *Remittances, value-added tax and tax revenue in developing countries*. CERDI Working Paper 2010/30. France: Centre d'Etudes et de Recherches sur le Développement International, Clermont-ferrand.
- Gaudel, Y. S. (2006). Remittance income in Nepal: Need for economic development. *The Journal of Nepalese Business Studies*,3(1), 9-17.
- Gibson, J., & McKenzie, D. (2012). The economic consequences of 'Brain Drain' of the best and brightest: Microeconomic evidence from five countries. *Economic Journal*, 122(560), 339-375. DOI: 10.1111/j.1468-0297.2012.02498.x.
- ILO. (2020). *A Comparative analysis of remittances*. International Labour Organization, Sri Lanka. www.ilo.org/publns.
- Kafle, R. R. (2018). Relationship between Remittance and economic growth in Nepal. *Tribhuvan University Journal*, 32(2), 249-266. DOI: <https://doi.org/10.3126/tuj.v32i2.2422>.
- Lambert, P. J. (1989). *Distribution and redistribution of income: A mathematical analysis*. Cambridge: Basil Blackwell Inc.
- Meyer, D. and Shera, A. (2017). The impact of remittances on economic growth: An econometric model. *Economia*, 18(2017), 147-155. <https://doi.org/10.1016/j.econ.2016.06.001>
- MOF. (2010). *Economic Survey 2010/11*. Ministry of Finance, Kathmandu: Government of Nepal.
- MOF. (2019). *Economic Survey 2019/20*. Ministry of Finance, Kathmandu: Government of Nepal.
- MOFA. (2011). *Annual Report of Department of Foreign Employment*. Department of Employment, Kathmandu: Government of Nepal.

- MOLE. (2018). *Labour Migration for Employment: A Status Report for Nepal, 2015/16-2016/17*. Ministry of Labour and Employment, Kathmandu: Government of Nepal.
- Muller, N. S. & Thieme, S. (2007). *Livelihood Strategies in a Marginal Area of Nepal*. Issues in Geographical Marginality.
- NRB (2002). *Foreign employment and the remittance economy of Nepal*. Kathmandu: Nepal Rastra Bank.
- NRB (2019). *Quarterly Economic Bulletin 2019/20*. Research Department Publication Division, Kathmandu: Nepal Rastra Bank.
- Pandey, R. (2012). Evidence of Remittance in Nepal. *Management Dynamics*, 16(1). Shanker Dev Campus, Kathmandu.
- Panta, B. (2011). Harnessing remittances for productive use in NRB Nepal. *NRB Economic Review*, 23(1), 1-20. Kathmandu: Nepal Rastra Bank.
- Paranavithana, H. (2014). Do workers' remittances cushion economic growth in Sri Lanka? *International Journal of Business and Social Science*, 5.10(1), 44-56. www.ijbssnet.com
- Raihan, S., Khondker, B. H., Sugiyarto, G. & Jha, S. (2009). *Remittances and household welfare: A case study of Bangladesh* (ADB Economics Working Paper Series No.189). Asian Development Bank. ISSN:1655-5252, www.adb.org/economics
- Rajkarnikar, R. (2011). Foreign employment bond for sustainable economic development. *Management Dynamics*, 15(1),
- Shrestha, B. (2008). Contribution of foreign employment and remittances to the Nepalese economy. *Economic Review*, Vol.20, Year 2008, Nepal Rastra Bank, Kathmandu, Nepal.
- Shrestha, B. (2004). *Nepalese Economy*. Kathmandu: New Hira Enterprises, Kirtipur.
- Sutradhar, S. R. (2020). The impact of Remittance on economic growth in India, Bangladesh, Pakistan and Sri Lanka. *International Journal of Economic Policy Studies*, 14(1), 275-295. <https://doi.org/a0.1007/s42495-020-00034-1>.
- Thieme, S. (2004). Financial self-help associations among far West Nepalese labour migrants in Delhi. *Asian and Pacific Migration Journal*, 13(3), 339-361.
- Weeraratne, B. (2018). *Migration and gender outcomes: Analysis of selected policies in Sri Lanka* (KNOMAD Working Paper-35). Global Knowledge Partnership on Migration and Development.
- World Bank. (2005). *Global economic prospects 2006: Economic implications of remittances and migration*. The World Bank.