Labour Migration and the Remittance Economy
The Socio-Political Impact
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Acronyms

BS Bikram Sambat
CA Constituent Assembly
CPN-M Communist Party of Nepal (Maoist)
FGD Focus Group Discussions
GDP Gross Domestic Product
GoN Government of Nepal
HDI Human Development Index
HH Household
IME International Money Express
NC Nepali Congress
NGO Non-Governmental Organisation
NPR Nepali Rupee
NRB Nepal Rastra Bank
SLC School Leaving Certificate
SMC School Management Committee
SPSS Statistical Package for the Social Sciences
UML Communist Party of Nepal (Unified Marxist-Leninist)
USD United States Dollar
VDC Village Development Committee
Foreword

Since 2000/01, there has been a ten-fold increase in the number of Nepalis leaving the country to work abroad, from 55,025 to a peak of 519,638 in 2013/14. This number excludes those who go to India for work, of whom it is estimated there are a few million. The exponential growth in foreign labour migration has resulted in a corresponding increase in the amount of remittances received from abroad, from NPR 47 billion in 2001/02 to NPR 543 billion in 2014/15.

Remittances are now widely acknowledged as contributing nearly a third of Nepal’s GDP and credited for the significant reduction in poverty rates. The high number of migrant labourers and the equally high volume of remittances entering the country have generated a lot of policy interest in migration and the remittance economy. However, little is known about how patterns and forms of migration have affected local-level dynamics, through the outflow of human resources and the inflow of funds and ideas.

This study looks at the impact of labour migration from three perspectives: economic, social, and political. It provides an insight into how remittances are changing households’ economic outlook while highlighting any salient differences between migrant and non-migrant households. It also looks at transformation at the societal level brought about by migration, with existing power relations challenged and new forms of empowerment and aspirations coming to the fore, including in gender relations. Finally, the study also explores linkages between migration and political organising at the local level, particularly at a time of heightened identity consciousness across the country.

The study was conducted at a time of great tumult in Nepal that followed a period of intense political and social mobilisation. It, therefore, cannot and does not attribute the changes apparent solely to migration patterns and flows. It does, however, provide a fair amount of evidence that migration has triggered the emergence of new socio-political conditions, whether it be in cases such as the empowerment felt by Dalits or the disenchanted felt by the youth towards politics. Such dynamics are at play all across Nepal, and these need to be better understood as the country continues its complicated transition out of poverty. We hope this study contributes to deepening our understanding of migration and its effects at the local level.

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Despite the continual rise in the number of people migrating for foreign employment and the growing body of research on Nepal’s remittance economy, there is a dearth of knowledge on the impact of foreign labour migration on the social and political dynamics at the local level. This study aims to fill that gap by seeking to understand the implications of migration and remittance on social structures, including local institutions and democratic governance, and, more precisely, on political participation and political contestation.

Fieldwork for the study was carried out in 10 locations in five districts—Panchthar, Dhanusha, Nawalparasi, Kaski and Kailali—between April and June 2016. The study followed a mixed-methods approach in which a total of 401 migrant and non-migrant households (HHs) were surveyed during the first stage of the study, followed by 179 qualitative interviews and 19 focus group discussions in the second stage.

Findings from the study indicate that migration has generally been economically beneficial for migrant HHs. But, more importantly, it has also played an important role in further facilitating broader socio-political changes already underway in Nepal.

The Findings

Migration has benefitted migrant HHs economically in aggregate but the costs and benefits of migration vary by caste/ethnicity, class, and region. Hill Dalit and Tarai Dalit migrants, and those from the lowest wealth quartile, earn relatively less than other groups. However, this cost-benefit analysis based on cost of migration does not take into account the fact that the majority of the migrants take loans, especially from informal sources, to finance migration. While, on average, migration has been beneficial, a significant number of migrants have incurred losses, which is of particular relevance because there seems to be a direct correlation between socio-economic exclusion and losses from migration.

A comparison between migrant and non-migrant HHs shows that at an aggregate level the former is doing better in some regards. For instance, a higher proportion of non-migrant HHs have loans compared to...
migrant HHs and the average loan amount is also higher for the former, which indicates some improvement in the household economic condition of migrant HHs after migration. However, migrant HHs from Hill Castes, Tarai Castes, and Tarai Dalit groups have more post-migration loans. In particular, whereas Hill Dalits’ reliance on loans went down, the same is not true for Tarai Dalits.

Migrant HHs’ reliance on traditional moneylenders and other informal sources such as relatives, friends and neighbours is greater than that of non-migrant HHs. This is because a higher percentage of migrant HHs need to take larger loans to finance the migration of their household members or for other casual expenses such as repaying debts, paying for health expenditures, and marriage. Such loans cannot be accessed easily from banks and other financial institutions, and so the route of informal sources becomes much easier and quicker. Among migrant HHs, Tarai Dalits and Hill Dalits are more dependent on traditional moneylenders than their Tarai Caste and Hill Caste counterparts. There was some change evident though at the time of the study compared to the scenario before migration with the proportion of migrant HHs taking loans from banks and other financial institutions and informal groups having increased. This reflected not only the increased creditworthiness of migrant HHs, but also the wider proliferation of financial institutions like banks, cooperatives and informal lending groups.

Migrants are also doing better compared to non-migrants in terms of land purchase. Approximately, 36 per cent of the migrant HHs surveyed had invested in land after migration. The land area held by migrant HHs has increased by 0.048 hectares (0.96 ropani) on average after migration, but migration also appears to be reproducing existing inequalities, with more households from groups that were traditionally socio-economically more secure purchasing land after migration in comparison to Hill Dalit and Tarai Dalit HHs. Even so, the proportion of Dalit HHs buying land is not unsubstantial (over 22 per cent for both groups). The difference, however, is that whereas the average landownership of Hill Dalits increased after migration, the same is not true for Tarai Dalits, since the latter sold more land than they bought.

Significant changes in livelihoods are also noted. While for migrant HHs, the non-farm-based source of income is mainly remittance, for non-migrant HHs it is wages and salaries. Migrant HHs are also less dependent on farm-based livelihoods though there were some variations across caste and ethnic groups. Finally, significant differences observed in consumption patterns between migrant and non-migrant HHs are limited to the higher tendency of the former to make high-value and luxury purchases.

Given the scenario in which the relations between the poor and landless and the landed patrons have been changing over the years because of various political changes and socio-political movements, migration has played an important complementary role in providing migrant HHs with the economic means to consolidate those changes. This has been achieved by reducing the dependency of the poor and the landless on their landlords for needs such as land, loans and employment. Those hitherto dependent on the landed class for access to land have found an alternative source of livelihood in migration, and where they have been able to make migration cumulative, they have invested in land. Second, given the increased cash flow at the local level due to the infusion of remittance, there is more competition in the credit market. Therefore, the monopolistic and predatory control of the landed and the wealthy in the credit market no longer holds true. Third, labour shortages because of migration has made existing labourers much more valuable, tipping the balance in their favour.

Changes in local power relations have manifested in greater feelings of political autonomy, especially among the marginalised. But, it would not be true to suggest that the poor and the marginalised are no longer dependent on local elites solely due to migration. They have no choice but to rely on the elites for favours, protection, security, etc. and their voting behaviour also appears to be somewhat compromised because of this continued dependency. In many cases, landed elites continue to have greater control over local and district administrations, and this permits them the ability to retain some measure of clientelism among the poor and the marginalised.

Besides the push factors such as high unemployment, the low premium on education, and the wage differential between Nepal and abroad, the aspiration to migrate is also tied to a culture of migration that equates a sojourn abroad with successful manhood. Political disenchantment, especially in relation to political parties, is also driving the youth to migrate. There is also the paradox of a higher proportion of men choosing migration over education while also placing a greater priority on the quality of their children’s education.

Physical absence due to migration hampers migrants’ political participation, but those already involved in politics prior to migration are, wherever possible, able to continue their political engagement even as migrants. Upon return, this group is able to resume their political activities more easily than those who were not similarly engaged prior to migration. Regardless, whether previously in formal politics or not, returnees, especially from marginalised groups, are better positioned to challenge local power relations.

After living in more developed countries and experiencing different ways of living, migrant returnees are found to be more enthusiastic about entrepreneurship and economic development. Upon their return, many have tried their hand at various economic ventures.

In terms of gender relations, male migration has had both empowering and disempowering effects on women and their position in the household. Some women have experienced greater responsibility and autonomy in everyday household decision-making, increased mobility, and exposure to the outside world. These changes are more evident in nuclear households without other older women or other adult men to challenge their authority. These changes are not always considered by all women as liberating since some viewed it to be particularly stressful.

The impact of migration on women’s participation in the public sphere is also mixed. Left-behind women’s participation in various village institutions has increased after the migration of their husbands. However, it is not significantly different from that of women from non-migrant HHs, since these changes have also been possible due to broader socio-political developments across the board.

Family support, especially their husbands; is a crucial factor in women’s participation in public life, and the evidence of migrants supporting or dissuading their wives was mixed. At the same time, male migration can also prevent women’s participation as their absence saddles them with many responsibilities. Young
women with children face the greatest challenge while social norms that are more strictly enforced on left-behind women also prevent them from engaging with the broader community.

Migration is also contributing to girls staying in school much longer than boys, as the latter leave school early to migrate. Although women’s migration is slowly accelerating, it is not yet an aspiration for many young girls because of societal norms that regulate women’s mobility, and also because of labour market restrictions that have yet to provide greater opportunities to women.

**Looking Ahead**

These findings are only indicative of the broader trends underway in Nepal, and so, the study does not provide specific courses of action but only points to three areas requiring deeper attention.

**Greater efforts at maximising the benefits of migration:** Despite the high number of migrants working abroad and the increases in remittance inflow, there tends to be some measure of ambivalence in acknowledging the consequences of migration on the country’s economic, social, and political structures. This could be because Nepali migrants are essentially ‘marginal migrants’ whose voices are constricted due to the difficult migration process at home (such as high debt burdens) as well as the nature of their work abroad (with most being engaged as unskilled labour abroad). It thus becomes essential for greater effort to be exercised at maximising the benefits of migration experiences through measures such as better protection of migrant workers at home and abroad, safer working conditions, easier access to credit, and enhanced investment opportunities for remittance, preferably closer to home.

**Exploring entry points for sustaining gains from migration:** The study points to areas that can serve as entry points for further support and action insofar as migration can drive development.

- **Migration aspirations among the youth are driven by a perceived lack of employment opportunity, apathy, and mistrust of the political system. However, the ‘culture of migration’ is also leading to perverse effects such as earning differentials being valued much more than the prestige that comes with a job or educational accomplishments, indicating a crucial need to engage with the youth, especially in terms of their life choices.**

- **Migration of young men, coupled with increasingly higher educational attainment of girls and women, point to a fundamental shift in the nature and composition of the Nepali labour market in the future. There is a need to prepare for such shifts in the national development policies of the country. The overwhelming focus so far on the feminisation of agriculture and local institutions brought about by migration misses the larger changes already underway in the labour market.**

- **Change in social relations and greater political autonomy of marginalised groups suggest that these are important gains that need to be further supported and sustained. Efforts to strengthen and support the capacity of Dalits, marginalised Janajatis, and the poor, from both migrant and non-migrant HHs, are important in this regard.**

- **The increased interest in engaging in ‘economic development’ instead of party politics suggests a possible break from development being driven by partisan interests. There is a need to further explore avenues for supporting this progression and ensuring that development is truly pro-poor and outside of party politics.**

**Enhancing knowledge base:** Over the years, there has been a growing interest in research relating to migration from Nepal. While a positive development, a closer look suggests that most research has been driven by short-term, narrow research questions. Migration takes place within a broader social, economic, and political context and not in isolation from these processes. It is simultaneously an intrinsic part of social transformation and also a major force reshaping community and social relations. Therefore, migration studies itself needs to be embedded into fundamental questions exploring the major processes of social transformation taking place.
1. Introduction, Methodology and Research Design

Introduction to the study

Nepal has seen a dramatic increase in the number of individuals migrating abroad for foreign employment. The latest data suggests that a significant section of the total working population (around 7.3 per cent) work abroad (MoLE 2014; CBS 2011), and the remittance they send is calculated to constitute around 30 per cent of Nepal's GDP (World Bank 2016; Sijapati et al 2015; Devkota 2014). Although substantial in both regards, this is a relatively recent trend, with the number of migrants and volume of remittance rising steeply only after the early 2000s (Sharma et al 2014).

For much of history, and at least until the mid-1980s, labour migration for foreign employment from Nepal used to be characterised by the outflow of people to India, where, because of the open border, Nepalis did not require any documentation or permission to cross over to the other side. Additionally, Nepali men joining the British Army in India and, later, the Indian and British armies, was another significant trend that shaped much of Nepal's migration history (Gartaula 2009). With the intensification of globalisation, new geo-economic dynamics began to emerge, especially the increased labour demands caused by the oil boom in the Middle East in the 1970s and the growth of East and Southeast Asian economies. The Government of Nepal (GoN) responded by facilitating the export of migrant labour with the promulgation of the Foreign Employment Act 1985, and labour migration has continued to rise in subsequent years (Sijapati and Limbu 2012).

But, despite a growing body of literature on Nepal's remittance economy, one aspect that has barely been examined is how these new forms and patterns of migration may have affected the social and political fabric at the local level. This study is an attempt to redress this gap by posing the question: What implications do migration have on social structures, including local institutions and democratic governance, and, more precisely, on political participation and political contestation? These two dynamics—institutions and participation—do not necessarily have a linear relationship with one another, and, in both cases, countervailing currents are likely to be at work. Thus, while migration can act as a ‘safety valve’ for otherwise-disaffected youth to be productively engaged (NRB 2016), it can also result in new economic and political
aspirations that can lead to societal imbalances as receivers and generators of remittance challenge existing hierarchies and power relations.

Based on a combination of quantitative and qualitative methods applied in five districts, the study explored four distinct yet inter-related lines of inquiry:

- **Local distributive effects**: What are the economic returns of migration to individuals and households? What impact does remittance have on the livelihoods and overall household economy of migrant households? Does migration result in new social differentiations between migrants and non-migrants?

- **Effects on local power relations**: Can new power dynamics and hierarchies between remittance-receivers and non-receivers be observed? Does migration enable migrant families to escape from established, often land-based, patron-client relationships, or engage with patrons on more equal terms? Do these shifts in local power relations also translate into changes in how people relate to political parties and make voting decisions?

- **Shifting social and political aspirations**: In the context of migration, what do young people aspire towards in terms of career, personal life, and socio-political shifts? What are the patterns of political engagement by migrant returnees compared to non-migrants and prospective migrants? Does migration impact how people participate in local politics (political parties, trade unions, collective action groups, community institutions such as users' groups, school management committees, etc.)?

- **Effects on gender relations**: How does remittance impact gender relations within migrant households? Who has control over expenditures and investments? How does male migration impact women's political participation outside the household? Does this lead to indirect effects such as in decisions relating to girls' education, marriage and women's participation in labour markets?

This study focuses on circular migration mainly to the Gulf states and Malaysia and less so on the long-established patterns of seasonal migration to India, recruitment of Nepalis into foreign armies, or the mostly permanent migration to destination countries such as the United States, the United Kingdom, and others in the West.1 A second caveat is that the research was undertaken during a period of intense socio-political and economic transformation in Nepal. These include the post-1990 democratisation, the Maoist rebellion, and institutional and policy changes, such as the promulgation of a new constitution and emergence of social inclusion as a dominant discourse in the post-2006 era. Since new patterns of migration stand in complex interactions with other longer-term political developments, it becomes difficult to establish conclusively the impacts of migration on social and political change. Hence, the study adopts a descriptive and interpretive framework2 to analyse the major socio-economic changes triggered by migration rather than testing certain hypotheses to establish associations between two or more variables.

The report is divided into six sections, with the introductory section describing the methodological approach and the research framework adopted for the study. Section Two presents findings on the socio-economic effects of migration and remittances, primarily at the household level. Section Three focuses on how the changes observed at the household level may affect established societal relations, and lead to shifts in the political autonomy of migrants and their households. Section Four examines the impact of migration on the political aspirations of young people in particular, and the emerging patterns of political participation among various migrant and non-migrant populations. Section Five analyses the implications of migration on gender roles and women's political participation. Finally, Section Six concludes with the possible implications of the ongoing trajectories of migration on the broader socio-political transformations underway in Nepal.

**Methodology**

**Approach to the Study**

Research for this study combined quantitative and qualitative methods to examine comparatively the socio-political effects of the remittance economy in five districts across Nepal. Field research was structured into three phases. During the preliminary stage, an in-depth review of the literature was conducted to assess linkages between remittance and political participation as well as other socio-political changes. As there is a dearth of studies on these aspects of migration in Nepal, an exploratory visit was also undertaken in three districts, Panchthar, Nawalparasi and Kailali, to get a better sense of the political and migration history in these districts and the possible impacts of migration on the social, economic and political arenas.

Both of these exercises were crucial in formulating the survey instruments as well as in identifying broad questions for the quantitative and qualitative research components.

In the second phase, a purposive non-probability survey was administered to examine: i) the household economy of migrant and non-migrant HHs; and ii) social and political participation and aspirations of four groups of people, namely, left-behind family members, returnees, prospective migrants, and non-migrants. In the third phase, qualitative methods were employed to explore in detail the perspectives of different constituencies on remittance-induced changes, and the causal processes through which the economic impacts of migration could result in social and political change.

The qualitative research focused on four cross-cutting themes across all five districts: i) the relationship between political parties and voters, particularly migrants and their families; ii) gender relations; iii) differences in political aspirations between the younger and older cohorts; and iv) the impact of migration on village-level institutions, both formal and informal. This part of the research also developed case studies on district-specific phenomena and dynamics.

**Quantitative Survey**

The survey stage of this research was conducted in April and May 2016 in 10 field locations in the five districts of Panchthar, Dhanusha, Kailali, Nawalparasi and Kaski (Figure 1). The district selection was based on the fact that these were among the highest migrant-sending ones, and were either sites of recent and intense political contestation in the form of identity politics (Panchthar, Dhanusha and Kailali) or relatively less affected by similar unrests (Nawalparasi and Kaski). The socio-political context of these districts is discussed in brief in Annex 1. One town/bazaar and one village location each with relatively high degrees of migration were purposively selected in each of the five districts. These sites was determined
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both by the occurrence of a relatively recent major political event and/or high political engagement, and significant diversity in the caste/ethnic composition of the population. In order to protect the study participants, these field sites have not been identified. And, where they have been used for the purpose of the narrative, the names have been changed.

In each of the two field locations per district, approximately nine participants were selected from each of the four groups of interest to the study, i.e., left-behind family members, returnees, prospective migrants, and non-migrants. Again, the selection was done purposively to include as far as possible different castes/ethnicities within the selected settlements. Among the migrants and returnees in these four groups, the study endeavoured to capture the experience of migration to the Gulf countries and Malaysia in general since migration to India and countries in the West is significantly different in terms of migratory pathways, processes, duration, and remittance amounts, among other factors. However, in Kailali since migration to India is almost the default scenario, many of the migrants’/returnees’ experience is related to that country. Further, for the sake of comparison, at least four surveys were conducted in each research location with households having migrants in India or returnees back from that country. There were a few households with migrants/returnees who had gone to South Korea and other countries as well (Table 5). This strategy yielded a total of 401 household surveys in the five districts.

In terms of demographic characteristics, the average family size of the households in the study sites was 4.92. Almost 80 per cent of the respondents were married, and only a few were either separated or widowed (4.5 per cent altogether). The largest caste/ethnic categories were Mountain and Hill Janajatis and Tarai Janajatis. Muslims comprised only 3.2 per cent of the households surveyed (Table 1).

With regard to migration experience, 68.6 per cent of the households were migrant households, defined as households with at least one member having gone abroad for foreign employment for more than six months in the last 15 years. Notably, the selection of the households was done purposefully to privilege the selection of migrant HHs, and, hence, the study covered a higher number of migrant HHs compared to non-migrants. As mentioned earlier, the households were also divided along the categories of returnees, left-behind family members, prospective migrants, and non-migrants (Table 2). Further demographic information of the respondents and the socio-economic profiles of the households are provided in Tables 9 and 10, Annex 2.

Qualitative Research

The qualitative part of the fieldwork covered four cross-cutting themes besides developing two or three case studies specific to each district. It was undertaken in May and June 2016 in the same 10 field locations covered by the household survey. Overall, a total of 186 qualitative interviews and 20 focus group discussions (FGDs) were conducted (Table 3).

Data Analysis

The survey data was collected using tablets and Census and Survey Processing (CSPro) software in order to facilitate real-time data collection and to minimise errors in data entry and processing. Wireless
technology was used to transfer data via the internet to the Social Science Baha office in Kathmandu, where the incoming data was monitored. Any inconsistencies found were immediately rectified and a mechanism to provide instant feedback and improve the performance was also devised.

Upon the return of the fieldworkers from the field, the survey data was cleaned and analysed using SPSS and Stata. Qualitative interviews and FGDs were transcribed by the field researchers themselves. The transcripts were coded and analysed thematically. Findings and analyses presented in this report are based on both the quantitative data from the survey and descriptive and explanatory information derived from the qualitative research.

**Operational Definitions**

In order to facilitate data collection and analysis, a variety of concepts/terms were used in the survey questionnaire, checklists for qualitative research, and also in this report. These include:

**Migrant household:** A household was considered a migrant household if it had a member who has migrated for foreign employment for more than six months in the last 15 years. All other households were considered non-migrant HHs.

**Returnees:** The study defined a returnee as someone who had returned from foreign employment in the last 15 years with at least six months' stay abroad and had no plans to re-migrate.

**Left-behind family members:** These were the current heads of migrant HHs. In most cases, they were the spouses of migrants.

**Prospective migrants:** These were respondents who were planning to migrate for the first time within the next five years.

**Non-migrants:** These were respondents whose family members, including themselves, had not migrated anywhere in the last 15 years, and had no plans to migrate in the next five years.

**Class quartile:** In order to look at the differences in survey response by class background of the respondent, a class proxy was calculated using: i) the education level of the most senior household member; ii) type of health facilities used by the household; and iii) investment or lack thereof, in farms and businesses. If the most senior household member had attended school the household was given a score of 1, if not, 0. If the household usually went to traditional healers or a health post for health check-ups, it received a score of 0; if it went to local medical stores, government or private hospitals/clinics, it scored 1. Finally, if the household had made major farm- and business-related investments in the last 15 years it scored 1, and 0, if not. These scores were tallied and those households that received the highest score of 3 were put in the highest wealth quartile, and those that scored 2, 1 and 0 were placed in the third, second and lowest wealth quartile, respectively.

A point to be noted is that where the discussion deals with migrant and non-migrant households only, the former category includes households with current migrants as well as returnees. Similarly, households with prospective migrants are divided between migrant and non-migrant households, depending on whether someone from the household is a current migrant/returnee or not.

**Notes**

1. However, a small portion of the survey participants were from households with migrants in or returnees from India, as specified further in the methodology section.
2. The main principle of an interpretive framework is to understand the world as it is from the subjective experiences and meanings individuals provide to their social actions. In this regard, the research framework is different from a positivist framework that includes pre-defined dependent and independent variables, and seeks to examine the relationship between them.
2. Social and Economic Effects of Migration

This section examines the distributive effects of migration, focusing specifically on the economic returns of migration, the impact of remittances on the livelihoods and household economy of migrant HHs, and, more importantly, new forms of social differentiation between migrant and non-migrant HHs. In doing so, it considers the costs of migration, the amount of remittance received, the effects of migration on loan-seeking behaviour, changes in land ownership, and livelihoods and consumption patterns triggered by migration. As these social and economic impacts are experienced at the household level, this section focuses on a comparison between migrant and non-migrant HHs, describing observed differences across caste/ethnic groups, class categories, and household types. Later sections describe how these differences are affecting socio-political dynamics at the local levels. Disaggregated data found to be significant to the analysis has also been presented in the narrative.

Economic Returns to Migration

Findings from the study indicate that at an aggregate level, migrants and their families have benefitted economically from migration, with migrants included in the survey having sent back remittances that exceed what they spent while migrating. Specifically, with some variations, the average cost of migration to the most recent destinations was NPR 134,750, while the average remittance sent was NPR 159,511 per year,1 with the average duration of migration being approximately four years.2

There were, however, considerable differences in the amounts remitted across districts and socio-economic backgrounds of the remitters. As shown in Table 4, the average remittance received in Kaski was the highest, while it was the lowest in Nawalparasi. This can be attributed to the fact that in Kaski, about 14 per cent of the sampled migrants had gone to destinations such as South Korea and countries in the West where the earning potential is relatively higher. The average duration of migration was also the highest in Kaski, at 7.2 years, compared to other districts where it was between 4.5 and 5 years, thus allowing migrants from Kaski to accrue more benefits from migration since migrant HHs become more accumulative with the increase in the duration of migration.3

As the research design and survey sampling focused on international migration, i.e., migration to countries other than India, the results from Kailali may be skewed because migration from Kailali to India is much higher than what the survey reflects. Even in the survey sample, despite the focus of the survey on international migration, 38 per cent of the sample population had gone to India and 62 per cent to countries other than India. The average remittance per year from India was NPR 182,733 and from the Gulf States was NPR 330,837. The survey results over-state the overall economic impact of international migration in Kailali. The study has tried to compensate with qualitative data that captures both types of migration.

Research findings indicate that the intersections of caste/ethnicity and class also impact migration outcomes. For instance, during the most recent migration stint, Hill Dalits and Tarai Janajatis received the lowest average amount of remittance, while Mountain and Hill Janajatis received the highest. In terms of class, those in the lowest quartile received the smallest amounts while those in the highest received the largest. Destination of work and total duration of migration of these caste/ethnic groups are also factors that may explain these differences (Table 5). For instance, a relatively larger proportion of Mountain and Hill Janajatis from the study districts (12.5 per cent) went to countries where remuneration is generally higher, namely, South Korea, western countries, and other highly remunerative ones, such as Israel, Iraq and Japan. None of the Hill Dalit and Tarai Dalit HHs had migrants in these countries during their most recent migration stints. The average total duration of migration of Tarai Dalits (3.3 years) was also the lowest among all caste/ethnic groups.5 Interestingly, even though Hill Dalits' average total duration

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Table 4: Average Remittance per Migrant (by district, caste/ethnicity, destination and class quartile)4

<table>
<thead>
<tr>
<th>Districts</th>
<th>Average Remittance (NPR) Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaski</td>
<td>215,246</td>
</tr>
<tr>
<td>Kailali</td>
<td>182,248*</td>
</tr>
<tr>
<td>Dhanusha</td>
<td>183,036</td>
</tr>
<tr>
<td>Nawalparasi</td>
<td>102,155</td>
</tr>
<tr>
<td>Panchthar</td>
<td>122,098</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Caste/Ethnic Group</th>
<th>Average Remittance (NPR) Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mountain &amp; Hill Janajati</td>
<td>189,009</td>
</tr>
<tr>
<td>Tarai Janajati</td>
<td>129,563</td>
</tr>
<tr>
<td>Hill Caste</td>
<td>173,690</td>
</tr>
<tr>
<td>Tarai Caste</td>
<td>134,500</td>
</tr>
<tr>
<td>Hill Dalit</td>
<td>123,038</td>
</tr>
<tr>
<td>Tarai Dalit</td>
<td>133,528</td>
</tr>
<tr>
<td>Muslim</td>
<td>142,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Destination countries</th>
<th>Average Remittance (NPR) Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>113,837</td>
</tr>
<tr>
<td>Gulf</td>
<td>186,792</td>
</tr>
<tr>
<td>Malaysia</td>
<td>181,310</td>
</tr>
<tr>
<td>South Korea</td>
<td>350,746</td>
</tr>
<tr>
<td>Western countries</td>
<td>458,442</td>
</tr>
<tr>
<td>Other</td>
<td>390,837</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Class Quartile</th>
<th>Average Remittance (NPR) Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest</td>
<td>182,733</td>
</tr>
<tr>
<td>Second</td>
<td>330,609</td>
</tr>
<tr>
<td>Third</td>
<td>210,759</td>
</tr>
<tr>
<td>Highest</td>
<td>500,000</td>
</tr>
</tbody>
</table>

* As the research design and survey sampling focused on international migration, i.e., migration to countries other than India, the results from Kailali may be skewed because migration from Kailali to India is much higher than what the survey reflects. Even in the survey sample, despite the focus of the survey on international migration, 38 per cent of the sample population had gone to India and 62 per cent to countries other than India. The average remittance per year from India was NPR 182,733 and from the Gulf States was NPR 330,609. The survey results over-state the overall economic impact of international migration in Kailali. The study has tried to compensate with qualitative data that captures both types of migration.
of migration was the highest (7.1 years), the remittance they received was the lowest. This is possibly because, as research from elsewhere in Nepal has established, in addition to not being able to reach highly remunerative destinations, the poor and the excluded, in this case, Dalits, are unable to enter job categories providing higher salaries due to their limited qualifications, absence of social networks, and low capacity to finance migration to such places, limiting the amounts they are able to remit (Sunam and McCarthy 2015).

The income from remittances is also somewhat misleading since it does not account for the investments households make while financing migration. First, among the migrants in the survey sample, almost 52 per cent had financed their most recent migration with direct loans, including from traditional moneylenders and often at higher interest rates (Figure 2). As explained by a local businessperson in Dhanusha, most poor people cannot take bank loans because the only form of asset they have is land (unregistered public land), which cannot be used as collateral (Interview no. 43, 26 May 2016). Therefore, the total cost of migration increases significantly when the amount paid to service debts is taken into account. Consequently, the debt burden among migrants was high even as they continued to receive remittances as an alternate and frequently the main source of income. (See sub-section below for a discussion on the issue of loans, interest, and debt burdens.)

Second, as mentioned earlier, while at the aggregate level, people have benefitted from migration, there is a significant number of migrant HHs that have lost out. For instance, while on average 77 per cent of the sampled households benefited from migration, i.e., the amount of remittance received was higher than the investments made for migration, slightly more than 20 per cent continued to incur losses, in that the remittance they received was lower than the costs incurred in funding the migration of family members (Table 6). (Given that the data was collected in April and May 2016, it should be noted that these figures consider only those individuals who had migrated before the beginning of the Nepali year 2072 BS [i.e. mid-April 2015] to enable the analysis to capture only those with a migration history longer than a year.)

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Table 5: Most Recent Destination Countries and Duration of Migration (by caste/ethnicity)

<table>
<thead>
<tr>
<th>Total Migrants</th>
<th>India (%)</th>
<th>Gulf and Malaysia (%)</th>
<th>South Korea (%)</th>
<th>Western countries (%)</th>
<th>Others (%)</th>
<th>Average total duration of migration (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mountain &amp; Hill Janajati</td>
<td>105</td>
<td>9.5</td>
<td>78.1</td>
<td>2.9</td>
<td>4.8</td>
<td>4.8</td>
</tr>
<tr>
<td>Tarai Janajati</td>
<td>68</td>
<td>28.8</td>
<td>68.5</td>
<td>0.0</td>
<td>0.0</td>
<td>2.7</td>
</tr>
<tr>
<td>Hill Caste</td>
<td>46</td>
<td>19.1</td>
<td>73.5</td>
<td>1.5</td>
<td>2.9</td>
<td>2.9</td>
</tr>
<tr>
<td>Tarai Caste</td>
<td>73</td>
<td>1.7</td>
<td>96.6</td>
<td>0.0</td>
<td>1.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Hill Dalit</td>
<td>59</td>
<td>28.3</td>
<td>71.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Tarai Dalit</td>
<td>24</td>
<td>4.2</td>
<td>95.8</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Muslim</td>
<td>21</td>
<td>4.8</td>
<td>95.2</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Note: Five migrants were excluded from this total as the responses on the most recent migration was 'don’t know'.

Table 6: Net Benefit and Loss Incurred during Migration

<table>
<thead>
<tr>
<th>Remittances Received – Amount Spent on Migration</th>
<th>Number of HHs</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1–300,000</td>
<td>107</td>
<td>38.8</td>
</tr>
<tr>
<td>300,001–600,000</td>
<td>53</td>
<td>18.8</td>
</tr>
<tr>
<td>600,001–900,000</td>
<td>8</td>
<td>5.8</td>
</tr>
<tr>
<td>900,001–1,400,000</td>
<td>21</td>
<td>7.6</td>
</tr>
<tr>
<td>1,400,001–2,100,000</td>
<td>9</td>
<td>3.3</td>
</tr>
<tr>
<td>2,100,001–3,800,000</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>2,800,001–3,500,000</td>
<td>3</td>
<td>1.1</td>
</tr>
<tr>
<td>3,500,001–4,200,000</td>
<td>4</td>
<td>1.4</td>
</tr>
<tr>
<td>Net Losses</td>
<td>53</td>
<td>19.2</td>
</tr>
<tr>
<td>Number/Percentage of HHs that incurred net losses</td>
<td>55</td>
<td>20.0</td>
</tr>
<tr>
<td>Number/Percentage of HH that were at break-even</td>
<td>8</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Note: Four outliers, four above the positive range and one below the negative range, have been omitted from these calculations.

Disaggregation of the households incurring losses indicates that most were in Dhanusa and Nawalparasi, followed closely by Panchthar, while Kaski had very few such households. In terms of caste/ethnicity, a higher percentage of Tarai Dalits incurred losses while Hill Dalits fared relatively better with their net benefits and losses comparable to Hill Castes (see Table 11, Annex 3). These differences between districts and caste/ethnic groups, as explained above, is possibly due to country of destination, total duration of migration, and other circumstances such as type of employment, level of skills and education, and networks. As Sunam and McCarthy (2015) have pointed out, it is important to note that migrants from wealthy backgrounds pay less than poor households for the same destination since the latter, in this case Tarai Dalits, are almost entirely dependent on intermediaries, mainly dalals (recruitment agents), at every step of the recruitment process, while the better-off households tend to be educated and have better social networks which enable them to avoid exploitation. In addition, the district-level differences can be attributed to the caste/ethnic composition in the sample population in the respective districts. For
instance, Tarai Dalits formed larger proportions of the sample populations in Dhanusha and Nawalparasi, which possibly explains the higher incidence of households in these two districts incurring losses from migration.

Loans, Credit and Indebtedness

Elaborating further on the issue of the economic returns of migration, the study also considered factors such as loans, credit and indebtedness to examine possible linkages between migration and remittance on the one hand and debt burden on the other.

Proportion of Households with Loans

A higher percentage of non-migrant HHs had loans compared to migrant HHs, and the average loan amount of the former was also slightly higher. In the study districts as a whole, approximately 55 per cent of the households had taken some form of loan (for migration and other purposes), with the proportion of migrant HHs in debt being slightly lower (53 per cent) compared to non-migrants (59 per cent). The average loan amount of migrant HHs (NPR 335,177) was also marginally less than that of non-migrant HHs (NPR 342,908). Furthermore, among migrant families there was a 2.5 percentage point decrease in the proportion of households with loans after migration.

That migrant HHs tend to be less in debt compared to non-migrant HHs and the tendency to take loans decreasing after migration underscore the role of migration in improving the economic well-being of households (in this case, by reducing the debt burden). But the story is not uniform across all the social groups. As shown in Figure 3, a lower proportion of Tarai caste migrant HHs had loans compared to Tarai Janajati and Tarai Dalit migrant HHs, the former generally being a privileged group vis-à-vis the others in the Tarai. In addition, among the Tarai Dalits, the percentage of indebted migrant HHs was higher compared to non-migrant HHs but among the Tarai Janajatis the opposite was true, in that a higher percentage of non-migrant HHs among the Tarai Janajatis were in debt compared to migrant HHs. Likewise, a smaller proportion of migrant HHs among the Hill Dalits and Hill and Mountain Janajatis were in debt compared to non-migrants from the same caste/ethnic categories, while a higher percentage of migrant HHs from the Hill caste groups were in debt compared to their non-migrants counterparts.

Across rural and urban areas as well as the different class quartiles, the percentage of migrant HHs with outstanding loans was generally less than non-migrant HHs from the same categories. The differences observed at the district level, with a higher percentage of migrant HHs in Dhanusha and Nawalparasi in debt compared to non-migrants from those districts, can be explained by the higher proportion of Tarai Dalits included in the sample from those districts. There are many factors that determine household debt burden, but the fact that a lower proportion of migrant HHs from the hitherto-marginalised groups (e.g., Hill Dalits, Tarai Janajatis, Hill and Mountain Janajatis) have debts compared to non-migrants from the same categories is also leading to important socio-economic and political shifts at the local level, as will be discussed in more detail in the later sections of the report.

Figure 3: Percentage of Households with Loans

Note: Since there were only 13 Muslim HHs included in the survey, their information has not been included in this graph.

Reasons for Taking Loans

As shown in Figure 4, of the three main reasons for taking loans, about 46.5 per cent of the responses among migrant HHs was to finance migration prior to the act of migration, and at the time of the study, 24.4 per cent of the migrant HHs provided the same reason (Figure 4). The only exception were Hill Dalits, among whom only around 5 per cent mentioned ‘to finance migration’ as one of their top three reasons for having taken loans. As can be seen in Table 5, this could be due to the fact that approximately a third of the Hill Dalits in the sample migrated to India where migration costs are minimal.

If the data on financing migration is removed from the equation, the results indicate that compared to non-migrant HHs, a higher proportion of migrant HHs had taken loans for daily needs, such as paying back household expenses made on credit, covering health expenses, and also for both occasional expenses and major expenditures such as marriage and purchase of land.
A variety of factors could have led to this difference between migrant and non-migrant HHs, including but not limited to, higher levels of consumption amongst migrant families, leading them to spend more on items such as marriages and land, and hence, incurring loans; the tendency amongst migrants to remit occasionally in bulk rather than on a regular basis, requiring family members to meet their household expenses on credit; and the increased credit-worthiness and purchasing power of migrant HHs that affords them the ability to invest/borrow more freely based on a future earning capability, but which still categorises them as being in debt.

Sources of Loans

With regard to where they got loans from, compared to non-migrants, migrant HHs tended to depend relatively more on traditional moneylenders and other informal sources like relatives, friends and neighbours (Figure 5).14

Such a heavy reliance of migrant HHs on informal sources can be explained by the fact that a higher proportion of them had taken loans to finance the migration of their household members or for other casual expenses (generally considered ‘unproductive’), such as for repaying debts, health expenses, marriages, etc. Understandably, for such types of expenses, loans are not readily available through formal institutions and hence the route of traditional moneylenders and other informal sources becomes much easier and quicker. Yet, it is interesting to observe an increase in the proportion of migrant HHs taking loans from banks and other financial institutions compared to their pre-migration situation.15

Further disaggregation of the data suggests important differences across the various caste/ethnic groups even among the migrants. As can be seen in Figure 6, a higher proportion of Tarai Dalits (56 per cent) and Hill Dalits (21 per cent) had borrowed from traditional moneylenders compared to migrants from Tarai Castes (39 per cent) and Hill Castes (6.5 per cent). These differences, as highlighted by the qualitative research, can be explained by Dalits’ poor socio-economic condition and lack of collateral, which further limits their access to credit from a wider range of sources, regardless of their migration experience.16 Therefore, while migrants in general rely more heavily on informal sources to secure loans to finance their migration, excluded groups such as Dalits are even further disadvantaged in the credit market.

Interest Rate on Loans

Paralleling the general trend of non-migrant HHs being in a better position than migrant HHs, a slightly higher percentage of non-migrant HHs (31 per cent) compared to migrant HHs (23 per cent) were found to be paying lower interest rates on their loans (i.e., less than 18 per cent per annum). Across the study districts, a comparison of interest rates prior to and after migration also indicates a declining trend; responses from migrant HHs suggests an approximately 3 per cent reduction in the interest rate, an average of 26.7 per cent compared to an average of 30 per cent prior to migration.17
Despite the decreasing interest rates, the differences due to the rural-urban divide, regional variations, and caste/ethnicity were significant. In Dhanusha, households paid on average much higher interest rates (33 per cent) compared to other districts. Furthermore, in urban areas, approximately 33 per cent of households paid less than 18 per cent interest, while in rural areas approximately 53 per cent of households paid interest rates ranging from 31 to 60 per cent (Figure 7). In terms of caste/ethnic differences, Dalits, especially Tarai Dalits, were paying higher interest rates on their loans (Figure 8), and since most of the Tarai Dalits in the study were from Dhanusha that could explain why Dhanusha reported the highest interest rates among the five study districts.18

There could be multiple reasons for these observed differences in the interest rates paid. The locational differences can be explained by the higher presence of banks and financial institutions and other sources of loans in urban areas. For reasons mentioned in the section 'Sources of Loans' above, differences between social groups could be a result of Dalits’ over-reliance on loans and credit to support their daily expenses (for which formal institutions do not provide loans), lack or limited access to collateral, dependence on traditional moneylenders who charge high interest rates, a weak bargaining position vis-à-vis financial markets (both formal and informal), debt bondage, and inability of break out of the debt trap. The implications of these differences across various caste and ethnic groups will be discussed in greater detail in Section 3.

Landownership and Land Transactions

Buying land is often considered a sign of successful migration and the study districts were no exception. As will be discussed in the next section, in an agrarian setting like Nepal’s, landownership patterns hold particular significance in determining social and economic relations at the local level.19

There were, however, differences in landownership patterns along caste/ethnic and class lines, which were further reproduced by the migration experience in that a higher percentage of those with more land (Tarai Castes, Mountain and Hill Janajatis, and Hill Castes) were able to buy additional land post-migration. Besides reasons of social and economic hierarchies, as discussed in Section 2.1 above, migrants from these caste/ethnic groups also tend to go to countries with better remuneration. A higher percentage of migrant HHs whose family members had gone to destinations such as South Korea (50 per cent), the West (60 per cent) and the Gulf (40 per cent) had bought land. Yet, the proportion of both Hill and Tarai Dalits purchasing land after migration, though not comparable, is significant at above 22 per cent (Figure 10).
It is also revealing that migrants buy as well as sell land after migration and also that there were significant differences across caste/ethnic groups (Figure 11). The average holdings of Tarai Dalits and Muslims decreased after migration, suggesting that households from these groups have perhaps not yet been able to make migration accumulative, and may even have lost out in the migration experience. Conversely, the average landownership of migrant HHs increased by a greater degree among Mountain and Hill Janajatis, Hill Dalits, and Tarai Castes, but remained unchanged for Tarai Janajatis.

The aforementioned results are not surprising for, as discussed earlier, Tarai Dalits received relatively low amounts in remittances and a higher proportion of them incurred losses during the migration process compared to other groups (i.e., their migration costs were higher than the amount they were able to remit). A greater proportion of Tarai Dalits and Muslims also had loans acquired at higher interest rates (above 30 per cent), constraining their ability to invest their remittances on land purchases. Likewise, the observed trend in terms of a lower proportion of Tarai Janajatis, mostly from Kailali and Nawalparasi districts, buying land after migration can be explained by the fact that their migration to countries other than India is more recent, and so the accumulated earnings are not sufficient enough to purchase land. Qualitative interviews also indicated that political disturbances in the Tarai, particularly in Nawalparasi, were another potential factor affecting land transactions.

The relationship between land ownership and migration is underlined, for instance, by the fact that even though Tarai Caste and Hill Caste households from Dhanusha had purchased additional land after migration, a higher percentage from these same groups had also sold land, mostly to finance migration. It is important to note that most land transactions, either buying or selling, occurred in the village areas (Table 7), which has an important bearing on agrarian relations, as will be discussed further in Section 3.

Table 7: Land Transactions among Migrant HHs after Migration

<table>
<thead>
<tr>
<th>Location of land bought</th>
<th>Bought land after migration</th>
<th>Sold land after migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village area</td>
<td>61.2</td>
<td>93.3</td>
</tr>
<tr>
<td>Bazaar area</td>
<td>21.4</td>
<td>85.7</td>
</tr>
<tr>
<td>Urban area</td>
<td>26.5</td>
<td>93.5</td>
</tr>
</tbody>
</table>

These complex and seemingly contradictory findings on the issue of land ownership patterns and migration suggest that the observed trends are perhaps too weak to make conclusive claims about the land-caste/ethnicity-migration nexus. Regardless, as dealt with in Section 3, the implications of land acquisition, especially by the former landless and socially excluded groups, have affected local power dynamics.

### Changing Patterns of Livelihoods

The structural transformation of Nepal’s economy and the resultant diversification of rural livelihoods from land- and agriculture-based to non-agricultural and non-land-based has been a subject of much policy debate and academic discussion, and migration is increasingly often considered to be one of the major sources of livelihood for rural households within Nepal. A recent study by the Nepal Rastra Bank found that only 18.8 per cent of the households were completely dependent on remittance for their livelihood though, whereas 80.8 per cent reported depending on sources other than remittance as well (NRB 2016). Recognising the importance of migration as a source of livelihoods, this study also considered the effects of migration on other livelihood options available to households across Nepal.

As can be expected, the main difference between migrant and non-migrant HHs is the reliance of migrant HHs on remittances (ranked highest at 33.3 per cent) as a source of livelihood. As for other sources of income, the difference between migrant and non-migrant HHs is minimal, except for wage (19.2 per cent for non-migrant versus 9.3 per cent for migrant HHs) and salary-based earnings (14.9
per cent versus 7 per cent). Additionally, within migrant HHs, there was a shift away from agriculture-based production that followed greater reliance on remittances (Figure 12).

There were also caste and ethnic differences noted. Before migration, Janajatis, Hill Castes and Tarai Dalits were highly dependent on the sale of food crops, whereas both Hill and Tarai Dalits relied more on wage labour. After migration, it was not surprising that all groups ranked remittances as the highest source of income, except for the Tarai Castes, which continued to be highly dependent on the sale of food crops (Figure 13). The dependence of Hill and Tarai Dalits on remittances as a livelihood source was not only higher but was also accompanied by a decrease in wage labour, which marks an important shift in local relations as will be discussed in the next section.

Changes in Consumption Levels

With national statistics indicating that 79 per cent of the remittances received by Nepali HHs is used for daily consumption (CBS 2011), the concern over the lack of investment in the productive sector has led to fear and panic over what De Haas (2005) described as passive and dangerous dependency on remittances. However, in this study, a comparison between the types of investments migrant and non-migrant HHs have made in the past 15 years indicate that in most of the investment areas, the difference between migrants and non-migrants is not statistically significant (Table 8). A

Table 8: Percentage of Households by Investment in Last 15 Years

<table>
<thead>
<tr>
<th>Investments</th>
<th>Non-migrant</th>
<th>Migrant</th>
<th>P-value</th>
<th>Odds Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land in village area</td>
<td>19.0%</td>
<td>26.5%</td>
<td>0.104</td>
<td>1.54</td>
</tr>
<tr>
<td>Land in bazaar area</td>
<td>4.8%</td>
<td>11.30%</td>
<td>0.026*</td>
<td>2.54</td>
</tr>
<tr>
<td>Land in urban area</td>
<td>3.2%</td>
<td>7.3%</td>
<td>0.108</td>
<td>2.39</td>
</tr>
<tr>
<td>Livestock</td>
<td>40.5%</td>
<td>35.6%</td>
<td>0.352</td>
<td>0.81</td>
</tr>
<tr>
<td>House construction</td>
<td>61.1%</td>
<td>64.7%</td>
<td>0.485</td>
<td>1.17</td>
</tr>
<tr>
<td>Jewellery/Gold</td>
<td>26.20%</td>
<td>38.80%</td>
<td>0.013*</td>
<td>1.79</td>
</tr>
<tr>
<td>Children’s education</td>
<td>75.4%</td>
<td>86.5%</td>
<td>0.006**</td>
<td>2.1</td>
</tr>
<tr>
<td>Telephone/Mobile phone</td>
<td>87.3%</td>
<td>97.5%</td>
<td>0.001**</td>
<td>5.57</td>
</tr>
<tr>
<td>Television</td>
<td>52.4%</td>
<td>70.5%</td>
<td>0.001**</td>
<td>2.18</td>
</tr>
<tr>
<td>Motorcycle</td>
<td>22.2%</td>
<td>20.7%</td>
<td>0.754</td>
<td>0.92</td>
</tr>
<tr>
<td>Major business/Farm venture</td>
<td>16.7%</td>
<td>8.7%</td>
<td>0.019*</td>
<td>0.48</td>
</tr>
<tr>
<td>Other investments</td>
<td>15.90%</td>
<td>16.4%</td>
<td>0.902</td>
<td>1.04</td>
</tr>
</tbody>
</table>

Note: Significant at the **1% level, *5% level.

With additional cash income from remittances, more migrant HHs were found to be investing in their children’s education and consumer items such as telephones/mobiles and televisions compared to non-migrant HHs. They were also more likely to invest in high-value assets, such as land in bazaar areas, jewellery/gold, and major farm/business investments than their non-migrant counterparts. This indicates that while there might not be significant differences in consumption patterns and the nature of investments made by migrant and non-migrant HHs, there is a higher tendency among the latter to spend more on high-value and luxury items than the former.

To summarise, findings from this section show that although migration has been beneficial to migrant HHs, the costs and benefits of migration vary by caste/ethnicity, class and region. The majority of migrants take loans, particularly from informal sources, to finance migration, which often do not get included in calculations on remittances. While, on average, individuals and households have benefitted from migration, a significant number have also lost out, and there appears to be a direct correlation between the level of exclusion faced at home and losses from migration.

In terms of utilisation of remittances, migrants were found to be more likely than non-migrants to purchase land generally in village areas. Here, again, migration seems to be reproducing existing inequalities with more groups that have traditionally been more financially secure purchasing more land after migration compared to groups without land to begin with such as Hill and Tarai Dalits. Significant changes in livelihoods were
also noted. While for migrant HHs the non-farm-based source of income was mainly remittance, it was wages and salaries for non-migrant HHs. Yet, migrant HHs were less dependent on farm-based livelihoods than non-migrant HHs, with some variations across caste and ethnic groups. Finally, significant differences in consumption patterns between migrant and non-migrant HHs were not observed except for high-value purchases and luxury goods bought by migrant HHs compared to non-migrant HHs.

Notes

1. The average cost, remittance sent, and duration of migration was calculated after excluding the outliers, e.g., two migrants that sent NPR 10,000,000 that inflated the average value; 23 migrants who had not sent any remittance yet (the majority of them had migrated within a year and the average duration of stay abroad of those migrants was 1.75 years); 56 cases where the left-behind migrant family member did not know how much remittance had been sent; and three respondents who said the question was not applicable to them.

2. The duration of the last migration is defined as the number of years a person last worked for the same employer and in the same foreign country regardless of any breaks for home visits.

3. In a study looking at internal circular migration in the Indian state of Madhya Pradesh, Deshingkar et al. (2008), found that migration becomes more accumulative as the total duration of migration increases.

4. According to a Nepal Rastra Bank survey of 320 households conducted in 13 districts, the average annual remittance received by migrant households is NPR 3,520,000, which amounts to NPR 44,333 per month (NRB 2016).

5. The average migration duration of Tarai Dalits (3.5 years) is much lower than that of the Tarai Caste groups (5.2 years).

6. This was asked as a multiple response question; hence, 180 out of the 348 total responses (51.7 per cent) was had taken loans to finance their most recent migration. Of the migrants in the survey sample, 20.4 per cent responses had ‘taken loans from traditional moneylenders’ and 19.3 per cent had ‘taken loans from financial institutions’.

7. Sources of finance were loans from non-traditional moneylenders like neighbours and villagers (6.3 per cent) and loans from relatives (5.7 per cent).

8. A survey conducted by Nepal Rastra Bank found that 52.1 per cent of the migrant households had financed migrant members’ migration through loans from informal sources, 6.3 per cent through loans from banks and other financial institutions, 4.4 per cent from cooperatives, 21.4 per cent from household savings, and 10 per cent reported multiple sources of finance (NRB 2016). This study considered how individual migrants (as opposed to households) were financing their migration (which could be more than one source) and found that 32.5 per cent of the respondents ‘relied on informal loans’ and 19.3 per cent on ‘loans from banks and other financial institutions’. Another interesting finding from the present study is that although family or self-financing of migration was low at 2 per cent responses, around 33.6 per cent stated financed by another migrant family member.’ This is much higher than what was reported in the NRB study on financing through household savings (21.4 per cent).

9. As will be discussed in the next section, while the debt burden among migrants is found to be lower than that of non-migrants, approximately 53 per cent of migrant households still had some forms of loans.

10. The correlation coefficient of net benefit and loss and the total current loan amount of migrant households is -0.104, which means that households with a higher net benefit from migration have lower levels of loans. However, this was not significant as the p-value was 0.202 (>0.05).

11. It is also important to note that the number of Tarai Dalits in the sample was not high. There were only 15 Tarai Dalit migrant households sampled in this survey. Thus, the inferences drawn vis-a-vis the Tarai Dalit migrants should be considered as only being indicative.


13. This figure on migrant household’s loans for migration before migration (46.5 per cent) is different from the one recorded in Note 6 above, which mentioned that 51.7 per cent of individual migrants had financed their most recent migration by taking direct loans. The lower ratio of loans at the household level is possibly because some of the loans taken from relatives (5.7 percent of responses from individual migrants suggest that they had taken loans from relatives) could have been from members of the household itself and hence not considered a loan at all.

14. On the contrary, a higher percentage of non-migrants mentioned construction of house/shed, education, and business as the top three reasons for having taken loans.

15. However, a comparison of the situation before and after migration indicates a declining trend of relying on traditional moneylenders and other informal sources among migrant households.

16. There could be several reasons for this trend. First, as mentioned earlier, before migration, most migrant households had taken loans to finance migration. There are no provisions in the formal institutions for such purposes. As a result, they might have been more dependent on informal sources of loans. After migration, migrant households are found to be seeking loans for other purposes, such as to buy land, which is more accessible through formal institutions, especially if it is linked to productivity. The other reason for the increasing trend of migrant households securing loans through formal institutions could simply be a result of the proliferation of formal financial intermediaries (e.g., banks, cooperatives, and savings and credit groups) in recent years, which could serve as an explanation for the observed difference in sources of loans pre- and post-migration.

17. Mountain and Hill Janajatis, Hill Castes, and Tarai Castes have relatively better access to loans from banks and other financial institutions and relatives. Interestingly, Tarai Janajatis were mostly dependent on banks and other financial institutions, which, based on field observations, were mainly cooperatives.

18. Again, this could be linked to the fact that before migration the main reason for taking loans was to finance migration.

19. Of the Muslim households, 40 per cent paid between 55 and 60 per cent interest per annum on their loans. Likewise, Dalits also have a higher proportion of households that paid interest rates in the bracket of 31-60 per cent. In both instances, the interest rates accrued by these economically marginalised and socially excluded groups are high.

20. As pointed out by Upreti (2008), in Nepal, land is not only a natural resource; it also provides social, economic, cultural, and political capital that is unequally distributed across different social and class categories.

21. It is significant at 99 per cent confidence level.

22. Around 39 per cent of the migrant households that sold land after migration have also bought land after migration. Approximately 35.5 per cent of all migrant households who sold land said it was to finance migration or to pay back loans taken to bear the costs of migration. Hence, migration has led to increased land transactions in terms of both buying and selling.

23. There were only 11 migrant Muslim and 18 migrant Tarai Dalit households included in the survey.

24. This information suggests that even though approximately 22 per cent of Tarai Dalits had purchased additional land after migration (Figure 10), there was a significant proportion of Tarai Dalits who had also sold their land, causing the average landownership amongst Tarai Dalits to decrease post-migration.

25. In Nawalparasi, activities related to the Madhes Movement had peaked in 2007 and was centred in one of the field locations studied. According to a few respondents, after an incident in which 10 trucks were burnt in one night, land transactions and the overall development of the said VDC have not progressed relative to surrounding VDCs.

26. Approximately 35.5 per cent of all migrant households who sold land said it was to finance migration or to pay back loans taken to bear the costs of migration.

27. Buying and selling land after migration in the three locations refer to the percentage of migrant households that bought and sold land, respectively. ‘Used remittance to buy land’ denotes the percentage of households who bought land in that location. For instance, 93.3 per cent of the migrant households that bought land in village areas did so using remittances.

28. For example, see, Sharma and Donini 2010; Gartaula, Niehof, and Visser 2012.

29. See also, McDowell and de Haan 1997; Waddington 2003; Stiddon 2011; Sharma and Donini 2010; Donini, Sharma, and Ayal 2013; Gartaula, Niehof, and Visser 2012.

30. The differences are not significant at either 1 per cent or 5 per cent significance levels.
3. Interlinkages between Migration and Political Autonomy

The previous section examined the economic effects of migration and remittances in relation to changes in landownership, livelihoods, and the overall household economy of migrant HHs. This section and the ensuing ones will examine the impact of such changes in the social and political spheres, especially around shifts in local power relations, political aspirations of migrants, and transformations in gender relations. This section is structured around questions about whether new power dynamics and hierarchies can be observed among remittance-recipients compared to the non-recipients; if migration has enabled rural households to escape from established, often traditional, land-based patron-client relations and engage with landlords on more equal terms; and whether or not these shifts have had any bearing on how people make voting decisions and how they relate to political actors.

Shifting Patron-Client Relations

In the historical context of Nepal, the expression 'Land is Life, Land is Power' (Wickeri 2011) would aptly encapsulate the long history of feudal land governance with its deeply entrenched discriminatory and hierarchical practices that not only resulted in unequal patterns of landownership between different social groups but also shaped relations among citizens and influenced the political and governance systems. In all the districts covered by this study, landownership and landholding constituted the most significant factors that had determined social, economic, and political power relations even though the forms differed from place to place. While the 1964 land reforms abolished some of the exploitative tenurial systems, the status quo vis-à-vis the landed gentry, often from the Hill Caste groups, but also a class in and of itself from which the then-Panchayat regime drew its support, remained more or less unchanged. In such a framework, ethnic and religious minorities as well as Dalits continued to be marginalised (Joshi and Mason 2007) and constituted a disproportionate population among the landless or the near-landless (Wickeri 2011; Adhikari 2008; ILO 2005).

The re-introduction of multi-party democracy in 1990 did not do much to dismantle this deep-rooted system that bore a strong resemblance to feudalism. The hope for land reform and debt relief remained unfulfilled by the new establishment. Furthermore, demands that the new constitution incorporate provisions for land reform were ignored in the drafting of the 1991 Constitution (Joshi and Mason 2007). The result, as Sugden (2013) argues, was that even though parts of Nepal were being integrated into capitalist markets, feudal or semi-feudal social relations and modes of production not only persisted but remained predominant in structuring local power relations. This sub-section describes how migration has been influencing these relations, either by changing or further entrenching them.

Although variables such as caste/ethnicity and religion on the one hand and class on the other are important on their own, it is the intersection of these factors that determines power relations. There are, however, variations that are context specific. For instance, patronage in one of the sample villages in Dhanusha district took the form of a hill ‘upper-caste’ landlord as the patron who was serviced by landless Dalits as clients. But, in another field site in the same district, the client base predominantly comprised once again Dalits and Muslims, but it was a Madhesi ‘middle-caste’ group, which functioned as their protectors and benefactors. In one of the sample villages in Kaski district, the landed gentry were Gurungs, a Janajati group otherwise marginalised in many respects but which had amassed wealth following their long tradition of enlistment in the British and Indian armies and, more recently, from tourism. The relationship between the Gurungs and the landless Dalits was exploitative, and reflected a classic case of economic power relations (as opposed to social markers) determining the nature of patronage. Such relationships in other research sites were not limited to any one particular group. Rather, it was a complex interplay of social and economic factors that governed how power was established and utilised. For instance, in the research sites in Panchthar district, the dominant groups are Limbus (another Janajati group) alongside Bahuns and Chhetris (Hill Caste groups) and the dependents were Dalits and poor Limbus and other Bahun-Chhetri farmers. In the case of Kailali, the worst exploited were the landless Tharus who had been forced to serve as kamaiyas (bonded labourers) to landed Bahun-Chhetri and Tharu patrons.

There were similarities in terms of how patronage played out across these different constructs. For instance, access to land was practically the only means of participation in political and economic life. By virtue of the amount of land they owned, the patrons were able to translate their landownership into greater wealth, power or prestige, enabling them to take control of the lives of the poor and the landless by providing access to land, livelihoods, economic support, and political patronage during times of crisis. Regardless of how these relations were maintained, the clientelistic dependency of the landless on the landlords is exemplified in the following narratives:

Fifteen years ago, we were kamaiyas [girls/women under indentured servitude] and worked in other people’s houses to earn our livelihoods. We were dependent on the landlord for everything...for food and clothes and we faced difficulties in educating our children. The landlord had around 12 bigha of land. They used to provide us only with some rice. (Freed Kamaiya woman in Kailali, FGD no. 153, 27 May 2016)

Earlier, we used to go work for the Gurungs, we used to sharecrop their lands... It was the better informed Gurungs who used to speak on our behalf. We did not have the capacity to speak. When government officials came for the census we used to go and inform the landlord and he would say you go and work, I will write on behalf of your household and we trusted him. Because of this so many of our sons’ and...
grandsons’ names have been wrongly listed, which created problems for us later on. We believed in what the wealthy landlords said and we voted as they said. (Dalit man in Kaski, Interview no. 89, 23 May 2016)

Recently, however, across the research sites, the influence of the landed elite and pre-existing relations of dependency seemed to have weakened substantively. There were indications suggesting that the marginalized and economically weaker groups were becoming more independent and assertive. This is reflected in what a freed Kamaiya man said in Kalaili:

Before, there were no rules. You had to work the whole day, morning till night. Now, there is a rule for labour work, it is eight hours of work. Before, men got 200-250 rupees now they get 400 rupees. Before, women got 150 rupees now they get 300 rupees…. Before, means five years ago. Now, labourers have more freedom. If they want to do it, otherwise they don’t. On the contrary, it is hard for sahu [landlords] nowadays. It is hard for them to find labourers as well. People go where they are treated properly. (Interview no. 141, 27 May 2016)

Several factors, including exogenous ones, seem to have led to such a decline in paternalistic relations. The shift from a partyless Panchayat system to democratisation and liberalisation in the 1990s is certainly one of the factors that led to this undermining of ties. Overwhelmingly, however, informants across the study sites attributed this shift to the Maoist insurgency. Due to threats from the Maoists, many landlords moved to urban areas during the insurgency but the Maoist movement was also reported to have raised political consciousness against unfair practices, as illustrated by the case study presented in Box 1.

However, besides the broader political changes sparked by democratisation and the Maoist movement, migration also seems to have played an important role in contributing to visible changes. For instance, even in Dhanusha, where, as discussed in Section 2, the gains of Tarai Dalits from migration have been limited, it was pointed out that migration has resulted in greater economic independence. Increased mobility has not only helped migrant HHs sever clientelistic ties but also created a wider bargaining space for non-migrant HHs vis-à-vis their patrons, as will be discussed below.

Impact of Migration on Local Power Relations

Findings from this study show that migration has worked to complement the changes brought about by broader political and social processes. This section deals with three specific areas where the contribution of migration was particularly evident in weakening the very structures that form the basis of patron-client relations, namely: i) land-based dependency; ii) credit-based dependency; and iii) labour relations.

Land-Based Dependency

Prior to migration, many landless farmers and those with less land worked on the properties of big landlords as labourers, sharecroppers, or under renting arrangements such as bandaki.1 However, as alluded to in Section 2, there has since been a general shift away from agriculture-based production to greater reliance on remittances earned from migration.1 Remittance earnings are not uniform across class and caste/ethnic groups. Households that were relatively more financially secure prior to migration seem to have gained more after migration. Yet, increased mobility, especially when it has helped reduce dependence on agriculture, has also contributed to diluting relationships based on patronage ties. As explained by a political leader in Panchthar,

Earlier, people were very much dependent on other people’s land for survival. Now, migration has reduced this dependency. In the past, the land user had to do whatever the landlord said. They were used by the landlord, and they could not resist it. But, the situation has now changed completely. People have become free, they have become mobile, and they can put forth their views and ideas. (Interview no. 20, May 24 2016)
Though not conclusive, another way in which migration seems to have been affected land-based dependencies is through purchase of land. Although migrant HHs among Tarai Dalits and Hill Dalits bought comparatively less land, it is still substantial at above 22 per cent. Land purchases have thus enhanced the positions of many groups that were earlier beholden to others, even in a very feudalistic situation such as in Dhanusha. As a local political leader in Dhanusha commented:

Earlier, Dalits were dependent on the landlord’s land for an income but now the migrants [Dalits] ask the landlords if they can buy their land. Buying land has made them independent. Landholding is changing. Big landlords are selling their land and moving out of this place and migrants are buying that same land.

(Interview no. 66, 25 May 2016).

However, land purchase after migration is not the same in all districts or across all groups. In fact, in most cases, especially among those traditionally under the shadow of their patrons, their purchasing power has not risen to a level that would allow them to make big investments such as buying land. As expressed by a Dalit leader in Nawalparasi and a Tharu leader in Kailali:

Remittance sent by migrants in our village isn’t big enough to buy land here and that is why very few people have been able to buy land after migration. For a very long time they keep on repaying the loans they had taken for migration. (Nawalparasi, Interview no. 175, 24 May 2016)

Migrants who go to India mostly use remittance for subsistence, savings and to earn land in bhopandaki [also, bandak]. Very few people buy land. People earning from India are not able to buy land, most of them are only able to repair their houses. (Kailali, Interview no. 133, 31 May 2016)

Credit-Based Dependency

Another factor that used to perpetuate unequal power relations was access to credit. Hard cash was limited to only a few and even though loan arrangements were in principle entered into voluntarily, they were based on very binding and inequitable terms and obligations. For instance, in one of the Kaski sites, the Gurungs were the sole holders of capital and Dalits had to depend on this group for any kind of support, including accessing credit. As a result, the Gurung landlords were able to charge very high interest rates, perpetuating the cycle of debt and dependency among Dalits. The same was true for Dalits in Dhanusa and poor farmers in other districts. As an FGD participant in Panchthar stated:

People usually took loans from the local sahu [patron] at 30 to 36 per cent interest for migration. Although they took loans at such high interest rates they had to bring a ring [ek tol saun ko aothe, a golden ring weighing around 11 grams] for the sahu. Those who could not pay back the loan had to repay the sahu with their land. (FGD no. 41, 28 May 2016)

As discussed earlier, the influx of remittances has led to reduced dependence of migrant households on loans, especially from traditional moneylenders. During the study, two particular ways in which remittances have reduced loan-based dependency of the poor and landless on patrons in some settings were observed. First, the monopoly of the elite over the loan/credit market has diminished because of the proliferation of other competing financial intermediaries (including the migrants themselves who are now emerging as major lenders [Figure 6]). As illustrated in Figure 5 (Section 2), the reliance of migrant HHs on traditional moneylenders has reduced only slightly. However, narratives emerging from the qualitative study suggest that because of the increased competition in the credit market from formal and informal financial intermediaries, even traditional moneylenders are being forced to lower their interest rates.

In the past, the only place to acquire a loan was from the Gurungs. However, after our own BK [a common Dalit surname] brothers started migrating to Qatar and Saudi Arabia, they have money. Therefore, they are also increasingly becoming capable of supporting others with loans...Initially, we used to work hard abroad only to pay the loans and could save nothing for ourselves. Now, the situation has changed, even the former traditional moneylenders lend money at very low interest rates. In fact, they ask us if we plan to migrate, and add that if we need a loan, they will be happy to provide one. (A male Dalit migrant returnee in Kaski, Interview no. 96, 25 May 2016)

Second, the inflow of remittance has not only translated into higher disposable incomes for migrant HHs, but also increased their creditworthiness in both the formal and informal markets. As expressed by a Dalit man in Panchthar:

Before, we had to depend on the sahu for money for treatment when our children got sick and in order to pay back the loan I had to work for them. The sahu would ask if I had land, animals before giving the loan, otherwise he would not give me a loan. I had to do what the sahu told me to do and even now I have to do so. But, since my son migrated, I paid all the loans I owed and now the sahu trusts me. I have even been able to take loans from the sahu for others. (Interview no. 32, 26 May 2016)

A similar change was also expressed in other districts. For instance, left-behind women in Kailali noted that it had become easier to get loans for migration because lenders are eager to invest in financing migration as they can be assured that the loans will be paid back.

Again, these two trends, the decline in the patrons’ monopoly and the increased creditworthiness of migrants, including those from among Dalit and other marginalised groups, are neither very widespread nor uniform. As a result, the shifts discussed here are only indicative and not completely transformative. This is because, as discussed in Section 2, migrant HHs still rely more on informal sources for loans, including traditional moneylenders, and pay higher interest rates relative to non-migrants. Similarly, groups in historically entrenched relationships of patronage, like Dalits and Muslims, continue to depend on traditional moneylenders for loans, and consequently pay relatively higher rates of interest.

Labour Relations

In the past, the only form of paid work (in cash or kind) the poor could expect was through the landlord, who used to be in a position to exploit workers by paying substandard wages or provide work under exploitative conditions, and demanded and enjoyed full compliance from the workers. As described earlier in Section 2, there has been a visible shift over the years, at least among migrant HHs from land-based livelihoods to one that is increasingly being dominated by migration (Figure 12). This has clearly translated
into migrant HHs, especially those from historically marginalised groups, no longer having to rely on their patrons or landlords for their daily subsistence, a fact that has contributed to weakening patron-client relations.

The large-scale outflow of able-bodied men has also meant that local labour pools have diminished and large landlords (as well as others) are experiencing significant labour shortages, especially to work in the fields. This situation has made existing labourers more valuable and provided them with bargaining power for increased wages and better working conditions. For instance, in one of the field sites in Nawalparasi, labourers have been able to bargain for cash payments, whereas even a few years earlier they used to be paid only in kind. In an arrangement known locally as chaarkarwa, a person working in the fields would get two-and-a-half kilograms of rice for a day’s labour. Now, workers demand they be paid in cash.

Similar increases in greater bargaining power among labourers were also observed in other districts as illustrated below:

In the past, labourers were treated badly. The sahu [landlord] had the upper hand and they could name the terms and conditions. Earlier, women used to receive 70 rupees in wages and men received 80 rupees. This was 7-8 years back. Now women get 300 rupees and men 400 rupees. Non-farm wages is 500 rupees for men. (FGD with women in Kailali, FGD no. 115, 30 May 2016)

It is difficult to find labourers in the village. Their number has significantly reduced, so wages have increased. In the past, that is, 10-15 years ago, the labour wage was 100 rupees but now it has increased to 500-600 rupees. But the wage is different for men and women, 500 and 300 rupees. (FGD in Panchthar, FGD no. 41, 29 May 2016)

Here, we get 600 rupees and if someone has an emergency we bargain for 800 rupees. At this place, we can bargain for wages. Labour wages have increased from 150 rupees to 600 rupees in 10 years. Our main contractor [the mason] takes us to work or sometimes the owner comes in search of labourers. Because of migration there is a shortage of labourers, so our bargaining capacity has increased. Ten years ago the situation was different. The owner used to bargain and we had to work for low wages because there was less work and more labourers. If one did not agree to work for low wages there was no work for the labourers.

Now, the situation is reversed. We do not work for low wages any more. (Informal discussion with a group of daily wage labourers in Janakpur, 27 May 2016)

Essentially, what this means is that the scarcity of labourers due to migration and the decreased reliance on land-based livelihoods among migrant HHs is changing, albeit gradually, the reciprocal relationship between labourers and landlords. The shortage of workers means that landlords no longer enjoy powers as in the past. Workers are now able to choose from competing landlords. These trends are suggestive of a power balance gradually shifting with the patron now being more dependent on the client’s services than the other way round.

Change and Continuity in Patronage

The reduced dependence on landlords for means of production and subsistence has also led to a reconfiguration of power relations at the local level. There is evidence suggesting that because of the financial autonomy attained through migration, hitherto-marginalised groups are feeling more empowered than they used to in the past. As stated by a political leader in Panchthar,

The fact that people can now openly state their opinions in front of former sahus means that they are able to freely claim their rights. If foreign employment were not there, many people would still be slaves to other people’s ideas. (Interview no. 25, 26 May 2016)

Dalits in Dhanusha also expressed a similar sense of liberation and pointed towards their representation on the School Management Committee (SMC) as an example of change. Being able to send their children to school and not being dependent on the landlords for survival gives them a sense of autonomy. The case study presented below in Box 2 concerning Dalits in one of the Kaski sites illustrates this point in greater detail.

Despite the reduced dependence of poor migrants on their landlords, it is not the case that dependency has completely disappeared. As discussed in Section 2, socio-economic conditions continue to determine migration outcomes, a higher proportion of socio-economically marginalised groups have loans, are forced into accepting loans at higher interest rates, and generally remit much less than their counterparts from privileged groups. Hence, although migration has somewhat reduced economic dependency, there are other forms that continue. A Dalit man in Panchthar stated:

Even if people are not totally dependent on the landlord for their survival anymore, they have to listen to those who are politically and economically powerful in the village. They threaten and influence poor people during the election for votes. Mostly, the backward, Dalits and poor people are still threatened by political parties and their cadres. Dalit people still have to listen and do as they are told... The leaders of different parties [mostly Nepali Congress and the Limbuban parties] threaten them [Dalits] to vote for their party, saying that they will force them to leave the village otherwise... Dalits are minorities in different wards. They do not live in one settlement, they are scattered and it’s easy to control and threaten them. (Interview no. 26, 26 May 2016)

Similar sentiments were echoed also by a Dalit man in Kaski district:

Earlier, we did not know. We thought they treated us this way because we were Dalits and so we had to endure it. But, now, we have been able to go abroad even if it is to work. We read newspapers, we have understood from Facebook, the radio and television about the kinds of policies made in relation to our rights. But, we cannot protest against caste-based discrimination because we have strong relationships with the Gurungs. During times of emergency, it is they who give us money even though they charge interest. Because of this, we are not able to speak against practices of untouchability. When they denigrate us, we feel saddened but we cannot openly speak against it. (Interview no. 88, 23 May 2016)
Labour Migration and the Remittance Economy Interlinkages between Migration and Political Autonomy

Pike is a village in Kaski that lies in one the main entry points to the trekking trails in the Annapurna, predominantly populated by Gurungs and Dalits. The Gurungs have traditionally been the landlords whereas most of the Dalits did not have much land. The economic hegemony of the Gurungs was further strengthened when they started being recruited into the Indian and British armies. During the Maoist insurgency, some Gurungs who had retired from the army settled in Pokhara out of fear of the Maoists. Other Gurung retirees had entered the hotel business, seeing opportunities in providing services to tourists on the trekking trail. All this while, the Dalits were fully dependent on the Gurungs for their livelihood and for access to credit during difficult times.

The economic dependence of Dalits on Gurungs declined once the former started to migrate. In the initial years, Dalits would take loans from Gurungs at high interest rates to finance their migration. Gradually, they have been able to increase their economic condition and some of them now even lend money to other prospective migrants. Some with better incomes have land in the village and bazaar areas. At present, they are not totally dependent on Gurungs for their livelihood as they were in the past. They have been able to live off their own land, supplemented by remittance earnings. There are those whose migration experience has not been as successful and are more indebted than before, but that is not the general experience.

The mobilisation against caste-based oppression by the Maoists, the Dalit movement in general, and the state’s affirmative action policies for Dalits, have all had an impact on caste dynamics in Pike. Similarly, while in the past Dalits would send their children to work in the landlords’ households as domestic workers, they are now able to educate their children. As a result, even though Gurungs still hold the upper hand economically and politically vis-à-vis the Dalits, they are now able to educate their children. As a result, even though Gurungs still hold the upper hand economically and politically vis-à-vis the Dalits, labour migration of the latter has had more than a marginal impact on the socio-economic relations between the two groups.

People are dependent on landlords till today. If I don’t go to the jamindar, who will help solve the issues I have in my life? Jamindars help loosen the process as they have good connections in government institutions and the police. That is why people in the village still maintain relationships with the landlords because they know that having ties with them helps get things done faster and with relative ease. (Interview no. 180, 23 May 2016)

Despite the apparently widespread increase in political autonomy and the erosion of established oppressive orders, local elites in several places still retain political power and influence. In some instances, this seems to be the case because older dependencies have not dissipated sufficiently to rupture the deeply embedded hierarchies; in others, local elites have been able to find new ways of translating their economic dominance into political influence, as will be further discussed in the sections below.

Political Autonomy and Changes in Voting Behaviour

In order to examine whether the changing power relationship at the local level, although gradual and not altogether ubiquitous, has had any bearing on the political autonomy of individuals, and hence, on their voting behaviour, a comparison of the political parties migrant and non-migrant HHs had voted for in 1999, 2008 and 2013 was undertaken. The results indicate a voting pattern similar to the national trend. Most people had voted for the traditional parties like the Nepali Congress, the UML and the Rastriya Prajatantra Party in 1999, but in 2008 a significantly higher percentage voted for the CPN-Maoist, and in 2013 the trend was reversed. The only difference was that in 2013, particularly in Dhanusha and Kailali, people mentioned having voted for identity-based Madhesi and Tharuwan parties. The variations in voting behaviour between migrant and non-migrant HHs were not very significant though (Figure 14).

There are, however, discernible differences by type of respondent in terms of likelihood of taking part in the polls. First, the percentage of non-migrants who voted is the highest in all three elections compared to other categories. Second, especially compared to prospective migrants, there is an increasing trend among returnees and left-behind members of migrant HHs to exercise their voting rights (Figure 15). Hence, although these two groups of respondents are not yet voting on a par with non-migrants, they are quickly catching up.
Interviews and group discussions suggest that people are beginning to vote independently. There is a major shift in how people are influenced during elections and why they vote for a particular candidate/party. Clearly, the Maoist movement along with other factors have raised people’s political consciousness, but equally important is the fact that the opening up of foreign employment has had a complementary effect since it has helped the poor gain economic independence and become more autonomous in political decision-making.

Migrants whose voting behaviour was previously shaped by local notables/parties now demonstrate more independence. In the words of a Limbu teacher from Panchthar, for example,

The tradition of jamindaars controlling the votes of those who worked on his land was more prevalent in the past and because of their economic condition people were compelled to listen to his orders. Now, because of foreign employment and other avenues for income generation, people have become free in their views. Nevertheless, there are still some who vote based on what others say. Nowadays, when people vote they vote for development and the youth vote for employment. When asking for votes, politicians also mention these issues. (Interview no. 30, 27 May 2016)

As is evident from the above narrative, people have become conscious of the importance of their votes and they pay attention to the agendas of political parties. Not surprisingly, political parties have also changed their approach while asking for votes. According to a returnee political leader in Dhanusha,

Nowadays, voters have become smarter. People are development driven now. They look at what the person has done for the collective good. Therefore, parties are changing their strategy as well. They are trying to come closer to the people. They interact with them and try to deliver development. People’s economic conditions are improving and they are making independent choices. Dalits started to migrate and earn money and now they have a say as well. (Interview no. 57, 22 May 2016)

Being more specific, another teacher and political leader from Panchthar said:

During Panchayat and Padam Sundar Lawoti’s time, the mobilisation of cadres and the leaders’ strategy for asking for votes were completely different. They would organise a feast and invite people. There were no slogans about development. But, after democracy, the UML and Nepali Congress leaders and cadres approached the community differently. They promised to provide food where there was no food, and they would provide rice. In the recent election, the political parties came to the community saying, ‘It is an election for constitution making.’ They shared their party manifesto and explained to the people what was written in the manifesto. They mentioned that if they won, they will work for the people, for those who are minorities and the poor, and bring effective programmes. (Interview no. 1, 28 May 2016)

Yet, as discussed in the previous sub-section, there are still vestiges of paternalistic relations, if in less direct and less coercive forms, as a result of which voting is not completely autonomous. This was evident in narratives from Nawalparasi and Panchthar:

As I am living on the land of a landlord who supports the Nepali Congress, I have to vote for him. (Madhesi man in Nawalparasi, Interview no. 175, 24 May 2016)

Although people are not totally dependent on the landlord for their survival, they have to listen to those who are politically and economically powerful in the village. They threaten and influence poor people during the election. Mostly, Dalits and poor people are still threatened by the Nepali Congress, Limbuwan [parties], and even by UML leaders and cadres. Although foreign employment has improved their economic condition, they are still controlled in the election. (Political leader, Panchthar, Interview no. 26, 26 May 2016)

To summarise, findings from this section suggest that migration seems to have played a complementary role in sustaining the changes brought about by democratisation, liberalisation, and the Maoist movement. It has been able to do so by reducing the dependency of the poor and the landless on landed and wealthy patrons for means of survival. These changes in local power relations have manifested in heightened political autonomy and empowerment, especially among the marginalised.
Labour Migration and the Remittance Economy

There remain significant exceptions. Generalisation is not possible given the limited data and the number of districts studied. Direct dependency on the local elite or patrons may have decreased, but since people continue to rely on these elites for favours, protection and security, their voting behaviour also appears to have been somewhat compromised. Not voting as desired by the powerful can mean jeopardising access to power centres which could be crucial for their survival in the village. Thus, it would be wrong to conclude that the poor and the marginalised are no longer dependent on local elites as a result of migration. In many cases, the landed elite continue to have greater control over local and district administrations, and are able to extract political patronage from others. As long as power in one form or the other remains in the hands of the same landed elite, peasants are likely to remain subject to various forms of clientelistic dependency, and therefore, a complete transformation of the socio-economic system due to migration is not yet evident.

Notes
1 The political regime in Nepal from 1960 to 1990 was the period following King Mahendra’s toppling of the democratic government and establishing a partyless system led directly by himself. It is said that the system was a copy of Pakistan’s ‘guided democracy’. The Panchayat system was organised initially with a four-tier structure: the lowest and primary units were the village (gaun) and town (nagar) panchayats; then the district (jilla) panchayats in each of the 75 districts and zonal (anchal) panchayats in each of the 14 regional units and; at the highest level was the National Panchayat (Rastriya Panchayat) – the parliament (Joshi and Rase, 1986, 400).
3 A loan arrangement in which the moneylender, who is generally the poorer one in such a transaction, gets to farm the land until the loan is paid off.
4 As discussed in Section 2 on ‘Economic Transformation’, migrant households’ dependence on farm-based livelihood has decreased, with 41.5 per cent of the migrant households now citing remittance to be their biggest source of livelihood (Figure 9).
5 Here, the study did not consider those who were ineligible to vote or were not present to vote.
6 ‘Non-migrant’ in this classification includes individuals from households that do not have any members who either are currently abroad, have recently returned, or are planning to migrate in the near future. Individuals from households with members currently abroad are categorised as ‘left-behind members’, while individuals who have returned from a migration stint abroad are classified as ‘returnees’ and those who plan to migrate in the near future are grouped as ‘prospective migrants’.
7 In addition, the political openings provided by the post-1990 democratic movements, the on-going identity-based movements, and increased access to mass education and mass media in the last three decades have all served to bring about this change. Ethnic and regional groups have also pressed for their grievances to be addressed through representation in parliament as a distinct group. Civil society also played a crucial role in promoting public education, fuelling public debates and contributed to improving the accountability of government agencies (Thapa and Sharma 2009).
8 The two case studies from Dhanusha and Kaski in Boxes 1 and 2 have dealt with aspects of this change.

4. Political Aspirations and Participation

In broad terms, it is believed that a person’s aspirations shape their actions and engagement within society at large (Bandura 2006). In the context of migration, migration aspirations, at times referred to as ‘migration culture’, conceives of people’s views of migration as a desirable life project as opposed to ‘passive responses’ to external factors.1 Accordingly, this section examines how migration is shaping the aspirations of the youth in Nepal in terms of their own lives and larger socio-political changes. It also considers how people, especially the youth, aspire towards and engage within the political spectrum, and the extent to which this engagement is influenced by migration.

Migration Aspirations

Over the last two decades, migration has become an increasingly attractive aspiration for more and more Nepali youth. For many, it is an opportunity to make something of their lives and a means to uplift their economic condition. The lack of employment opportunities and well-remunerative jobs in Nepal as opposed to the higher earning potential abroad serves as one of the main motivating factors for the youth to migrate. The survey data shows that on average migrants were able to send NPR 13,293 every month, a substantial figure compared to earnings in Nepal, where the monthly per capita GDP is NPR 6614.2 As a retired government officer in Dhanusha explained,

Young people want to migrate as they do not have employment options here. Boys want to migrate and if they don’t, what will they do here? (Interview no. 59, 23 May 2016)

There are many other factors that induce the desire to migrate, despite the risks involved. Active recruitment by foreign employment agents at the local level, observing migrants in the locality doing well economically, the real or perceived low premium on education, lack of political clout considered essential to securing well-paid jobs, and the search for stability and economic well-being of the family, combined with inadequate employment opportunities in Nepal further serve as incentives for the youth to migrate (Sijapati et al 2015).
When I see that people [migrants] with just Class Eight education are doing a lot better economically compared to someone [a non-migrant] with a Master’s degree, I feel that nothing can be accomplished by studying. It creates frustration in you. This is my experience. (Teacher, Panchthar, Interview no. 18, 23 May 2016)

After passing 10+2, the youth try to go abroad. In fact, going abroad has become a kind of a norm. The concept of ‘What [good] will happen by studying’ is very strong among both Tharus and pahadis. Boys join the Bachelor’s level but once they get an offer to go abroad, they quit studying and go abroad. (Head of college, Nawalparasi, Interview no. 190, 30 May 2016)

Migration is the only option as it gives immediate returns. Getting a government job takes a lot of effort and time. Only those people who have some land and some way of supporting their families can think about this but the poor cannot. They are desperate and most people who have migrated have done well. So, going abroad perhaps is not safe. But at least you make money. (Interview no. 63, 23 May 2016)

Notably, as also pointed out by KC (2014), due to the household division of labour, as breadwinners in the family, men feel an overwhelming responsibility to provide for their family and aspire to earn. In the absence of alternative opportunities to make a living, migration is considered the only option. Linked with this is also the culture of migration that sees migration as a marker of successful adulthood and of manhood. Consider the following narratives:

Coming from a not-so-good economic background, I could not afford to study in a private college. These things led me to quit my education and migrate. I am going abroad again as I have to look after my family members and educate my brother and sister. My brother is doing his Bachelor’s and my sister has just taken the SLC exam. I want to educate them as much as I can. (Political leader in Panchthar, Interview no. 19, 23 May 2016)

Youths all wish to go abroad. Here, even after studying, they have to compete for government jobs. Even if you get a job, the pay is less than what a migrant worker who has studied till Class 6 earns abroad. Their children’s living standard is also higher than of those who have stayed behind. Seeing this, other youths think, ‘The happiness I can give to my family can only be bought with money, which one can earn more by going abroad.’ This thinking has been deeply embedded in the psyche of youths. That is why compared to other things they are interested in foreign employment. (School teacher in Panchthar, Interview no. 30, 27 May 2016)

Women tend to get married with men who are working abroad. This may be because there is the security [in terms of income] factor involved in foreign employment. On the other hand, men who go abroad also expect to get married to women who have a Bachelor’s or Master’s degree. This is the indirect effect of migration and remittance; it is a way of guaranteeing a secure life. Migration is changing our society and our understanding of a secure life. A man who works here and earns enough to feed himself and his family is not taken seriously and is therefore not considered an economically eligible groom for marriage. (Head of college, Nawalparasi, Interview no. 190, 30 May 2016)

Migration, Political Aspirations and (Dis)Engagement

Besides the above-mentioned economic factors, the urgency with which the youth and others in the study districts spoke about their migration aspirations is also reflective of high levels of political disenchantment that seems pervasive across all groups, particularly the youth, for whom migration is viewed as a panacea. As one respondent remarked, ‘There is politics everywhere. You have to catch one or another leader to move ahead here.’ Echoing the general level of distrust in the existing establishment and governance system, especially in relation to party politics, a male Bahun respondent in Bhuraha, Nawalparasi, said,

All the political parties use youths as per their need. Who didn’t? Everybody used the youth. They were threatened, shown false hopes and cajoled into joining the parties during the time of the election. But, after the 2064 [BS, i.e., 2008 CE] election, people lost hope in them. The youth were blinded into taking part in the election. Even during the movement [the first Madhes movement in 2007], the youth were being used, a lot of youth were brought from other places to take part in the protests and in the burning of trucks. As a result, the youth have lost interest in political affairs, and they have no interest in political activities. They try to avoid it as much as possible and instead opt for migration as there are no employment opportunities for them and neither is there much space to engage productively in politics. (Interview no. 183, 22 May 2016)

Such an outlook towards politics and migration are reflective of Kapari’s (2014) argument that the prospect of migration itself opens up alternative avenues for personal enhancement, thus making participation in local politics and building political networks less important. Migrant youths (and many non-migrant youths) see political parties as being controlled by a few well-to-do people who are self-centred and corrupt, and who do not have a broader vision of the future either. Likewise, they also feel that political parties, including many of the identity-based movements, are controlled by an older generation who do not give space to the youth and instead only use them as muscle power during elections. For instance, a returnee, a Magar male, who is also the youth ward-level president of Sanghiya Samajwadi Forum Nepal in Kaasi, said:

They [the party] invite us saying that there is a programme of the party but when we go there they ask us to put on the band of ‘Jamunwan.’ The role of the youth is not just to wear the band and carry around chairs for guests. They should make the youth part of the programme itself so that they can learn about the party. (Interview no. 69, 28 May 2016)

Others concurred with the view that the youth are used, as the respondents put it, to ‘show numbers,’ for ‘fighting,’ and ‘engage in hooliganism’ by political parties and politicians. The words below from a retired forest official from Nawalparasi reflect another source of frustration.

Though I belong to a Tarai Janajati group, I don’t vote for them [Madhesi and Tharuwan political parties] as they are not fighting for the rights of the marginalised, but for their own vested interests. Identity-based political parties started their movements in the name of the marginalised people but are now fighting for their political share and moving from one party to another. I will support them only if they come together as one. (Interview no. 179, 27 May 2016)
However, the disenchantment with political parties has not always translated into disengagement from politics. For instance, Madhesi youth in Dhanusha had distanced themselves from mainstream political parties even though they were active in other facets of political action. They supported the identity movement and also supported a Madhesi candidate over a parties even though they were active in other facets of political action. They supported the identity movement, either overtly or covertly, explains the level of youth engagement, including that of migrant youths. In fact, some of the migrants who were away at the time of the Madhes movement said that they supported the movement morally by sending messages of support through people who were travelling back to Nepal, and also asserted that had the situation demanded it, they would have returned to Nepal to take part in the movement.

In the case of Limbus in Panchthar, the study found similar levels of engagement of the migrant youth (Box 3).

**Box 3: Migration and Youth’s Political Aspirations in Panchthar**

Limbu political activists of Eastern Nepal have been demanding that Panchthar, along with eight other districts in the region, be part of a Limbuwa autonomous state in the new federal arrangement. The Limbuwa movement puts strong emphasis on the preservation of Limbu culture, language, traditions and religion, as well as better representation of Limbus in the federal state structure. Unlike other districts in this study, where migration was seen to distract the youth from political activism, in Panchthar, the opposite was true. Limbu leaders and migrant returnees in Panchthar claimed that people who have migrated are politically more conscious of their identity and the movement. That is because living away from home (especially in Kathmandu) has made them more wary about losing their culture and identity. Limbuwa leaders explained that the youth are extremely interested in the Limbuwa movement and also support it.

The Limbuwa movement did not materialise at the village level. As we lived in a predominantly Limbu community, we never realised the need to unite. However, once people moved out of the village and saw that they were a minority and their culture was under threat, they started to unite and engage in collective action. It was the Limbu students studying at Tribhuvan University in Kathmandu who started organising on the basis of identity. That was how the Limbu Bidyarthi Manch [Limbu Student Forum] was established...When people migrated they learnt that in addition to a larger identity as citizens of a country, people also have distinct ethnic identities. They become aware and also encouraged other people to organise. In Nepal, only one identity has monopolised all the state resources so far. In addition to economic benefits, there are also political benefits of migration as all the necessary support comes from migrants as well. Despite this, because many of the youth are migrating, it also has repercussions such as the lack of a capable youth force in mobilising for social or political cause. With only the elderly and women and children social mobilisation is not possible. (FGD, Interview no. 38, 22 May 2016)

In the above narrative, migration, especially internal, has created political consciousness among the youth regarding their ethnic identity and that has translated into support for the Limbuwa movement. This view was echoed by others in Panchthar, and the ability of the Limbuwa movement to attract the youth was also evident despite the general disenchantment with political parties.

But this kind of engagement is by no means uniform, as illustrated by the case of Nawalparasi (Box 4).

**Box 4: Migration and Youth’s Political Aspirations in Nawalparasi**

In contrast to Panchthar and Dhanusha districts, the youth in Nawalparasi expressed a strong sense of disillusionment with politics and politicians. The failure of the political parties to provide opportunities, especially employment, has disappointed the youth, particularly after mobilising them when required. This form of disillusionment was not only against traditional parties, but also the identity-based parties.

The case of Nawalparasi, like several other Tarai districts in the western Tarai, is in fact emblematic of the ways in which identity movements have played out. In many regards, the district can be conceived as comprising three layers—the northern belt populated by hill groups (pahadi), the highway area which has a mixed population but is generally a hub for political protests and other such activities (primarily for reasons of easy transportation and access, as well as the ability to disrupt physical movement), and the southern belt populated by Madhesi and other Tarai ethnic groups. As a result, Nawalparasi saw a series of political movements and protests, including during the first Madhes Movement of 2007, which caused heavy damage in one of the research sites. The incidents had a profound impact and people developed a strong mistrust of Madhes-based parties, especially after they failed to live up to the expectations of the people. In addition, political disengagement is an equally political act and the reasons behind it can also vary. For instance, a male Dalit leader from the research site said:

Harijans [i.e., Dalits] here don’t support the identity-based parties as they don’t find themselves represented in the movement, especially in this district where these movements are primarily led by upper-caste people. (Interview no. 175, 24 May 2016).

A couple of other respondents claimed that one of the reasons identity-based movement have not been able to maintain their hold in Nawalparasi is because the movement is centred in Kathmandu, without any mobilisation at the local level. Similarly, the second research site in Nawalparasi, being a relatively new settlement of people who had migrated from hill districts, did not display any inclination towards identity-based political outfits, nor any affinity towards the traditional parties. As a young male Tharu returnee from the research site said,

I have no interest in politics but my friends come to take me. They tell me that there is something [a political event] there, so do you think I should go fight and quarrel? I have done that a lot. But, in everything, there is selfishness. My friends have betrayed me, that’s why I am not at all interested in politics. Everybody goes. You see the motorcycle there [pointing with his finger], if they come and ask you to join them for a full tank of petrol and 5000 rupees, everybody will go. It’s not even 1000 rupees, it is 5000 rupees. Politics is all about betrayal. Today, I will do something, tomorrow you will not look after me. (FGD no. 172, 23 May 2016)

In general, the overwhelming trend seems to be that while the youth are disenchanted with politics (which is the case across all caste/ethnic groups), youths from marginalised groups, including migrant youths, are
interested in identity politics. This was seen in Dhanusha in terms of their support for the Madhes movement as well as Madhesi candidates; in Panchthar vis-à-vis the Limbuwan movement; and, in Kailali, where people were not very open about supporting Tharuhat movement,7 the youth had formed a substantial part of the Tharuhat movement. As relayed by a young Tharu man, youth involvement was high in the Tharuhat movement until the Tikapur incident7 after which their engagement waned, especially when it was perceived that the leaders of the movement had not come out strongly in support of the youth afterwards.

The differences discerned in terms of youth aspirations in these districts can perhaps be derived from the different historical contexts of these districts. Panchthar is the hotbed of the Limbuwan movement, at present as well as in the past. As a movement that is constituted and, to a large extent led, by the youth, they have been able to attract the youth through building cultural consciousness. This is not the case in Nawalparasi, which does not have a historical foundation of any strong political movement.8 Landlords are still powerful in this district and votes continue to be influenced by clientelistic relationships, especially following the resettlement programmes sponsored by the Panchayat regime in the 1960s.

Notably, while identity movements, which had peaked in the 2006-2008 period, are still being overwhelmingly supported by the youth, especially at the cadre level, active engagement by them has since waned. There is a growing sense, particularly among the youth, that the new forces have begun to emulate the establishment, leading to greater sense of disenchantment with party politics. These differing patterns of youth engagement in politics, including identity-based movements, indicate once again that the relationship between migration and political activism is not linear and that it is affected by a variety of contextual factors.

Given that disillusionment with party politics appears to be one of the factors driving migration in the first place, it is not surprising that the survey results indicate that participation in political parties was the highest among non-migrants (15.6 per cent), more so than from any other category of respondents9 (Figure 16).

As expected, the level of engagement in public affairs was also the highest among non-migrants, with high participation from this group in almost all the village institutions (Figure 17).

There is also a general view that the migration of youths has created a vacuum, and local political leaders feel the loss of the young people who have migrated. Political party mobilisation, movement momentum and even the effectiveness of community institutions have been affected by the absence of the youth. As stated by a Tharu political leader in Kailali,

There is a lack of youths who are aware and so youth mobilisation becomes difficult. It is hard to get things done and you feel a kind of loneliness. Even if the youth are away, you can see on Facebook that some pahadi youth are posting news from Nepal and they are commenting on the news. This is hard to find among the Tharu youth. (Interview no. 139, 25 May 2016)

Migrant Returnees and Political Engagement

Whereas political disenchantment is one of the primary factors fuelling migration, the experience of migration seems to have had some positive effects on enhancing political engagement upon return, at least among some returnees. In the study, the political aspirations as well as general outlook of migrant returnees were observed to be quite different from prospective migrants and non-migrants. Due to their experiences abroad, many of the migrant returnees are interested in or have initiated entrepreneurial ventures themselves, such as plant nurseries, grocery shops, beauty parlours, goat farming, and commercial agriculture. They are also keener on the economic development of their locality. As a businessperson in Panchthar said,

Migration and remittance have benefits on people’s living standards, education, and awareness, as well as sanitation... Migration has increased their awareness of time and value of work. Before migration they did nothing, spent time playing and talking, but after coming from abroad they work hard. They work hard and some of them have been involved in professional livestock farming. Returnees think that without working neither is development possible nor will the country develop... The experience of migration also educates people. For instance, if a person migrates just after completing Class 7 or 8, when they come
Due to the short length of their stay during home visits or periodic leave, circular migrants are not as engaged in the community as they would like be or could be, but returnees who come back for good and plan to settle down were found to be active even though it might be for their own individual interests. The following narratives illustrate returnee engagements.

Returnees have more resources at their disposal. Also, while abroad they have a feeling that they have to do something here. So, they become engaged in social and political activities. (Male political leader in Nawalparasi, Interview no. 204, 27 March 2016)

Those returnees who decide to live in the village permanently since their parents and grandparents lived in the village tend to be interested and actively involved in the social institutions and development work. (Male respondent in Panchthar, Interview no. 7, 30 May 2016)

Remittance increases the mobility and economic access of migrant households…You can see the difference after migration. Migrant households become more mobile, they start taking up positions in social and political organisations. There is Raghu Gyanwali [name changed], who, after returning from abroad became UML’s regional Chairperson. (NGO worker in Nawalparasi, Interview no. 199, 24 March 2016)

Of course, as is true for all other groups, not all returnees are equally interested in community development. For some, re-integrating into the society and re-establishing their linkages and networks can take a while, whereas some may not be interested in it at all.

Besides engaging in community development, political participation of returnees, including in political parties, is also significant. As can also been seen in Figure 16 above, the participation of migrant returnees in political parties (13 per cent) though not as high as that of non-migrants (15.6 per cent), is higher than that of prospective migrants (9.9 per cent) and the left-behind (8.9 per cent). As stated in an FGID discussion in Panchthar:

Some returnees have learnt [from their experience abroad] and they want to get involved in politics…Their minds have changed. No matter which party they were affiliated to earlier, some of the youth who have come back after earning money from abroad want to work for change and development, and are interested in getting involved in politics. Due to media, and communications they are aware and have become more active. (Interview no 41, 29 May 2016)

As in the narrative above and similar accounts across the other field sites, it was found that returnees who had been involved in politics prior to migration were sometimes able to resume their engagement in political activities, especially if the country where they had been working presented opportunities for engagement, albeit from a distance. These returnees were more likely to come back and re-establish their political links. For instance, in Kailali, a returnee from India used to be involved in the village-level political wing of the UML prior to migration. He was able to continue his affiliation with the party through the UMLs India wing, Prabashi Nepali Sangh. It has been a decade since he returned and he is currently the Chairperson of UML VDC-level Committee. Besides India, the bigger political parties have created party wings in the major destination countries in the Gulf, Asia and the West in order to reach out to migrant workers and non-resident Nepalis for political and financial support. The fact that these outfits send representatives to national-level party meetings underscores their importance.

Apart from heightened engagement in community development activities and political parties, migration is also leading to a notable reconfiguration of caste and ethnic relations, steered primarily by returnees. Specifically, improved economic conditions due to migration has paved the way for migrants and returnees, particularly from marginalised groups, to fulfill their aspirations of freeing themselves from the oppression of the dominant caste/ethnic group. For example, a Dalit returnee from Kaski planned to create a platform to bring together other Dalits to encourage them to engage in various local development activities and local politics. He said,

Dalits are in a majority [here], but they are not united. I have the desire to unite all the Dalits in this village for which I have already been consulting with them. I have the desire to build a temple of Biswokarma that we Dalits worship. Gradually, I hope to unite all the Dalits, create a network, and start a savings group, so that we can help each other during the hour of need, and if we all become united, we will also be able to voice our issues and push our agendas in different venues. If I had been here, I would have spoken up for Dalits in important events but as I was abroad, we missed out on all the development work. Now, I want to become a big person, at least at the ward level and if not at the VDC level and work. Actually, I wanted to be elected VDC Chairperson, but since that is not possible at the moment, I hope to first unite all the Dalits. (Interview no. 88, 23 May 2016)

Dalit returnees in Dhanusha also mentioned building a Dalit temple. The fact that Dalits’ aspirations were centred around a temple is emblematic of their desire to overcome caste ideologies that have stigmatised them as ‘impure’ and ‘untouchable’ and barred them from entering temples. This sense of empowerment among Dalits is a clear indication that as migration continues, power dynamics at the local level will continue to change, at times opening up spaces for Dalits and other marginalised groups in dismantling the deeply ingrained social and economic hierarchies and discriminatory practices. Admittedly, such changes in power relations are also associated with a decline in patron-client relationships and growing political autonomy, especially among Dalits. Although a number of other factors have contributed to this transformation, as discussed in Section 3, both of these processes have been facilitated by migration.

To summarise, the combined effect of the perceived lack of employment alternatives and disenchantment with the country’s political situation is among the many factors driving migration. The ‘culture of migration’ has significantly changed the ways in which the youth think about life options; earning differentials are valued much more than job prestige or their own educational attainment. Migration is viewed as the only option available for survival and with some variations, ‘exitting’ as opposed to ‘engaging’ is generally the norm imbied by the youth vis-a-vis politics. While disillusionment with politics is clearly a factor contributing to migration, the experience itself seems to be fermenting a heightened sense of the need for political
Labour Migration and the Remittance Economy

engagement among migrant returnees. This group is found to be more interested in entrepreneurship and economic development issues they believe transcend petty party politics. Furthermore, there are also instances where returnees, particularly from marginalised groups, are engaged in the political act of challenging local power relations through their everyday engagement in social life, which in the coming days is likely to have significant impacts on politics and power configurations at the local level.

Notes

1 See, Czaika and Vorthknecht 2014; Carling 2001; Jónsson 2008.
2 MoF 2016.
3 Interview no. 157, 26 May 2016.
4 A political party led by Madhesi and Janajati politicians whose major demand is identity-based federalism.
5 An identity-based political movement supporting an autonomous region for Gurungs, also called the Tamu.
6 It was difficult to broach questions of political aspirations and engagement in the case of Kailali because of the politically tense situation after the Tikapur incident of August 2015, in which seven security personnel and a two-year-old child were killed during a protest by the Tharuwan movement in Tikapur, Kailali.
7 See endnote above.
8 However, there was a strong peasant movement against land reforms in the 1960s (Gaige 1975/2009).
9 Participation in political parties was lowest among the left-behind members of migrant households (8.9 per cent), which could be due to the fact that this group consists primarily of women, children and the elderly, who in general tend to be politically less active. On the contrary, the majority of the returnees (77.8 per cent) and non-migrants (56 per cent) among the respondents were men, compared to only 35 per cent men in the left-behind category, which could also provide an explanation for the different levels of participation among these respondent groups. Notably, despite the push for women’s participation in political parties, it is low compared to men. Similarly, in terms of age, the average age of prospective migrants (25 years) was much lower than in the other groups (37-43 years), which might have led to the lower participation of the former. (The gendered impacts of migration is discussed in further detail in Section 5.)

It has been well established in the broader literature that migration is essentially a gendered process (Mahler and Pessar 2003; Boehm 2008; Sijapati-Bassett 2011). In the case of Nepal, even though women’s international migration has been on the rise,1 it is mostly men who migrate to engage in various types of gendered labour markets abroad while the women mostly stay behind to take care of the household and the family. Such patterns of migration are sure to impact how men and women relate to each other at the household and community levels, and have implications for the social, economic and political transformations underway in Nepal. This section tries to capture some of these dynamics by examining issues relating to women’s autonomy vis-à-vis their husbands and other adult members within the household, changes in women’s participation in the community subsequent to the migration of their spouses, and the consequences of male migration on gender equality, especially in terms of women’s development outcomes.

Women’s Autonomy at the Household Level

The NRB study cited earlier found that almost half of the migrant HHs surveyed were headed by women, a phenomenon attributed largely to male migration (NRB 2016). Qualitative evidence from this study shows that although women’s autonomy increases due to male migration in the form of increased scope for decision making and mobility, various gendered social norms and control mechanisms act to constrain their autonomy.

Generally, women who have been ‘left behind’ have a larger scope in household decision-making after their husbands migrate. These women usually take day-to-day decisions related to small household expenses on their own, but continue to consult their migrant spouses on decisions involving larger financial transactions or more significant matters. For some women, this new arrangement has been beneficial because they have now been included in the decision-making on household spending, whereas before migration such decisions were taken by their husbands without any consultation. As a teacher and local leader in Panchthar said,
Those women whose husbands have migrated are running their households better than their husbands did when they were here. When their husbands were here, there was unilateral decision-making. Now, when their husbands are away women are aware that they have to be careful how they spend the remittance they receive. Also, they discuss this with their husband and because two people discuss the decision it is better. (Interview no. 30, 27 May 2016)

Additionally, there has been an increase in left-behind women’s mobility due to their husbands’ migration, as they are now compelled to leave their homes to go to the bazaar for shopping, to go the bank or money transfer agencies to receive remittances, and to deal with government offices and other institutions (formal and informal) on behalf of their household.

Notably, these changes in women’s autonomy were less prominent in joint households that had parents-in-law or other male adults. In fact, Giri and Darnhofer (2010), studying the impact of male migration on women’s participation in Nepal’s community forestry, found that left-behind women from nuclear households were 43 (forty-three!) times more likely to attend the general assembly of their forest user group than those from joint households. Yet, women in joint households also had an easier time adapting to their husbands’ migration because the work responsibilities are shared with other adult members.

Regardless, the increased autonomy enjoyed by left-behind women is limited and often fraught with challenges. Some women see it as an unnecessary stress, especially if they are new to such responsibilities. A few women in Panchthar and Kailali emphasised the fact that the remittance is their husbands’ money, which meant they have limited authority on how it is used. Many women interviewed simply followed their husbands’ orders and stressed the importance of keeping a good account of expenses. This is what a left-behind Limbu woman in Panchthar had to say.

People say that left-behind women are able to sit and enjoy their husband’s earnings, but we suffer from so much tension. If even one rupee goes missing, I may be kicked out of home. (Interview no. 2, 28 May 2016)

Left-behind women also face additional challenges because gender norms are more strictly imposed on them in the absence of their husband. Stories of women misusing the remittances, engaging in extramarital affairs, and eloping with other men has cast a negative light on left-behind women, causing their husbands, and the wider society, to view them suspiciously, sometimes fuelling domestic violence. These dynamics are congruent with Boehm’s (2008) findings that with increased autonomy left-behind women confront new forms of male control as their migrant husbands maintain new forms of dominance through other males, phone calls, threats, gossip, domestic violence, and abandonment. Although both men and women held paternalistic attitudes covertly towards left-behind women in all field sites, it was particularly the non-migrant men who were more vocal in blaming the wives of migrants of being immoral, not being able to take care of their children, and for a decline in family values. The following quotes from non-migrant men exemplify this.

Migration has had both positive and negative impacts. However, women are becoming corrupt. Family values are declining. Children do not have guardianship. The children are disciplined only if the father is there as they do not listen to their mothers. They want phones and motorbikes as soon as they become 15. (Local leader in Dhanusa, Interview no. 59, 23 May 2016)

The negative impact of migration is when a husband sends money home and the wife indulges in pleasure-seeking activities. She stops working in her vegetable garden altogether. She buys everything and runs her household with the remittance money. When her husband comes back, she will have finished all the money. The bad thing is that they stop working hard. (School teacher in Nawalparasi, Interview no. 59, 27 May 2016)

Although cases of left-behind women swindling their husbands’ remittance and engaging in extra-marital affairs are hardly the norm, they are amplified to act as a control mechanism to deter other women and limit their autonomy. This can be witnessed in what a Limbu woman in Panchthar said:

I want to go to Phidim [the district headquarters] and learn how to run a beauty parlour or some other business because one person’s earning is not enough for later on. But, there is an increasing trend of left-behind women misusing remittance sent by their spouses. So, my husband might not allow me to live in Phidim. Nowadays, there are incidences of women having affairs with their brothers-in-law while staying at home, or eloping with other boys, while living in urban areas. Hence, husbands don’t trust their wives nowadays. (Interview no. 29, 26 May 2016)

These social norms and regulations on how left-behind women can or cannot behave also prevent them from seeking or getting help. Left-behind Tharu women in Kailali noted how men in the community are reluctant to help them for fear of arousing suspicions in the society. As a freed kamaiya woman in Kailali said,

We face difficulties in doing outside work or asking people to help us because our society thinks negatively if a married woman works with, or even talks to, other men in the village. If someone complains about it to our husband then there is trouble in the household. (FGD no. 153, 27 May 2016)

These women also pointed out that people in the community do not take them seriously in the absence of their husbands. Hence, in addition to the increased burden of running the household on their own, left-behind women also face the challenge of doing so as a woman. Tasks that traditionally do not fall within women’s domain, such as hiring labourers, taking loans, collecting loans, and handling administrative work, are more difficult for women to deal with compared to men.

Women’s Participation in the Public Sphere

The impact of male migration on women’s participation in the public sphere is also mixed, with evidence pointing to cases of both empowerment and disempowerment. On the one hand, a positive aspect of migration is that due to the absence of adult men, women have had to participate in a wide range of
extra-household activities related to collective work, village gatherings, and meetings and assemblies of various village institutions. Here, again, the impact of migration cannot be isolated without taking into consideration other processes that have led to the gradual relaxation of social norms related to women’s participation in the public sphere. The processes of modernisation and democratisation, the Maoist movement, development initiatives focusing particularly on women’s empowerment, and the discourse on gender inclusion, have all contributed to these changes.  

As explained by a social mobiliser associated with a local NGO focusing on women in Kaski:

Recently, the creation of women’s groups by various organisations and the rule that there should be compulsory representation of women on the committee for social and political work has led to an increase in women’s mobility outside the house. Because the government gives some tax discounts when the land is registered in a woman’s name, there is an increasing trend of registering land in the wife’s name. When going to register land in the land registration office, women get the opportunity to learn about government laws, regulations, and other things. When they go to the IME [a money transfer company] to receive remittance, they learn about financial dealings. (Interview no. 86, 1 June 2016)

Male migration has thus not only contributed to improved household economic situations, but also resulted in greater autonomy for women that has in some instances also translated into increased agency and confidence of women to participate in community affairs. Describing these interlinkages between male migration, women’s increased autonomy at the household level and their enhanced participation in the community, a Dalit woman in Kaski said,

In the households where women run everything, they face tension as well. The remittance her husband sends, sometimes it’s enough and sometimes it is not. Another thing, she has the money in her hand, she can buy what she wants to wear or eat. She does not have to think. She is the one who runs the household; she is recognised by people in the community as well. She is able to become a bit smart, she is able to speak in front of people. Women [in non-migrant households] who do not run their household do not usually come out of the household. They are busy in their household work only. (Interview no. 95, 25 May 2016)

A woman in Kailali explained how the improved financial situation following the husbands’ migration had encouraged women to participate more assertively in the public sphere:

It would have been difficult for women to participate more openly if their husbands had been here because there would be economic problems. If there is scarcity there is tension and because of that there are fights in the family. To even come out and participate in the community you feel like you don’t have anything, there is a lack of courage. Now [after migration] it has been easier. You get the courage to participate too. (FGD 115, 30 May 2016)

Despite these positive changes, there are indications suggesting that the extent to which women are able to participate in community affairs is dependent on the nature of support/encouragement they receive from their husbands and families and the community at large. There are cases of both encouragement and discouragement, as some women noted that their migrant husbands encouraged them to participate by giving examples of empowered women in the destination countries, while others mentioned their mobility having been curtailed, as is apparent from the narratives below.

We have a small group and they have appointed me deputy secretary. But, I have not been able to give time because I have a small son. My husband understands. I go to the group’s meetings and he does not scold me. He says if you interact with women in the community go to meetings, then you learn a few things. I think because he has gone abroad he thinks women should also know. He says, here [the destination country], women like you are involved in big-big things like men. He says it’s good to save money in the group since it will be easy on us during difficult times. (Left-behind woman, Kaski, Interview no. 74, 29 May 2016)

In our group, there are many women whose husbands are abroad. Some women say that their migrant husbands have told them not to go for group activities like singing and dancing [for fundraising]. Then, there are those migrant returnees who say that groups like ours are good and that we should become united and they come with us carrying a madal [drum]. (Ward President of a Dalit women’s group, Kaski, Interview no. 93, 24 May 2016)

Notwithstanding the positive reinforcement required for women’s engagement, male migration can also prevent women from participating in the public sphere. There were a number of women who said that their participation would have increased had their husband been around to help them with the household responsibilities. Left-behind women, especially in nuclear households, have to deal with an increase in household work that prevent them from giving time for community activities. The situation is worse among left-behind women with young children. In some village institutions, participation is mandatory, so women do make time and participate in order to avoid being fined.  

In such cases, their participation is more perfunctory than anything else.

Additionally, as discussed above, social norms are much more stringent for left-behind women, which create hurdles for their participation in public affairs.

It has been hard for them. They feel that they are on their own. When their husbands are here they have greater freedom because they can go anywhere. When their husbands are abroad they think they should not go out, their mentality is that they should not roam around and they also go to the bazaar less than before. (Tharu male leader, also a teacher, Kailali, Interview no. 138, 24 May 2016)

If my husband were here, it would have been easier for me to sit in committees and work. When your husband is far away we have to give explanations about why and where we are going. Rather than deal with all that hassle, I chose not to sit in any other committees. (Chairperson of a women’s savings and credit group, Panchthar, Interview no. 10, 31 May 2016)

Quantitative data from the survey also supports these findings. As shown in Figure 18, women’s participation in almost all village institutions has increased after migration, but there is not much difference in women’s participation between migrant and non-migrant HHs.  

![Figure 18: Women's Participation in Village Institutions](image-url)
Additionally, while examining the increased participation in village institutions, it is important to be cognisant of the factors that have led to these changes and the differences across various types of institutions. More specifically, women’s participation was highest in financial institutions such as cooperatives, microfinance, and savings and credit groups. This was observed in all the districts and research participants often pointed to women’s increased participation in these institutions as a sign of women’s increased empowerment. However, many of these institutions have been initiated with the help of INGOs as part of interventions aimed at women’s economic empowerment, and were either meant exclusively for women or were targeted towards women. Such initiatives did, however, provide women with greater incentives and space to become involved in community activities.

Left-behind women repeatedly mentioned that they were involved in these financial institutions because of the ease of getting loans at cheaper rates and also because it provides an opportunity to save. For some women, getting loans from these groups has also been a survival strategy to manage household expenses until their husbands send remittances, and also during emergencies. Apart from meeting women’s economic needs, in a few cases, these financial institutions have also consolidated women’s expenses until their husbands send remittances, and also during emergencies. Apart from meeting women’s economic needs, in a few cases, these financial institutions have also consolidated women’s expenses until their husbands send remittances, and also during emergencies.

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Providing leadership to institutions, especially mixed ones, is still difficult for women in general. The lack of time due to the gendered division of labour that burdens women with greater household responsibilities, the lack of education and self-esteem, and family restrictions are among the challenges women face on a regular basis. Some women also mentioned patriarchal norms and the entrenched claims of men over community structures as constraints to their participation. As discussed earlier, for left-behind women, the household work burden is greater because of their husbands’ migration and the social dictates regulating their mobility are harsher, making it difficult for them to take up leadership positions. The quote below from a left-behind Limbu woman in Panchthar, is indicative of women’s experience while engaging in the public sphere.

Married women have greater responsibilities than unmarried women, and as a result they are more attentive towards managing their household responsibilities than being engaged in the outside world. We do not roam outside like men, and we do not take an interest in other things. When you sit in a responsible leadership position, only then do you take interest in these things. Even if women are present in women’s groups, they are limited to going to meetings, saving, and taking loans. (Interview no. 29, 26 May 2016)

Women’s public participation also varies by caste/ethnicity, class, and location. Janajati women in Panchthar and Dalit women in Dhanusha were noted to be more mobile and active in village institutions compared to ‘upper-caste’ women in these districts because of more relaxed gender norms among the former. In Panchthar and Kailali, women from bazaar areas were likely to be more active in local institutions, compared to rural areas, as the former had relatively less household-related and farming responsibilities. Participation of women from squatter settlements in Nawalparasi and of former kamaiya women in Kailali was less because they either do not have the luxury of time to participate or because their low socio-economic status prevents them from speaking or being taken seriously. As a young Muslim woman in a squatter settlement in Nawalparasi said,

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Labour Migration and the Remittance Economy

Changing Gender Relations

I tried to form an agriculture group many times but it failed because people did not turn up as they were threatened by a local politician here. I am trying to do something for the village but they think I am trying to embezzle money. (Interview no. 155, 26 August, 2016)

The fact that there are more relaxed or stricter gender norms among certain caste/ethnic or class groups and its effect on women’s participation should be viewed with caution since several factors such as socio-economic position and education could either be limiting or contributory. Regardless, the underlying fact remains that migration has had differential impacts on women from different groups, with women from Dalit and Janajati groups enjoying greater mobility, decision-making roles, and empowerment following the migration of their husbands, which was similar to when their husbands were at home.

Lastly, besides community institutions with a focus on social-economic activities, women’s participation in local politics is still very limited. There were one or two women involved from both non-migrant and migrant HHs in the VDC and district level committees of political parties in the study sites and their involvement was a result more of their family’s political background. Many research participants were also of the view that women in their locality vote as per the preference of their husbands, or other family members. There were a few instances of agency seen in women’s participation in rallies supporting popular movements in Dhanusha and Kailali, and women raising a voice against the decisions of village leaders. As a woman in Dhanusha explained,

My husband calls me from abroad telling me not to go on rallies and strikes [supporting the Madhes movement] if the situation is not normal. But I participate in them without telling him. (Interview no. 49, 26 July 2016)

Likewise, young left-behind women who were politically motivated in the Limbuwan movement mentioned that they have to hide their party affiliation from their husbands and in-laws because of differences in their political affiliation. These women said that they voted as they liked even when their family members ask them to vote for particular parties.

Possibilities for Gender Equality

The question of whether migration, especially of men, has led to any changes in outcomes relating to gender equality is a line of inquiry of considerable significance. This issue, while considered by the present study, could not be systematically explored due to methodological constraints. Having said that, one outcome that is overwhelmingly evident is the trend of girls staying in school longer than boys. As discussed in Section 4 on aspirations, boys and men increasingly aspire to migrate as a means to improve their economic conditions, and have begun to favour employment abroad over educational attainment. Conversely, girls do not have the same aspirations because both social norms and labour market restrictions constrain women’s migration. As stated by a Tharu leader in Nawalparasi,

It isn’t that we give more importance to girls, but our boys don’t study and our girls have no option but to

study. Boys have the ultimate goal of migration which is not an option for girls. (Interview no. 76, 25 May 2016)

The national trend is indicative of this shift as over the past few years there are now more girls appearing for the School Leaving Certificate (SLC) examinations than boys, and this trend is steadily rising (Figure 19).

Figure 19: Proportion of Girls Appearing for SLC in Comparison to Boys (2007/8 – 2014/15)

Although many factors may account for this shift, male migration at a young age certainly plays a role. As stated by a male leader in Panchthar,

The number of people going for foreign employment is increasing because of the state’s policies. Nowadays, many youths [mostly male] go abroad after studying Class 7-8. If the government had brought a policy by which the youth could migrate only after completing SLC then those going would come back after learning some skills, knowing something. But the state is only interested in remittances. (FGD no. 38, 22 May 2016)

Similar narratives of boys leaving schooling and migrating were common in all districts. According to a student union leader in Nawalparasi, in one college, 17 of the 20 students at the Master’s level are women (Interview no. 186, 25 May 2016). The impact of higher education levels of women is yet to unfold, but in a patriarchal society like Nepal, it will surely have significant implications, especially for women’s roles in the labour markets.

To summarise, male migration has had a mixed impact on gender relations, with both empowering and disempowering effects on women, sometimes at the same time. Where male migration may increase left-behind women’s scope, mobility and agency at the household level and in the public sphere, there is a chance of women being saddled with increased household burdens, thus limiting their ability to benefit
from the increased autonomy. Additionally, gender norms are more strictly imposed on left-behind women, not only by her absent husband but also by the extended family and society at large. Rumours, gossip and sexist characterisations prevalent in public discourse about left-behind women often serve to make life more difficult for them and limit their autonomy. Additionally, migration is also contributing to girls now staying in school much longer than boys, as the latter quit school early to migrate. Although women’s migration is slowly accelerating, it is still not an aspiration for many young girls, because of social norms that regulate women’s mobility as well as various labour market restrictions. The impact of women’s increased presence in higher education has huge implications for Nepal’s future labour market dynamics, but this issue has not been sufficiently explored here.

Notes

1 According to the data on labour permits, only 4.3 per cent of the migrants in the past seven years were women. In addition to the gendered social norms that restrict women’s mobility and privilege men’s role as the family’s primary breadwinner, women’s foreign labour migration has been highly regulated by the Nepali state. Prior to 2010, following the death of a Nepali domestic worker in Kuwait, there was a complete ban on migration of Nepali female workers. In 2012, the government banned women under 30 from travelling to the Middle East for domestic work. In 2015, the Government reduced the age restriction from 30 to 25 (MoLE 2016).

2 Similar differences between nuclear and joint households were found in studies conducted in India (Desai and Banerji 2008) and Bangladesh (Rashid 2013).

3 For instance, policies brought out after 1990 such as the Local Self-Governance Act 1999 (LSGA) mandated compulsory representation of one woman from each ward of the VDC.

4 For example, in one field location in Kailali, left-behind Tharu women said, ‘We are allowed by our husbands and society to be involved in groups [savings and cooperatives]. We are not active in other village institutions... We participate only in those meetings and gatherings called by the badghar [community head] where there is a fine for non-attendance’ (Interview no. 150, 26 May 2016).

5 However, part of this rise in women’s participation can be attributed to the rise of user groups and other village institutions over the last decade.

6 Participation of women from migrant households is higher only in water users’ groups and informal savings and credit groups.
like land, credit/capital, and labour. However, it would be incorrect to suggest that the poor and the marginalised no longer depend on local elites because of migration, as in many cases the transformation of relations is not quite complete. Landed elites of the past still hold significant control over local and district administrations, and are able to provide patronage to others.

Interestingly, although the rise in political autonomy does not have much impact on voting patterns, a complex web of interlinkages between migration, political autonomy, and political engagement was observed. On the one hand, changes in political behaviour were observed, which included an increasing proportion of left-behind members and returnees voting over the years, indicating that the migration experience abroad was likely to have had a direct impact on how politics is conceived. Coupled with this change was also a growing sense of political disenchantment, especially in relation to political parties, a factor that is pushing the youth to migrate in the first place. Yet, the youth are not totally disengaged from politics, but rather than formal political engagement, some tend to support identity-based movements. Migrant returnees in particular were also found to be more attuned to engaging in entrepreneurship and economic development that again have implications for community development, often resulting in those from the marginalised groups challenging local power structures.

Finally, male migration was found to have both empowering and disempowering effects on women and their position in the household and the community. Some women experience greater responsibility and autonomy in their day-to-day household decision-making, increased mobility, and exposure to the outside world. These changes are more evident in nuclear households, where there are no older women or other adult men to challenge their authority. However, these changes are not considered by all women as liberating. Control over remittance is also very limited. Another important finding is that girls are now staying in school much longer than boys, and the impact of this increase in women's educational qualification on the future of Nepal's labour markets is likely to be significant.

As a study designed with an interpretive approach, the findings from the research are not conclusive, but only indicative of the broader trends underway in Nepal. Therefore, rather than providing specific action, the study is only able to point to three areas that require attention from policymakers, academics and civil society members, among others.

Greater efforts at maximising the benefits of migration. Despite the significant number of migrants working abroad and the concomitant increase in remittance, there tends to be a high degree of ambivalence when speaking of the consequences of migration on the country's economic, social, and political structures. One possible reason for this has to do with the fact that Nepali migrants are essentially ‘marginal migrants’ whose mobility, while having opened up opportunities for cash income, is nonetheless constrained by the migration process at home (e.g., high debt burdens), as well as the nature of their work abroad. It thus becomes essential that more efforts be directed at maximising the benefits of the migration experiences of the migrants themselves, and their families, through measures such as better protection of migrant workers at home and abroad, safer working conditions, access to credit to bear the cost of migration, and enhanced investment opportunities for remittances, preferably closer to home. In doing so, it is possible that the benefits of migration become accumulative much more rapidly, benefiting not only individual migrants but society and the nation as a whole.

Explore entry points for sustaining gains from migration. As suggested earlier, this study has not resulted in any conclusive evidence about the impact of migration either in the form of economic or social remittance. However, in relation to the question about the extent to which migration can drive development, the study points to areas that can serve as entry points for further support and action.

- Migration aspirations among the youth are driven by a perceived lack of employment opportunities as well as apathy towards and mistrust of the political system. Improved capabilities in the form of travel, sources of income/wealth to finance the cost of migration, networks to facilitate the search for employment, etc., are certainly helping prospective migrants realise their aspirations. But, the pervasive culture of migration is also leading to perverse effects, such as earning differentials being valued much more than job prestige or educational accomplishment, and indicate a crucial need to engage with the youth, especially in terms of their life choices.

- Migration of male members, coupled with the higher education attainment of girls and women (with males dropping out from school to migrate), indicates a fundamental shift in the nature and composition of the Nepali labour market in the future. Therefore, there is a need to prepare for such shifts in the national development policies of the country. The overwhelming focus so far on the feminisation of agriculture and local institutions brought about by migration, misses the larger changes underway in the labour market.

- Declining patron-client relations and greater political autonomy of marginalised groups, though not caused by migration alone, suggest that these are important gains that need to be further supported and sustained. Efforts to strengthen and support the capacity of Dalits, marginalised Janajatis, and the poor are important in this regard.

- The increased interest, particularly among migrant returnees, to engage in ‘economic development’ instead of party politics, suggests a possible break from development being driven by partisan interests. There is a need to further explore avenues to support this progression and ensuring that development is truly pro-poor and outside of party politics.

Enhance knowledge base. Over the years, there has been a growing interest in research relating to migration from Nepal. While this is certainly a positive development, a closer look at the existing literature also suggests that most of the research has been driven by short-term, narrow research questions. As was evident during this study itself, migration takes place within a broader social, economic, and political context and not in isolation from these processes. As such, migration is simultaneously an intrinsic part of social transformation and also a major force reshaping community and social relations. Therefore, migration studies itself needs to be embedded in fundamental questions about the major processes of social transformation taking place. One of the limitations of this study is that it was framed more as an exploratory endeavour rather than one that would lead to conclusive results. Quantitative studies that lead to more robust findings on the nexus between migration and social and political changes are highly desirable. Linked to this is also the need for a more in-depth ethnographic inquiry of how migration is
leading to the different types of changes suggested by this study, especially those relating to shifts in local power relations and patronage, political autonomy, and gender relations, at the household and community levels.

Notes
1. While this study did not consider the working conditions of migrants abroad, there is ample evidence on the poor working conditions of Nepali workers in general. See, Pauletti et al (2014); Amnesty International (2011).
2. Absentee rate is the percentage of the total absentee population of a district out of the total district population. The National Census 2011, defines absentee as an individual who had been abroad for six or more months prior to the time of enumeration (Sharma et al. 2014).

References


Annexes
Annex 1: Brief Background of Districts

Panchthar

With Limbus making up 42 per cent of Panchthar’s population, the district serves as the locus of the Limbuwan movement seeking a Limbu homeland, and which has been contested actively by the other social groups living in the district. In the past, Limbus owned all the land in the areas they lived in under the kipat system. However, after the introduction of the Land Reform Policy 1964, Limbus gradually lost ownership of their land since the policy was politically and systematically designed to encourage non-Limbu immigrants into Limbuwan territory (Caplan 2000). The loss of landownership by Limbus has partly shaped the Limbuwan movement.

This district in the Eastern hills is among those with a considerably high rate of outmigration to foreign countries. Panchthar has a total population of 191,817 and the absentee population accounts for 9.3 per cent of that number (CBS 2012). Apart from improving migrant households’ economic conditions, migrants have also been an important source of moral and material support for the Limbuwan movement.

Dhanusha

The Central Tarai district of Dhanusha has an absentee rate of 8 per cent, a number that is very high in absolute terms given that it has a population of 754,777 (CBS 2012). Dhanusha has been shaped by feudalism entrenched in the hands of the Ranas and Thakuris, including some Brahmins and Rajputs of Tarai origin. Despite the legal prohibition on bonded labour, these practices still persist. At least 19 per cent of the households in Dhanusha were, or are, affected by the haruwa/charuwa form of bonded labour. The Government has yet to recognise the problems of haruwasa/charuwasa. Two thirds of haruwasa/charuwasa households are Dalits, and rehabilitation support is needed for them to access quality education, health services, livelihood opportunities, and housing (KC, Subedi, and Suwal 2009). The region also has a pronounced history of competition that existed between the powerful pahadi feudal lords and the Tarai feudal lords. This was reflected most recently when Janakpur has emerged as the heart of the Madhes movement.

Nawalparasi

The Rana regime encouraged the settling of three Mid-Western Tarai districts, Kapilvastu, Rupandehi and Nawalparasi, by giving entitlements to large landholdings to zamindars, primarily Indians (Gauge 1975/2009). Although formally classified as part of the Tarai, this district also encompasses large parts of the Hill region. Hence, the majority of the population is of Hill origin with the Tarai-origin population consisting of just under 40 per cent. Politics based around the demands of Madhes and Tharus is not unsubstantial, but far less compared to districts further east or west.

With a population of 643,508 (CBS 2012), Nawalparasi has the highest rate of out-migration (10 per cent) among all the Tarai districts west of the Narayani River, which divides the Tarai into almost equal halves. The district has been subject to various socio-economic changes in the recent past brought about primarily by migration. But since it had fewer political events relative to other Tarai districts, especially with regard to the Madhes and other movements Nepal has experienced since 1990, it was included in the study as one of the control districts.

Kaski

Located in the Western region of Nepal this district has been chosen as a high-migration district, and also for its history of association with the British and Indian armies. The Gurkhas have long served as agents of political change in Nepal’s history, starting with their strong presence in the Muktinath Sena, the armed wing of the Nepali Congress that spearheaded the 1950-51 revolt against the Rana regime, and it has been documented that they were also active in introducing a number of innovations in local communities. The district headquarters of Kaski, Pokhara, is the site of both the Indian Army Pension Camp and the British Gurkha Camp, serving former Indian and British army soldiers in the region. Pokhara has also seen intense activity by proponents of Tamuwan, the proposed province named after the Gurungs (Tamu), which has been contested equally strongly by those opposed to its creation, particularly by Khas Arya groups, which have a strong presence in Pokhara. Of the total population of 492,098 in Kaski, absentees comprise 11.6 per cent (CBS 2012).

Kailali

This district in the Far-Western Tarai is currently one of the economic and political hubs of the region. Until the state-sponsored malaria eradication programme in the 1960s, Tharus were the only permanent residents of the Western and Far-Western Tarai. The Nepali state’s explicit policy to expand its administrative apparatus into the Tarai was characterised by local Tharu authorities being undermined by the administration, which was largely controlled by high-caste Hindus of hill origin who gradually took over Tharu land (Fujikura 2007). Since the Maoist ‘People’s War’ and the advent of the idea of ethnic provinces, Kailali has been at the centre of the Tharuhat movement, with its demand for an autonomous Tharu state in the Tarai within Nepal’s new federal structure. This claim has been challenged by the Akhanda Sudurpaschim (Undivided Far-West) movement that seeks to have an undivided far-western region that keeps the Tarai and Hill districts intact.

The total population of the district is 775,709, with Tharus comprising 42 per cent and the hill-origin...
groups making up 53 per cent of the population of Kailali (CBS 2012). The district also has a large migrant population with an absentee population of 8.1 per cent (CBS 2012). As with other parts of the region, it is also a district that has a high migration trajectory leading to India. Migration to India is mostly seasonal with migrants coming back during the monsoon for farming. The pahadi population has a longer history of migration to India, whereas the Tharus started migrating to India only during the Maoist insurgency when they were disproportionately targeted by the state security forces. Likewise, pahadis are also ahead in migrating to Gulf countries and Malaysia, although young Tharus have now started to migrate to countries beyond India as well.

### Annex 2: Respondent Information

#### Table 9: Demographic Information

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Frequency</th>
<th>Percentage</th>
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<td><strong>Marital Status of Respondent</strong></td>
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<tr>
<td>Married</td>
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</tr>
<tr>
<td>Unmarried</td>
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<td>Separated</td>
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<td>Widow/widower</td>
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<td><strong>TOTAL</strong></td>
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<table>
<thead>
<tr>
<th>Age Distribution of Household Members</th>
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<tr>
<td>10-20</td>
<td>555</td>
<td>28.2</td>
</tr>
<tr>
<td>21-30</td>
<td>546</td>
<td>27.7</td>
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<tr>
<td>31-40</td>
<td>317</td>
<td>16.1</td>
</tr>
<tr>
<td>41-50</td>
<td>248</td>
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</tr>
<tr>
<td>51-60</td>
<td>176</td>
<td>8.9</td>
</tr>
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<td>61-70</td>
<td>71</td>
<td>3.6</td>
</tr>
<tr>
<td>71-80</td>
<td>33</td>
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<td>81-90</td>
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<td>above 90</td>
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<table>
<thead>
<tr>
<th>Caste/ethnic Distribution by District</th>
<th>Kaski</th>
<th>Kailali</th>
<th>Dhanusha</th>
<th>Nawalparasi</th>
<th>Panchthar</th>
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<tr>
<td>Mountain and Hill Janajati</td>
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<td>0.0</td>
<td>15.9</td>
<td>79.0</td>
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<td>Tarai Janajati</td>
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<td>66.3</td>
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<td>32.9</td>
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<td>Hill Caste</td>
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<td>10.0</td>
<td>20.7</td>
<td>9.9</td>
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<td>Tarai Caste</td>
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<td>Hill Dalit</td>
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<td>7.3</td>
<td>11.1</td>
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<td>Tarai Dalit</td>
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</tr>
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<td>Muslim</td>
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<td>0.0</td>
<td>8.8</td>
<td>7.3</td>
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Labour Migration and the Remittance Economy

Table 11: Net Benefit and Loss Incurred during Migration (by caste/ethnicity)

<table>
<thead>
<tr>
<th>Net Benefit/Loss range (in NPR)</th>
<th>Mountain &amp; Hill Janajati</th>
<th>Hill Caste</th>
<th>Hill Dalit</th>
<th>Tarai Janajati</th>
<th>Tarai Caste</th>
<th>Tarai Dalit</th>
<th>Muslim</th>
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<tr>
<td>1–300,000</td>
<td>33.3</td>
<td>41.7</td>
<td>50.0</td>
<td>42.6</td>
<td>27.0</td>
<td>33.3</td>
<td>45.5</td>
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<td>300,001–600,000</td>
<td>14.7</td>
<td>18.8</td>
<td>10.5</td>
<td>25.9</td>
<td>29.7</td>
<td>6.7</td>
<td>18.2</td>
</tr>
<tr>
<td>600,001–900,000</td>
<td>6.7</td>
<td>4.2</td>
<td>13.2</td>
<td>3.7</td>
<td>10.8</td>
<td>0.0</td>
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<tr>
<td>900,001–1,400,000</td>
<td>9.3</td>
<td>8.3</td>
<td>10.5</td>
<td>3.7</td>
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<td>9.1</td>
<td></td>
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<tr>
<td>1,400,001–2,100,000</td>
<td>4.0</td>
<td>6.3</td>
<td>2.6</td>
<td>3.7</td>
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<td>0.0</td>
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<td>2,100,001–2,800,000</td>
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<td>0.0</td>
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<td>2.7</td>
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<td>2,800,001–3,500,000</td>
<td>1.3</td>
<td>0.0</td>
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<tr>
<td>Percentage of HHs that incurred net benefits</td>
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<td>85.4</td>
<td>92.1</td>
<td>79.6</td>
<td>75.7</td>
<td>46.7</td>
<td>72.7</td>
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<td>1–300,000</td>
<td>21.3</td>
<td>12.5</td>
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<td>24.3</td>
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<td>1.9</td>
<td>0.0</td>
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</tr>
<tr>
<td>Percentage of HHs that incurred net losses</td>
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<td>12.5</td>
<td>5.3</td>
<td>20.4</td>
<td>24.3</td>
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<td>18.2</td>
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<tr>
<td>Percentage of HH that were at break-even</td>
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Annex 3: Survey Data

Table 10: Household Socio-Economic Profile

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<th>Primary Employment</th>
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<tr>
<td>Subsistence farming</td>
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<tr>
<td>Commercial farming</td>
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</tr>
<tr>
<td>Salaried government job</td>
<td>28</td>
<td>1.4</td>
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<tr>
<td>Salaried job (private/NGO)</td>
<td>53</td>
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<tr>
<td>Business (specify)</td>
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<tr>
<td>Foreign employment</td>
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<td>12.8</td>
<td></td>
</tr>
<tr>
<td>Daily wage labour</td>
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<td></td>
</tr>
<tr>
<td>Student</td>
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<tr>
<td>Unemployment</td>
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<tr>
<td>Social work/Political</td>
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<tr>
<td>Other (specify)</td>
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<tr>
<td>NA (elderly, children, disabled, retired)</td>
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<tr>
<td>Lower than class 5</td>
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<td>Class 5-10</td>
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<td>Class 11-12</td>
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<tr>
<td>Above class 12</td>
<td>112</td>
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<tr>
<td>Don't know</td>
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<tr>
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<table>
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<th>Class Quartile</th>
<th>Lowest</th>
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<td>Second</td>
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</tr>
<tr>
<td>Third</td>
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</tr>
<tr>
<td>Fourth</td>
<td>18</td>
<td>4.5</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>401</td>
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