

Impact of Foreign Remittances in the Socio-Economic Upliftment of the Rural Families in Punjab

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Abstract

Migration has always been seen as gaining more economic benefits and better life. Migration is usually among the male members to earn livelihood for the left behind families, which usually symbolize as the family's breadwinner. The study has been planned to determine the impact of father migration on left-behind children. A sample of 120 households was selected for this study. The results revealed that the father's migration created a vacuum in the household; in such a situation, mother or guardians need to take care of the left-behind children. Such father migration has positive and negative impacts on left-behind children's lives. It was found that migration increased remittances flow and educational opportunities for children but faced social and behavioral changes. There is a need for recreational activities to have a positive impact on left-behind children, and the intervention of NGOs can play a crucial role in addressing this situation.

Keywords: International migration, Emigrants, Rural households, Remittances

JEL Classification: F10, F13, F22, F24

Introduction

Migration is indeed a long-standing phenomenon that has been observed throughout human history. People have migrated for various reasons, including economic opportunities, environmental factors, social, political conditions, and personal aspirations. Since the pre-historic era, people have moved in search of a bountiful food supply, a safe location to dwell, and protection from physical dangers (Durand *et al.* 1996). The advent of industrialization and urbanization in the modern age further accelerated migration trends. As a result, many people have moved from their home countries to seek better jobs, education, and living standards. In this process, migration is a well-considered decision made by individuals and family members for the entire family's welfare (Stark 1982). Such a decision aims to maximize income and minimize the risks. Thus, the notion of migration is usually inclined to remit more to families left behind is hypothetically based on pure altruistic behaviour. Such behaviour of migrants is always inclined towards family welfare by sending remittances and providing economic assistance (Lucas and Stark 1985). In addition, uneven economic growth, inter-regional inequality, and difference in living standards between socio-economic groups also drive individuals' migration (Amara and Jemmali 2018).

Similarly, migration from India has become part and

parcel of people's life. India shared a long history of migration that started even before British rule (Tumbe 2018) and till now, migration continues. Thus, Indian diaspora has been the strongest diaspora in the world, including 450 million internal migrants (Singh *et al.* 2021) and 18 million international diaspora (IOM 2020). Moreover, India receives highest foreign remittances (US\$ billion) i.e. 76.4 in 2018-19, 2019-20 as 83.2, 2020-21 as 80.2 and in recent years 2022 -23 received 89.1. The major remittances received from U.S (23.4%), UAE (18%), U.K (6.8%), Singapore (5.7%) and Saudi Arabia (5.1%) (Financial Express, 2023, p.6).

Similarly, Punjab contributes to a vast share of Indians living abroad and has a long tradition of migration from colonial rule, particularly since the first world war (1914-18). Migration from Punjab continued even after independence and Punjabis migrated across the world. Nanda and Veron (2011) study emphasized that migration from the Doaba region has higher emigration than Malwa or Majha region. The emigration rate is the highest among the other backward castes (OBCs) and higher emigration in female-headed households than in households headed by males. Thus, it gave birth to transnational families across borders (Levitt, 2001) and has become prevalent in the most parts of the world, including Punjab. The growing number of transnational families in which male migrants, after moving to host countries, always remain connected by various means of communication and send remittances (Kaur, 2015; Taylor

2013). However, father migration has a devastating impact on children left-behind as they remain separated from their father's love and care (Kaur 2022).

So, whenever father migration occurs in such a scenario, the left-behind children become the most vulnerable group because these children are in the growing stage and need parental love and care (Zhou *et al.* 2015). Due to financial reasons, most of the time, these children need to stay behind, and such a period becomes a disturbing timespan of their life (Kaur 2016). The phenomena of staying alone without a father creates turmoil in the life of these children that cause various social and psychological problems. In this scenario, children faced depression, stress, a dropout from school, drug addiction, and loneliness as compared to those children staying with their fathers (Su *et al.* 2012; Khatia *et al.* 2020).

Father migration has a positive impact because, with the flow of remittances, children can get a better education, nutritious food, a good lifestyle, and better health facilities. It also brings prosperity and remittances flow and gifts become part of their luxurious life (Emilio *et al.* 2007). So whenever father migration happens, children become the responsibility of left behind members and cause some negative impact on children. (Khatia *et al.* 2020). In the case of Punjab, not much attention has been given to children left behind after their father's migration. Thus, the present study has a specific objective(i) to study the impact of foreign remittances on the socio-economic upliftment of the rural families in Punjab,

Data Sources and Methodology

The present study was based on primary data collected from the respondents. Punjab comprised three zones Malwa, Majha, and Doaba. In the present study, to know the impact of father migration on the left behind children from two zones, viz Malwa and Doaba, were selected randomly. Further, two districts, Sri Muktsar Sahib and Ludhiana, were selected from the *Malwa* (being a bigger zone), and from the *Doaba* region, the Kapurthala district was selected using multi-stage sampling. In all, three districts were selected for the study. Further, one block was selected randomly from each district. In all three blocks were taken and from each block, two villages were selected for the present study.

From each village, ten migrant and ten non-migrant households were taken. From the selected six villages, the total sample of 120 households was selected. It comprises 60 migrant and 60 non-migrant households. From each household, the children's mothers were interviewed through personal interview method. A semi- Structured interview schedule was used for the study. Both the open and close-ended questions were put to the respondents.

Results and Discussion

The destination countries of the father are Gulf, European, South-East Asia, Australia, and Canada. But trends

showed that the highest migration belonged to Gulf countries. The highest number of people migrated to UAE (43.33 %) and Malaysia 11.77%, respectively. Australia, Singapore, and Italy were the lowest preferred countries, with 3.33 per cent. So, the trends revealed that above fifty per cent of migrants had gone to the Gulf countries. The rest of the migrants went to developed countries like Canada, with 6.77 per cent share. So, the overall result indicated that about 57 per cent of the migrants went to the Gulf countries. The remaining 8.33 per cent of father migrants went to countries like Germany, Bahrain, Spain, and New Zealand (Table 1).

Table 1: Distribution of Country of migration in selected sampled households

| Countries of Migration | No. | Percentage |
|---|-----|------------|
| Gulf Countries (UAE, Kuwait, Saudi Arabia, Bahrain) | 36 | 60.00 |
| European Countries (England, Italy, Germany, Spain) | 8 | 13.33 |
| South East Asian (Malaysia, Singapore) | 9 | 15.00 |
| Australia | 2 | 3.33 |
| Canada | 4 | 6.67 |
| New Zealand | 1 | 1.67 |
| Total | 60 | 100.00 |

Note: Figures in the parentheses indicate percentage to total

Years of Migration

The study revealed the duration of father migration to destination countries from Punjab. The duration of migrants is divided into five categories. The study showed the longest migration duration from Doaba region. It means that the people living in the *Doaba* region had started to be migrants first during it 20th-century. *Doaba* was dominant with migration to Gulf countries during the oil boom of 1970's and opened doors for labor migration (Kaur 2018). In the *Doaba* region, 8.33 per cent of the people lies in more than 20 years of migration. *Doaba* remains the central area of migration as networking relations (Kaur 2018). The reason is that the land holding in *Doaba* is small than in *Malwa* region.

However, recent migration from the Malwa region is also in pace. From 2011 to 2014, in the *Malwa* region, 13.33 per cent, and in the *Doaba* region, 6.67 per cent of people had more than ten years of migration. In 2018-2019, *Malwa* region was dominant in migration with 15 per cent. Overall the study revealed that the maximum migration from *Doaba* region was during 1999-2003 and it was the lowest in the *Malwa* region. On the other hand, 15 per cent of the migration from Malwa region was in the year 2018-19 as against only 6.67 per cent from *Doaba* region (Table 2).

Table 2: Distribution of migrants according to years of migration of the selected sampled households of two regions

| Year duration | Malwa | Doaba | Total |
|---------------|---------------|---------------|---------------|
| 1998-2003 | 2 (3.33) | 5 (8.33) | 7 (11.67) |
| 2004-2010 | 5 (8.33) | 3 (5.00) | 8 (13.33) |
| 2011-2014 | 8 (13.33) | 4 (6.67) | 12 (20.00) |
| 2015-2017 | 16 (26.67) | 4 (6.67) | 20 (33.34) |
| 2018-2019 | 9 (15.00) | 4 (6.67) | 13 (21.67) |
| Total | 40 (66.66) | 20 (33.33) | 60 (100) |

Note: Figures in the parentheses indicate percentage to total

Remittances Received by Family Members

A perusal of Table 3 showed the remittances received per month by left-behind family members of migrants. About 31.67 per cent of the households received remittances up to Rs. 25 thousand with an average of Rs. 21,526. About one-fifth of households were received remittances from Rs. 25 to 30 thousand, with the average remittance of Rs. 29,833 per month. About 27 per cent of households received remittances falling within range of 30 to 40 thousand, with an average of Rs. 36,250 per month. Only 21.67 per cent of sampled households were received remittances more than Rs. 40 thousand, average household received monthly remittance of around Rs. 62 thousand. Migrants continuously sent remittances to their family members because they knew that these families' whole expenses depended upon their remittances. The flow of remittances showed the altruistic behaviour of migrants; that's why they sent remittances regularly. The remittances left behind family members received wages spent on children's education, household budget and consumer and durable goods in the household. The father always sent extra money to the household to provide children with good education and better health facilities (Table 3).

Table 3. Distribution of remittances received in selected sampled households

| Remittances (Rs.) | Number | Per cent | Average Remittance (Rs per month) |
|-------------------|--------|----------|-----------------------------------|
| Up to 25000 | 19 | 31.67 | 21526 |
| 25001-30000 | 12 | 20.00 | 29833 |
| 30001-40000 | 16 | 26.67 | 36250 |
| More than 40000 | 13 | 21.67 | 61923 |

Type of School

The study revealed that both migrant and non-migrant households prioritize education for their children. The fathers in migrant households send remittances to support their families, including providing funds for their children's education. This indicates the significance placed on education by migrant families. Regarding the type of schools attended by children from migrant and non-migrant households, it is observed that children from both categories have access to both government and private schools. In migrant households, 38.3 per cent of children attended government schools, while 55 per cent attended private schools. In non-migrant households, 48.3 per cent of children attended government schools, and 51.6 per cent attended private schools.

The study revealed a relatively higher proportion of children from migrant households attending private schools compared to those from non-migrant households. This could be attributed to several factors, including the availability of financial resources due to remittances sent by the migrant fathers. The remittances may provide the means to afford private school fees, which are often higher than those of government schools. Additionally, migrant families may prioritize investing in their children's education, viewing private schools as offering better educational opportunities or higher-quality education. It was also noted that girls' enrolment in private schools increased after the father's migration. Thus, the enrolment of children in private schools showed that fathers continuously sent remittances to the family so that they could provide excellent education to their children. (Table 4)

Table 4. Type of school attended by migrant and non-migrant children

| Types of School | Migrant | Non-migrant |
|-----------------|--------------|--------------|
| Government | 23 (38.3) | 29 (48.3) |
| Private | 37 (55) | 31 (51.6) |
| Total | 60 (100) | 60 (100) |

Note: Figures in the parentheses indicate percentage to total

Social Impact

The study revealed that the father's migration had both positive and negative impacts on the life left-behind children. The study indicated that a majority of respondents, 95 per cent, perceive an improvement in their family's status in society after their father's migration. This improvement is attributed to two main factors: increased financial resources and enhanced educational opportunities. The financial influx due to remittances allowed the family to fulfill their basic needs, such as food, health facilities, and other necessary

expenses. It also enables to afford additional luxuries and desires, such as chocolates, juices, fruits, chicken, and other preferred food items. Moreover, the availability of new assets like LED TVs, air conditioners, laptops, and games has also increased in the households. The increased financial resources allow them to access better educational facilities and services (Table 5).

Table 5. Social impact of father migration on children left behind in selected sampled households (Multiple responses)

| Positive impact | Yes | No |
|-------------------------------------|---------------|---------------|
| Getting better food | 45 (75.67) | 14 (24.33) |
| Better health facility | 39 (65.00) | 20 (34.2) |
| Availability of new assets in house | 33 (55.00) | 27 (45.00) |
| Educational opportunities | 57 (95.00) | 3 (5.00) |
| Improvement in social status | 57 (95.00) | 3 (5.00) |
| Negative impact | | |
| Missing parents | 45 (75.00) | 15 (25.00) |
| Feel insecure | 35 (58.30) | 25 (41.70) |
| Stubborn | 44 (73.30) | 16 (26.70) |
| Communication gap | 34 (57.33) | 26 (42.77) |

Note: Figures in the parentheses indicate percentage to total

On one side, the migration of fathers had a positive impact on the life of children; on the other side, it has a negative effect also. The study revealed that 75 per cent of household children felt loneliness and missed their fathers. Additionally in 44 per cent of households also pointed out that children had become stubborn. This change in behaviours could be attributed to the absence of parental authority or supervision from the father, which may lead to a lack of discipline or guidance in the children's lives. A previous study (Lei et al 2021) also found a similar result children become stubborn and angry after the migration of parents. One of the other aspects of migration was the communication gap. When the father was a migrant, the children are at an early age and when they came back, they were older in their generation. So this time, children face a communication gap between them. Children usually share ideas and secrets with their mothers only because they live with them. The communication gap between both generations exists because of father migration.

Behavioural Changes

The study revealed some behavioral changes in children after their father's migration. About 32 per cent households reported increased anger and a tendency to lose temper among children. It is important to note that the absence of a father figure and the associated emotional impact can contribute to these behavioral changes. The study also found that children spend significant time on social media (31.6%). The increased availability of remittances may give them more disposable income, leading to spending on unnecessary items such as gadgets, watches, and phones.

Furthermore, there seems to be a shift in the children's food habits. Before the father's migration, they would eat meals with their family members. However, after the migration, they prefer to eat in their rooms (Table 6).

Table 6. Behavioural changes observed in children after father migration (Multiple responses)

| Behavioural changes in children | Before migration | After migration |
|---|------------------|-----------------|
| Child often loses the temper | 17 (28.33) | 19 (31.67) |
| Spend more time on social media | 4 (6.77) | 19 (31.67) |
| Spend more time with friends | 12 (20.00) | 13 (21.67) |
| Waste too much money on unnecessary things | 7 (12.55) | 26 (43.33) |
| Cheating or lying to the parents and caregivers | 3 (4.55) | 13 (21.67) |
| Prefer to eat food alone | 10 (17.55) | 13 (21.6) |

Note: Figures in the parentheses indicate percentage to total

Conclusion and Policy Implications

The father's migration was mainly found in Gulf, European, South East Asia, Australia, and Canada. Overall, about 62 per cent of father migrants were migrated to Gulf countries. The long migration duration was found in the *Doaba* region because people migrated before independence. The study revealed that remittances were the main income source in the left-behind families and migrant fathers were earning income between less than and more than fifty thousand. The people who earned less income mostly belonged to Gulf countries, and those who earned more belonged to Canada, Australia and England. Left behind, family members receive remittances continuously. Most migrants received less than fifty thousand per month in remittances. Only 21.67 per cent of the migrants received remittances more than Rs. 40,000. Continuation in receiving remittances shows the altruistic behaviour of migrants. The

difference between income spending on household budgets, education, food, health, etc. between migrate and non-migrate groups was insignificant.

The migration of fathers has both positive and negative impacts on left-behind children. Migration reduces gender inequality in children's education and equal access to education in the same school, medium, and coaching services. After migration, fathers can provide their children with good food, education, and other services. However, from an emotional perspective, migration negatively impacts the health of left-behind children because they continuously miss their fathers and feel lonely. Some behavioral changes were observed in children, like they were more indulged in social media and spending more money on unnecessary things such as phones, tablets and watches. So overall, migration positively impacted the life of left-behind children from an economic perspective.

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