International Remittances and Household Welfare in Rural India: A Case Study of Two Tehsils of Ratnagiri, Konkan Region of Maharashtra

Bhupesh Gopal Chintamani

Gokhale Institute of Politics and Economics , Pune (India)

Education : An Ennobling Influence
Gopal Krishna Gokhale

INTRODUCTION

The profile of international migrants is considered to be an unpremeditated process for the development in the host and home countries globally. Previous studies conclude that remittances are helpful for removing poverty, creating human capital and reduce income dependency, etc. at the source country, particularly rural areas. The 21st-century, puzzles expatriates and emphasizes remittances on household subsistence, their trends, patterns, and existence representation. The present study of Dapoli and Guhagar tehsils of rural Ratnagiri has a strong historically persisting comprehensive framework of labor migration both at domestic as well as an international border.

OBJECTIVES

1. To understand emigrant and remittance position.
2. To examine remittance effects on household welfare along with education and health in sample household.

HYPOTHESIS

1. To study the relative importance of the factors influencing the incidence of emigration.
2. To study the relationship between the group of the households and the baskets of household expenditure mainly on food, health, and education.

DATA METHODOLOGY

As mentioned in the NSSO report 64th round report 2007-08 (NSSO, 2010) the Ratnagiri district reports a very high proportion of out-migration. The study has carried out a pilot survey, visited all Block Development Officer (BDO), Panchayat Officers (PO), and Directorate of Economics and Statistics (DES) office for understanding the data sufficiency for the sample collection. It has used census 2011 enumeration data to randomly select blocks based on the lottery method. From each selected block, five villages and within each village, ten emigrants and non-migrant sample households were randomly selected. The snowball method has been used for identifying household level sample units towards finalizing the listing schedule with specified conditions.

Data Collected Chart - Field Survey Ratnagiri

Guhagar-Block						
Listing	Village No	UNICODE	Village	REM HH	NON REM HH	Total
38	373	1111	Anjanvel	10	10	20
36	415	1112	Sural	10	10	20
18	663	1113	Peve	9	10	19
12	382	1114	Visapur	6	6	12
13	384	1115	Parchuri	5	6	11
117	←	←	←Total→	40	42	82
Dapoli-Block						
Listing	Village No	UNICODE	Village	REM HH	NON REM HH	Total
30	883	1121	Asud	10	10	20
18	893	1122	Burondi	9	10	19
24	961	1123	Katran	10	10	20
18	965	1124	Bhadvale	10	10	20
25	891	1125	Karajgaon	9	10	19
115	←	←	←Total→	48	50	98
232	←	←	←Total→	88	92	180

Sample Households Representation as per Social Groups

Household Social Group	Guhagar	Dapoli	Total	Migrant	Non-migrant
OPEN	44 (53.66)	47 (47.96)	91 (50.56)	48 (54.55)	43 (46.74)
OBC	27 (32.93)	40 (40.82)	67 (37.22)	32 (36.36)	35 (38.04)
NT	1 (1.22)	6 (6.12)	7 (3.89)	3 (3.41)	4 (4.35)
SC	6 (7.32)	3 (3.06)	9 (5.00)	2 (2.27)	7 (7.61)
ST	4 (4.88)	2 (2.04)	6 (3.33)	3 (3.41)	3 (3.26)
Total	82 (100.0)	98 (100.0)	180 (100.0)	88 (100.0)	92 (100.0)

FINDINGS

Descriptive Statistics of Sample Household

| Remittance receiving household characteristics	Guhagar Tehsil (40)		Dapoli Tehsil (48)		Total (88)	
	Mean	SD	Mean	SD	Mean	SD
Household size	4.38	2.00	4.58	1.44	4.49	1.72
Age of the respondents	45.75	12.53	47.38	16.25	46.64	14.62
Age of the head of households	50.95	15.13	55.83	13.48	53.61	14.38
Annual income without remittance	75,400.00	33600.45	72407.41	77781.72	73563.64	63878.00
Annul income with remittance	225295.00	118727.54	207645.83	100544.98	215668.18	108896.55
Annual expenditure of household	152364.50	96454.44	139959.38	62990.45	145598.07	79703.39
Non-remittance receiving household characteristics	Guhagar Tehsil (42)		Dapoli Tehsil (50)		Total (92)	
	Mean	SD	Mean	SD	Mean	SD
Household size	5.31	1.41	4.98	1.19	5.13	1.29
Age of the respondents	43.07	13.17	44.98	9.54	44.11	11.32
Age of head of the household	50.02	12.43	52.74	10.83	51.50	11.60
Annual income of the household	106733.33	40200.80	143968.00	55288.22	126969.57	52171.47
Annual expenditure of the household	89741.19	22682.34	99849.32	34959.91	95234.74	30257.84

FINDINGS

➤ Demographic Profile of Expatriate

Age of Expatriate Before and After Migration

Age Before Migration	Frequency	Percent	Cumulative Percent	Age After Migration	Frequency	Percent	Cumulative Percent
18-20	9	10.2	10.2	18-20	0	0.0	0.0
21-25	22	25.0	35.2	21-25	3	3.4	3.4
26-30	21	23.9	59.1	26-30	13	14.8	18.2
31-35	18	20.5	79.5	31-35	10	11.4	29.5
36-40	14	15.9	95.5	36-40	25	28.4	58.0
41-45	3	3.4	98.9	41-45	17	19.3	77.3
46-50	1	1.1	100.0	46-50	9	10.2	87.5
50-55	0	0.0	0.0	50-55	11	12.5	100.0
Total	88	100.0	Mean = 28.94	Total	88	100.0	Mean = 39.49

Marital Status of Migrant

Before Migration — Unmarried, 53.53%; Married, 47.47%

After Migration — Unmarried, 13.6%; Married, 86.4%
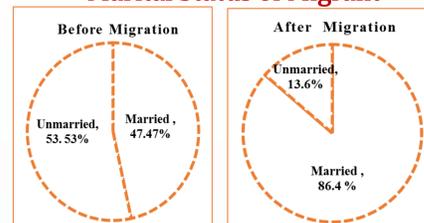
Family Status of the Migrant

Leftbehind Family Status
- Left with only woman
- Left behind wife
- Left with men in the family

29.55% / 27.27% / 43.18%
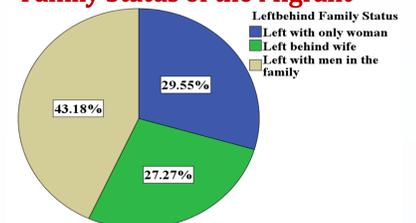
Destination of Expatriate

Abu Dhabi 3.4%, Bahrain 4.5%, Doha 5.7%, Dubai 21.6%, Kuwait 11.4%, Mascut 29.5%, Qatar 6.8%, Saudi Arabia 17.0%
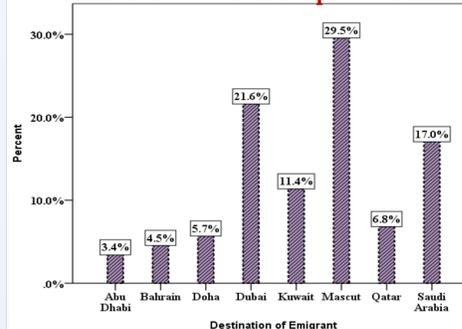
Result Discussion

❖ The study provides an insight of the factors determining emigration and the effects of remittances on villages in rural areas of Ratnagiri in Maharashtra.

❖ The coefficient under human capital characteristics exhibits a negative and strong significant relationship and the remaining three categories namely household, social and wealth characteristics exhibit mixed (positive and negative relation) results.

➤ Logistic Regression to Examine the Factor Influence for Emigration (Hypothesis-1)

List of Variables	Coefficient (β)	Wald Statistics	Odds Ratio (Exp β)
Household Characteristics			
Hh_size	0.429 (0.540)	0.79	1.537
Hh_gen_D	-3.035 * (1.211)	-2.51	0.048
Hh_age	0.217 (0.039)	0.54	1.021
Hh_edu	-0.362 ** (0.181)	-2.00	0.696
Hh_children	-0.167 (0.599)	-0.28	0.846
Hh_dependent	1.212 * (0.472)	2.57	3.363
Mpce	0.003 * (0.001)	3.91	1.003
Family_type_D	2.555 ** (1.314)	1.94	12.873
Human Capital Characteristics			
Mem_15 with primary education	-1.605 ** (0.663)	-2.42	0.201
Mem_15 with secondary education	-2.511 * (0.692)	-3.63	0.081
Mem_15 with higher secondary education	-2.437 * (0.816)	-2.99	0.087
Mem_15 with university education	-2.282 * (0.843)	-2.71	0.102
Wealth Characteristics			
Agriland_D	1.388 (0.901)	1.54	4.007
Non-agriland_D	-4.059 * (1.524)	-2.66	0.017
Eco_obli_D	1.610 *** (0.917)	1.76	5.006
Social Characteristics			
Muslim_D	8.724 * (2.889)	3.02	6151.648
Hindu_D	3.894 *** (2.087)	1.87	49.115
Open_D	3.485 ** (1.688)	2.06	0.031
OBC_D	-2.121 (1.642)	-1.29	0.120
Constant	-7.710 ** (3.419)	-2.25	0.000

Number of obs =180   Prob > Chi² = 0.000   Pseudo R² =0.7781 LR Chi²(19)   = 194.09
Predicted   =95 %   Log-likelihood =-27.67557

➤ Expenditure Pattern of the Group of Households (Hypothesis -2)

Estimated Marginal Means of EDUCATION / Estimated Marginal Means of HEALTH / Estimated Marginal Means of FOOD — Groups of HH (NIREM, DOREM, IREM)
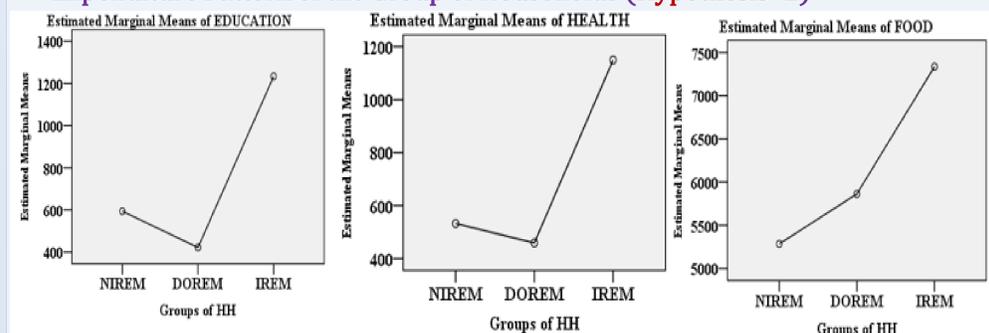
CONCLUSIONS

The study finds that household characteristics such as; household education, gender, children and number of dependent members are determinant factors for expatriation. The study highlights that international remittances play an important role in the development of rural areas not only through an immediate effect in an increase in expenditure but also through a positive effect on long term indicators like education levels in rural areas.