

# Impact of Post Covid-19 Pandemic on Foreign Remittance Beneficiaries

Md. Mesbah Uddin, PhD<sup>1</sup>

Mahanaz Hoque<sup>2</sup>

*Received on 2<sup>nd</sup> Nov 2022, Accepted on 24<sup>th</sup> Nov 2022, Published on 31<sup>st</sup> Dec 2023*

**Abstract:** *Thousands of migrant Bangladeshi workers have been compelled to abandon their occupations as a result of the extensive spread of the coronavirus pandemic, depleting foreign currency reserves. There is a significant effect on the national economy from the money that expats send back home. More importantly, remittances help migrant families directly by increasing consumption and easing investment in sectors like education, healthcare, and infrastructure. The primary goal of this study is to determine whether or not people of Sylhet division of Bangladesh, who have received remittances from abroad, have altered their purchasing habits or quality of life as a result of the Covid-19 epidemic. This study was conducted based on survey. Multiple regression analysis was carried out. The research found that those who receive remittances were negatively affected by the Covid-19 Pandemic monetarily, socially, and psychologically. It is also found that households that received remittances had trouble saving during this period and also had trouble paying back debts. This finding also reveals a dramatic decline in the volume of remittances received over the studied period. Therefore, household spending is severely impacted.*

**Keywords:** *Remittance, Covid-19, Beneficiaries, Social Impact, Financial Impact, Psychological Impact.*

## 1.0 Introduction

The social and economic components of sustainable growth of Bangladesh are greatly aided by foreign remittances and global migration. Revenues from overseas workers payments have emerged as a major source of monetary input, powering economic expansion and poverty reduction. The severity, duration, and prevalence of poverty in the developing countries are all greatly mitigated by international migration and remittances (Adams & Page, 2005). Several sectors of the economy have likely benefited from these marginally fluctuating but generally sustained inflows throughout the last four decades. It has been stated that this has greatly contributed to national economic development by creating jobs, lowering unemployment, and increasing foreign currency reserves (Murshid, 2002).

Families back home have several uses for the money that migrants send them. Migrants are paying off education and travel debts with remittances. The money sent home helps cover basic living

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<sup>1</sup> Associate Professor, Department of Management, University of Dhaka.

<sup>2</sup> Assistant Professor, Department of Business Administration, Bangladesh Islami University.

expenses, stock up on needs, and finance new ventures. Furthermore, there is evidence to show that remittances motivate the creation of new businesses (Woodruff & Zenteno, 2001). Therefore, remittances improve the standard of living for households via either increased consumption or longer-term saving and investment (Ajaero & Kangmennang, 2018). Furthermore, remittances help recipients weather economic storms by growing when the recipient's income falls (Yang, 2007).

Furthermore, figures from Bangladesh give a detailed examination of how remittances from abroad have surpassed domestic earnings in recent years (Wadood & Hossain, 2017).

The economic downturn in the United Arab Emirates, the Maldives, Kuwait, Oman, and Bahrain has significantly impacted the lives of over ten million migrant Bangladeshis. More than that, the corona epidemic led to the unemployment of a large number of Bangladeshi immigrants living in Europe. In the top ten list of countries that receive remittances, Bangladesh is always ranked high (Haleem-j and Uddin, 2014).

Numerous sectors of the global economy have felt the effects of the COVID-19 pandemic. Foreign remittances are predicted to plummet by almost 20% as a consequence of domestic austerity policies and the consequent economic crisis, as reported by the World Bank (World Bank, 2020). A decrease of 19.7 percent, to \$445 billion (World Bank, 2020), is projected for remittances to low and medium income nations. It is anticipated that migrants' salaries and employment opportunities would fall dramatically, wreaking havoc on the lives and economy of their home nations. Global economy is vulnerable to the effects of pandemics, which may have catastrophic results. Meanwhile, the COVID-19 Pandemic is having a negative impact on the nations from which the refugees have fled. Even when lockdowns are removed, there is uncertainty as to whether the economy will fully recover due to concerns about persistently low demand in some industries. As the COVID-19 Pandemic spreads to major economies like as Europe and the United States (U.S.), its massive economic impact is predicted to be between \$5.8 trillion and \$8.8 trillion worldwide, corresponding to 6.4% to 9.7% of global GDP (ADB, 2020).

Both international migration and remittances have increased considerably during the last several decades. The number of individuals living abroad increased over 50% from 2000, to approximately 258 million in 2017. It is estimated that overall remittance flows in 2019 would equal USD 714 billion, or 1% of global output. When compared to foreign direct investment (FDI), remittance inflows tend to be larger and more significant in low and medium income nations in 2019 (World Bank, 2020).

## **2.0 Rationale of the Study**

Massive unemployment among migrant workers from Bangladesh caused by the coronavirus outbreak and global financial system has come to a halt. Many Asian countries, like Bangladesh, saw their economies boost greatly from remittances. The money sent back home by expats has a major impact on the national economy. The substantial contribution to improving the quality of life of domestic people should be investigated since a rise in the volume of remittances has a positive impact on income, growth, and poverty reduction. In addition, remittances affect the families of

migrants directly by reducing stress, increasing consumption, and facilitating investment in areas such as health care, education, and economic growth (Bangladesh Bank, 2011).

Evidence suggests that remittance transfers have helped reduce poverty in Bangladesh by funding consumer spending by migrant-sending families for decades (Mamun and Nath, 2010). In addition, migrant families social status has risen as a result of remittances because of the increased quality of living they have been able to afford, the better education their children have been able to get, and the new revenue streams they have been able to test out because of those funds (Muhammad et al.,2010). The importance of remittances to the economy and, in particular, to households has been shown by prior studies. This research aims to elucidate how Covid-19 pandemic has affected the consumption patterns and level of life of remittance beneficiaries.

For decades, migrant families have relied on money sent from outside to assist pay for basic necessities, and there is concrete evidence that this practice has contributed to the alleviation of poverty. Our research focuses on the Sylhet district of Bangladesh, where many migrants work and contribute significantly to the local economy and way of life. Following the Covid-19 era, things have changed dramatically. Education, investment, family activities, and health all are influenced by people level of standard of living.

### **3.0 Objectives of the Study**

The primary objective of the study is to determine how the Covid-19 epidemic has affected the purchasing power of recipients of remittance in the Sylhet division of Bangladesh. The specific objectives of this study are as follows:

1. To determine whether and, if so, to what extend remittance recipients' spending habits have changed.
2. To assess whether or not covid-19 pandemic reduced the standard of living for the migrant families via the receipt of remittances.
3. To assess how changes appeared in buying power, savings, consumption, and investment post covid-19.
4. To explore alternative economic routes to cope into the changing environment due to the Covid-19 pandemic.

### **4.0 Literature Review**

A literature review to back up the studies conducted on the area of foreign remittance. The literature review focuses on foreign remittance post Covid-19 pandemic.

To put it simply, remittances are the money that migrants send back to their home countries from where they are working (Lola, 2008). Both domestic and international transfers are possible with remittances (Kaijage, 2008). Moving from one country to another is what we call international migration. People from Bangladesh who decide to relocate to the UK are one such example. Most migration included crossing international borders and taking place across large distances.

Although internal migration (movement inside a country's borders) has taken place, international mobility is the norm nowadays. Emigrants are those who have left their home country in pursuit of employment in another, whereas migrants are those who move about inside their own nation, often from one city to another. Migrants may be emigrants, immigrants, or settlers, depending on the time period, destination, and associated cultural norms and expectations (Okodua, 2010).

It is hypothesized that remittances assist alleviate poverty since the vast majority of the money sent back home is used to supplement the income of the family receiving it, the majority of which are low-income families in the countries of origin. For this reason, remittances also have a role in narrowing the income difference in the home country (Admas, 1989; Barham & Boucher, 1998; and Docquier & Rapoport, 2003). Additionally, Quartey and Blanson (2004) found that an increase in remittance inflows to Ghana during economic shocks mitigated some of the negative effects of economic shocks on household wellbeing. Furthermore, Stahl and Habib (1989) provide some statistical evidence that remittances have increased consumer spending power and property investment (Durand et al, 1996).

Zhou (2020) Due to the widespread outbreak of the coronavirus this year, remittances will be fewer than usual. The nations that will receive the reduced remittances are making preparations for this. Though nations like Haiti (with just 25 confirmed cases and one fatality) and Tonga (with no case) are not disproportionately impacted by COVID-19, they will feel the economic impact of the decreased flow of remittances Zhou (2020). Remittances are the primary source of foreign currency for many developing nations. According to data compiled by the World Bank, the quantity of money sent back home and invested abroad by middle- and low-income nations is almost the same. The International Monetary Fund estimates that remittances to Bangladesh account for six percent of GDP. Numerous immigrants were rendered unemployed and unable to keep providing for their families. The causes for the decline in remittances to the world's least-affected nations are not investigated in this study.

Harmachi (2020) It is estimated that millions of emigrants from Bangladesh have returned home as a result of the Coronavirus epidemic, while others are finding it difficult to adjust to lockdowns in the wealthiest regions of the globe. The economy has seen the effects of the decline in remittances. The \$1.29 billion that was sent to Bangladesh in March 2020 was down by 12.84 percent from the \$1.43 billion that was sent in February 2020. Over ten million people leave Bangladesh every year in search of job, and many of them are immigrants. This study does not detail the consequences of the repatriation of nearly 6,66,000 Bangladeshi laborers from abroad during the months of January-March 2020, after the global spread of the Coronavirus.

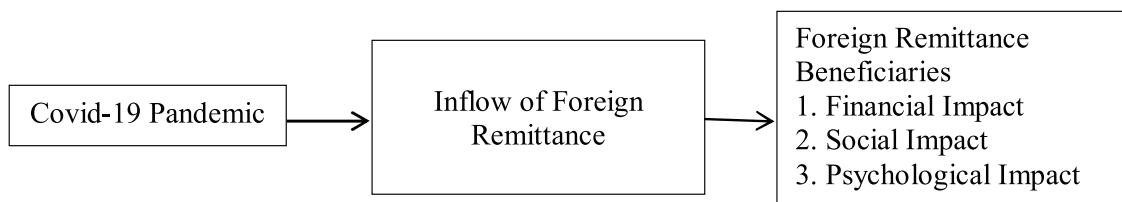
According to research by Agarwal et al. (2006), which analyzed data from 99 countries between 1975 and 2003, remittances boost bank deposits and the credit to GDP ratio. Existing studies suggest a favorable influence of these two factors on economic growth, thus the authors extrapolate this to the overall effect. Both Taylor (1992) and Faini (2001) find that remittances contribute to economic expansion. Taylor (1999) estimates that Mexico's GDP is increased by USD \$2.69 to \$3.17 for every dollar sent back home or brought back by Mexican migrants. Contrarily, research by Spatafora (2005) shows that remittances do not contribute directly to rising levels of

production per capita. Meanwhile, Chami et al. (2003) draw the conclusion that remittances had a negative influence on economic development in a sample of 113 nations, making it the largest cross-country study to reach this conclusion.

The study concludes that remittances from overseas employees have a significant beneficial effect on GDP. Therefore, worker remittances play a significant role in Bangladesh’s economic growth. Chowdhury I. A. (2014) investigated the effects of remittances on Bangladesh’s economy and society. The effects of remittances on Bangladesh’s economy and society are examined in detail in this article. Primary sources on the effects of remittances were not used to write this research. The article shows that remittances have effects on the economy of Bangladesh and society, some favorable and others detrimental. It is true that there are some negative effects, but they pale in comparison to the beneficial ones. Using a System GMM panel data analysis, Rao and Hassan (2012) looked at 40 nations that received a large number of remittances. By considering remittances as conditioning variables, this research examines both their direct impacts on growth and the growth effects of the channels via which they may influence growth.

Rahman et al. (2006) the long-term correlation between remittances and GDP in 11 leading remittance-receiving developing nations, including Bangladesh, was studied by Das and Chowdhury in 2011. The expatriate used modern econometric methods including panel integration and the pooled mean group (PMG) methodology. A positive long-term correlation between remittances and GDP is supported by the data. Nonetheless, the remittance-GDP correlation is quite tiny. A large number of findings also suggest that low-income nations should design plans to reinvest this aid money in profitable industries. Economists are divided on whether or not remittances contribute to economic growth. Those who claim that remittances do not help the economy refer to the fact that a lot of money is used for flashy purchases rather than saving or investing in infrastructure. Those in favor of remittances point to their multiplier effects on consumption (Stahl and Arnold, 1986), the growth of financial institutions that process remittance payments (Aggarwal et al., 2006), the use of remittances as foreign exchange (Ratha 2005), and their role as an alternative to debt to help alleviate individuals’ credit constraints in countries where micro-financing is not widely available (Guilamo and Ruiz-Arranz, 2006).

From the preceding works, it can be deduced that the government and migrant laborers of the Sylhet area need significant investigation. This is exactly why the researchers have settled on this specific issue for their present investigation.



**Figure 01: Conceptual Framework of the Study**

## 5.0 Research Methodology

### 5.1 Research design

This study was conducted following a quantitative research design:

- a) **Population:** This research will analyze how the covid-19 pandemic has altered the spending habits of those who receive foreign aid in the Sylhet area. All of the people in Sylhet that receive remittances from overseas workers make up the study's population.
- b) **Sampling and sample size:** Ten Upazila yielded eight sets of data. This means, there were 80 people who filled out the survey.

**5.2 Sources of data:** Secondary information supplements primary sources in this study. Primary data for calculating the number of people who benefited from a foreign remittance were gathered via in-person interviews or mobile surveys with the remitter's family members using a standardized and independently developed questionnaire.

**5.3 Data Analysis Method:** Survey was carried out based on the questionnaire. A survey is the process of collecting, analyzing and interpreting data from many individuals. It aims to determine insights about a group of people. Statistical software like MS Excel and SPSS were used to examine the information gathered via the aforementioned procedures. The majority of the data analysis and interpretation make use of descriptive statistics like percentage, ratio, arithmetic, mean or average, frequency, and standard deviation. This model also used to test the hypothesis.

## 6.0 Data Analysis, Results and Discussion

### 6.1 Introduction

The procedures of the qualitative study are described below; they were the basis for the following quantitative analysis. An operational research approach was the major objective of this qualitative investigation. Both new building designs and measurement tools were put to the test in the field. Here, we detail the whole process of the qualitative research, from the creation of the field study questionnaire to the finalized research model.

### 6.2 Data Analysis

The Covid-19 pandemic significantly impacted international remittance recipients' household welfare, affecting housing conditions, accessories, education, health, economic situation, and expenditures. The data analysis section includes a frequency table, descriptive statistics, a chi-square test, and an ordinary least square (OLS) test. In this part, we reported the study's empirical findings on how the Covid-19 Pandemic affected those who had received overseas remittances in the Sylhet region.

### 6.3 Descriptive Statistics

A data set's distribution may be understood using a descriptive analysis. It is useful for spotting outliers and discovering relationships between data. It aids in communicating the data in a way that is more straightforward. Calculating the mean and standard deviation of a set of numbers is a common use of descriptive statistics. The standard deviation, skewness, kurtosis, and variance, as well as other descriptive statistics, are tallied and presented. We use SPSS 22 to generate descriptive statistics for the whole study. Following is an explanation of the descriptive statistics used in line with table 6.1.

#### 6.3.1 Frequency of Household expenditure before and after covid-19

**Table 1:Change in household expenditure**

Remittance Beneficiary Group	Before Covid-19 Pandemic		After Covid-19 Pandemic	
	Frequency	Percent	Frequency	Percent
Low Remittance Beneficiary Group	13	16.3%	16	20.0%
Mid Remittance Beneficiary Group	20	25.0%	26	32.5%
High Remittance Beneficiary Group	47	58.8%	38	47.5%
<b>Total</b>	80	100.0%	80	100.0%

*Source: primary data analysis (low remittance beneficiary received below 2000, mid remittance beneficiary received 20000-35000, high remittance beneficiary received above 35000 BDT)*

You may see the variations in household spending for the covid-19 epidemic in the table provided above. A higher percentage of respondents fell into the category of “poor remittance recipient” after the Pandemic, as seen in the table below, compared to the 16.3% who fell into this category before the Pandemic. This suggests that the recipient groups of remittances have been negatively impacted by the Pandemic and have received fewer remittances than previously. Twenty persons were given between Twenty Thousand and Thirty Five Thousand Bangla (BDT) before the Pandemic, but that figure has expanded significantly since then (26). Finally, following the Pandemic, there are fewer people receiving large remittances (58 to 47). This finding suggests that the number of respondents who were previously receiving high remittance has been drastically reduced, and that they now fall into the low and mid remittance recipient categories. The scenario is similar for recipients of medium-sized remittances.

#### 6.3.2 Social Impact on sample population during Covid-19 Pandemic

A summary of the societal effects of the pandemic form of Covid-19 is shown in the table above. According to the data, there have been rises in such areas as joblessness, income inequality, social stigma, and discrimination and harassment. The average decline in social standing is 2.95 points, with a standard deviation of 1.10 point.

**Table 2: Social impact of Covid-19 Pandemic**

Variables	Degree of satisfaction or dissatisfaction attached to each variable					Mean	S.D.
	1-Strongly-disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree						
	1	2	3	4	5		
	(%)	(%)	(%)	(%)	(%)		
<b>Decreasing standard of living.</b>	1.3%	12.5%	25.0%	45.0%	16.3%	3.63	0.95
<b>The situation is dire in terms of fulfilling our basic needs.</b>	3.8%	18.8%	26.3%	37.5%	13.8%	3.39	1.06
<b>Losing social status</b>	12.5%	20.0%	32.5%	30.0%	5.0%	2.95	1.10
<b>Lack of education.</b>	8.8%	11.3%	15.0%	40.0%	25.0%	3.61	1.23
<b>Exploitation and Harassment</b>	7.5%	16.3%	36.3%	25.0%	15.0%	3.24	1.13
<b>We are grappling with social discrimination both domestically and internationally.</b>	6.3%	21.3%	37.5%	21.3%	13.8%	3.15	1.10
<b>Broken families and social disparity</b>	7.5%	22.5%	31.3%	28.8%	10.0%	3.11	1.10

### 6.3.3 Psychological Impact on sample population during Covid-19 Pandemic

**Table 3: Psychological impact of Covid-19 Pandemic**

Variables	Degree of satisfaction or dissatisfaction attached to each variable					Mean	S.D.
	1-Strongly-disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree						
	1	2	3	4	5		
	(%)	(%)	(%)	(%)	(%)		
Increased psychological stress	6.3%	5.0%	5.0%	53.8%	30.0%	3.96	1.06
Increase anxiety for uncertain future	2.5%	5.0%	8.8%	42.5%	41.3%	4.15	0.96
Mentally disturbed		2.5%	18.8%	46.3%	32.5%	4.09	0.78
Long-term depression problem	1.3%	8.8%	32.5%	23.8%	33.8%	3.80	1.05

Source: Primary data analysis

Impact on people's psyches during the pandemic as represented by Covid-19 data, as seen in the table above. The data shows that throughout the pandemic, there has been a rise in the prevalence of mental health issues such stress, worry, uncertainty about the future, uneven mental distribution, and long-term depression.



**Table 4 Financial impact of Covid-19 Pandemic**

Variables	Degree of satisfaction or dissatisfaction attached to each variable					Mean	S.D.
	<b>1-Strongly-disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree</b>						
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>		
	(%)	(%)	(%)	(%)	(%)		
<b>The purchasing power for essential goods such as food, clothing, health, and shelter is decreasing</b>	3.8%	11.3%	16.3%	57.5%	11.3%	3.61	0.96
<b>Lack of support from institutional organization</b>	2.5%	8.8%	25.0%	50.0%	13.8%	3.64	0.92
<b>Facing problem in loan payment</b>	6.3%	12.5%	31.3%	35.0%	15.0%	3.40	1.09
<b>Decreasing savings</b>	3.8%	2.5%	7.5%	63.8%	22.5%	3.99	0.86
<b>Decreasing consumption</b>	3.8%	22.5%	25.0%	43.8%	5.0%	3.24	0.98
<b>Decreasing investment</b>	3.8%	8.8%	20.0%	42.5%	25.0%	3.76	1.05
<b>Increasing unemployment</b>	3.8%	12.5%	12.5%	35.0%	36.3%	3.88	1.15
<b>The individual is facing a financing issue for a small-scale business.</b>	2.5%	5.0%	28.8%	41.3%	22.5%	3.76	0.94

The costs associated with the pandemic outbreak of Covid-19 pandemic are shown in the table above. The research shows that there has been a severe decline in people's ability to meet basic needs including food, clothes, health care, and housing as well as in access to funding for large and small businesses. The Pandemic has further exacerbated an already serious issue: high unemployment. The rising unemployment rate has a mean and standard deviation of 3.88 and 1.15, respectively.

#### 6.4 Chi-Square Tests

The Chi-square test helps researchers examine the dependency and dependence of two category variables. The chi-square test is often used to determine whether or not two category variables are related to one another. Unlike Pearson's correlation coefficient and Spearman's rho, the chi-square test does not quantify the strength of the link but rather its statistical significance. It's the method of choice when trying to establish a connection between two sets of categories. The number of occurrences in each category of one variable is compared to the number of occurrences in each category of the other variable.

**Table 5: Chi-Square Tests of choice of housing facilities in different remittance beneficiary groups**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	40.499 <sup>a</sup>	16	0.001
Likelihood Ratio	38.214	16	0.001
Linear-by-Linear Association	5.283	1	0.022
N of Valid Cases	80		

Source: Primary data analysis

The likelihood ratio is 38.214, and the chi-square value is 40.499, as can be seen in the Table 5. With just one degree of freedom, the linear-by-linear correlation between the variables among the 80 respondents is 5.283. While the computed P value (0.001) is lower than the threshold for acceptance of (0.05). Therefore, we cannot accept the alternative. What this means is that you can confidently say that the two variables are linked in a meaningful way.

**Table 6: Chi-Square tests Choice of Food preference in difference**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.134 <sup>a</sup>	16	0.214
Likelihood Ratio	20.165	16	0.213
Linear-by-Linear Association	2.502	1	0.114
N of Valid Cases	80		

Source: Primary data analysis

To determine whether the variables are related, a chi-square test may be performed (dependent). Results of the chi-square test are shown in the table 6. This table shows that the chi-square value is 20.134, and the likelihood ratio is 20.165%. With just one degree of freedom, the linear correlation between the variables among the sample of 80 respondents is 2.502. The significance value is clearly below the threshold of significance, set at 0. (0.05). So, because there is a statistically significant correlation between food preferences and remittance recipient categories, the null hypothesis is rejected (before and after Covid-19).

**Table 7: Chi-Square Tests Choice of Medical facilities in different Remittance Beneficiaries Groups**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	36.350 <sup>a</sup>	12	0.000
Likelihood Ratio	36.998	12	0.000
Linear-by-Linear Association	3.278	1	0.070
N of Valid Cases	80		

Source: Primary data analysis

It can be seen from the Table 7 that the likelihood ratio is 36.998 and the chi-square value is 36.350. In a linear regression analysis with 80 respondents and one degree of freedom, the correlation coefficient between the variables is 3.278. The calculated P-value (.000) is, however, lower than the threshold for statistical significance set by (0.05). Therefore, we cannot accept the alternative. That is to say, the link between the two factors is very robust and statistically significant.

### 6.8 Chi-Square Tests of Educational expense (Accessories educational materials) in Remittance Beneficiary Groups

**Table 8: Education expense in remittance beneficiary group**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	30.809 <sup>a</sup>	16	0.014
Likelihood Ratio	32.194	16	0.009
Linear-by-Linear Association	11.983	1	0.001
N of Valid Cases	80		

Source: Primary data analysis

Results of the chi-square test are shown in the Table 8. The likelihood ratio is 32.194, and the chi-square value is 30.809, as seen in the table above. One-way analysis of variance shows a linear relationship between the variables (n=80 respondents) with a value of 11.983 degrees of freedom. The value of  $p = .014$  is much less than the typically accepted value of .05 (.05). For this reason, we reject the null hypothesis and conclude that there is a statistically significant correlation between recipient groups' educational expenditures and remittances (before and after of COVID-19).

**Table 9: Chi-Square Tests of Specific educational opportunities Remittance Beneficiary Groups**

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.919 <sup>a</sup>	12	0.375
Likelihood Ratio	16.352	12	0.176
Linear-by-Linear Association	0.300	1	0.584
N of Valid Cases	80		

Source: Primary data analysis

Table 9 makes it easy to see that the chi-square value is 12.919 and the likelihood ratio is 16.352. Among the 80 respondents, there is a linear-by-linear correlation of 0.300 with one degree of freedom between the variables. The resulting P-value (.375) is lower than the threshold for statistical significance set by (0.05). Therefore, we cannot accept the alternative. That is to say, the link between the two factors is very robust and statistically significant.

## **7.0 Conclusion and Recommendations**

### **7.1 Conclusion**

The Pandemic altered the way society functioned, compelling individuals to prioritize personal security, social isolation, and cleanliness. When faced with the Covid 19 virus, which has caused widespread destruction to enterprises and industries, authorities instituted a lockdown and social isolation to combat the epidemic. When the Covid 19 epidemic occurred, it had a devastating effect on economies all across the world, causing a sharp drop in employment, the stock market, and people's wages.

This paper addresses several concerns regarding how COVID-19 may impact international donors. It provides a plethora of information that can be applied to the Covid 19 environment and should help with both comprehending the present situation and anticipating what could happen ahead. Due to the worldwide economic crisis, most migrant workers have been let off. Their employers simply cannot afford to keep paying them. However, some businesses have experimented with paying employees less than their full compensation in an effort to keep them around. States that have offered economic sponsorship to their citizens have been able to prevent their migrant workers from going home. As a result, not everyone who receives remittances will be affected in the same way by the pandemic. Our primary objective was to measure the emotional, social, and financial impact of the Covid 19 epidemic on people who get financial support from family and friends abroad. There was a clear trend in the data showing that families receiving remittances had a hard time saving and paying off debt during this time. They have a lot of anxiety about the future since it is so hard for them to satisfy their most basic needs. This result also shows that the amount of remittances received fell dramatically within the time frame under study. The result is a significant reduction in consumer expenditure by households. The research found that although some beneficiaries of remittances may be able to better their financial conditions, this is not the case for the vast majority. Recipient groups with low average remittance amounts had the largest drop in remittance inflow, and are hence the worst impacted right now.

Remittances are a possible source of national money that might improve a country's standard of living and economic base. Thus, migrant workers greatly benefit emerging countries by contributing to economic growth. Without remittance revenue, developing countries have little chance of economic growth and progress. Due to the widespread spread of the Coronavirus, the remittance-earning family is in a dangerous situation. For the global development system as a whole, remittances provide a significant challenge as a vital contribution to achieving sustainable growth. Several nations that rely heavily on remittances have seen their economies contract or remain stagnant as a result of this.

### **7.2 Recommendations**

Based on the findings of the study, it suggests a few recommendations. These are given below:

- **Government policy:** Most industrialized nations finance business associations to keep overseas workers. This study shows that the government may create legislation and enhance

regulations to stabilize the market as most remittance recipients live paycheck to paycheck. Remittance-dependent households may get low-interest loans. In emergencies, the government may require microfinance lenders to help all remittance-dependent households.

- **The contribution of entrepreneurs:** New companies and employment help communities. Small company entrepreneurs in developing nations may provide new jobs and other possibilities to people who lost their jobs in other countries. The study implies that banks and other financial institutions may assist remittance recipient households start enterprises.
- **Training program:** NGOs and other groups might provide training programs for remittance earners and their families to work in various industries.

Use the study and policy recommendations to support remittance recipients in this tough time. Our policy initiatives may not be enough to keep homes alive during the coronavirus epidemic, but they would greatly aid remittance earners. Our findings should help governments mitigate COVID-19's consequences on international money transfer beneficiaries.

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