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MANPOWER EXPORT FROM BANGLADESH: PROBLEMS AND PROSPECTS

Abstract

This paper attempts to analyze the trend of manpower export from Bangladesh and identify the factors responsible for the unrest in this sector. The paper also identifies the future challenges to be faced by this sector. Bangladesh is an overpopulated country under the growing pressure of unemployment and poverty. Employment scope is very meagre both in the formal and informal sectors. Export of surplus labour abroad has become a partial solution to the growing pressure of unemployment in the country where labour force grows at a faster rate than the rate of population growth. Manpower export has also become a good source of earning foreign exchange. But, this promising sector is now beset with many problems such as high migration cost, fraudulent practices of the manpower recruiting agencies, domination of unskilled labour export, lack of control of government on the manpower recruiting agencies, non-cooperation of our missions abroad etc. Added to this is the impact of ongoing global economic recession. In order to maintain the robust growth of our economy, it is essential to ensure the increasing trend of inflow of remittances which account for 56.09 percent of our export earnings and 10.02 percent of our GDP. Therefore, the government should attach top priority to contain the present success and widen the existing market. The future action for this purpose includes train up the unskilled and semi-skilled workers, producing more professionals, establishing transparency in manpower export, utilizing remittances for productive investment, reforming our missions abroad and exploring new markets for manpower export. In order to meet these challenges, the government should formulate a comprehensive manpower export policy in consultation with the concerned stakeholders and implement it strictly. Otherwise, the economy of Bangladesh is likely to face severe challenges in the future.

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1. Introduction

Bangladesh is an over-populated country with present population of 144.5 million.¹ Poverty and unemployment are two major problems of the country. At present, 40 percent people of Bangladesh are poor (daily calorie intake < 2122 Kilocalorie) and 25.5 percent people are hard-core poor (daily calorie intake < 1805 Kilocalorie).² Unemployment is the main cause of this widespread poverty. Every year a large number of people are being added to the existing labour force further exacerbating the unemployment problem.

The first Millennium Development Goal is to reduce poverty by half by 2015. The best way to achieve this target is to generate large-scale employment. But, employment facilities in Bangladesh are very meagre both in the formal and informal sectors. Export of surplus labour abroad has provided a marginal relief to the growing pressure of unemployment in Bangladesh where labour force grows at an annual rate of 3.0 percent that is almost twice the rate of population growth.³ The manpower export from Bangladesh began in 1976 and it has shown an increasing trend thereafter with few exceptions. In 1976, the country exported only 6087 workers but the figure rose to 30,073 in 1980, 103,814 in 1990, 222,686 in 2000 and 875,055 in 2008. During the period from 1976 to 2008, a total of 6,265,909 workers went abroad for employment.⁴

Manpower export has also become a good source of earning foreign exchange. During this long period, workers' remittances have always been on the increase. In 1976, workers' remittances constituted only US\$23.71 million but the figure rose to US\$301.33 million in 1980, US\$781.54 million in 1990, US\$1954.95 million in 2000 and US\$9019.6 million in 2008.⁵ The remittances sent by the expatriate workers made significant contributions to the economic development of the country augmenting foreign exchange reserves and income. In fiscal year 2000-2001, remittances as percent of GDP and export were 4.01 and 41.76 respectively which stood at 10.02 and 56.09 respectively in fiscal year 2007-08. This figure is nearly twelve times greater than the foreign direct investment (FDI) and nearly four times greater than the foreign assistance and grants received from the donor countries during the same period.⁶

However, now, this major foreign exchange earning source is at stake. The workers from the Middle East and Malaysia, the two primary destinations for

¹ Government of Bangladesh 2009: *Bangladesh Economic Review 2008*, Ministry of Finance.

² *Ibid.*

³ Matiur Rahman *et al.*, 2006.

⁴ Bureau of Manpower Employment and Training 2009, Government of Bangladesh.

⁵ Bangladesh Bank 2009.

⁶ Government of Bangladesh 2009: *Bangladesh Economic Review 2008*, Ministry of Finance.

Bangladeshi workers, are coming back. A section of them have been the victim of global recession. Manpower recruiting agents feared nearly 50 percent slump in manpower in 2009.⁷ The flow of remittances is also likely to fall. But, the recession is not the only reason for the downturn of manpower export from Bangladesh. Overseas employment was beset with many problems in the past that were not resolved properly. At present, the ongoing global recession together with other problems has struck this promising foreign exchange earning sector. Although remittances are not the only source of development in a country, these do play a significant role in Bangladesh. In case of Bangladesh, it has been the backbone of the economy for the past few years. If this sector crushes, it will undoubtedly shake the economy of the country. Therefore, it is necessary to identify the factors responsible for the unrest in this sector and the future challenges to be faced. Thus, the objectives of the present study are:

- i. to analyze the past and present trends in manpower export from Bangladesh;
- ii. to identify the factors responsible for the present unrest in the manpower export sector; and
- iii. to assess the future challenges to be faced by this sector.

2. Literature Review

A good number of studies have been conducted on the issue of manpower export and remittances. Hossain (2007) showed the pattern of migration from Bangladesh and the impact of remittances on the process of development. Murshid et al. (2001), Salim (1992) and Mahmud (1985) showed that a significant portion of overseas earnings was spent for consumption purposes, purchasing assets, particularly land, investment in small business, and reinvestment to go to other countries. Rahman (1985) found that remittances increased the average monthly income of the migrant families. Khuda (1982) found that 29 percent of the migrant remittances were spent on consumption. Deb (1986) showed that the average consumption expenditure of the receiver of migrant remittances was 10 percent higher than that of non-receiver. Siddiqui et al. (2003) showed that the yearly income of the migrant families increased by 119 percent. Only 46 percent of the remittances were remitted to Bangladesh through official channel and the rest through a variety of unofficial channels.

Most of the above studies are mainly concerned with inflow, uses, management and development impact of remittances. Manpower export from Bangladesh has flourished through numerous hurdles. Recently, the sector has become more unstable due to the global recession and its aftermath. The previous

⁷ Sohel Parvez, "Global Recession: Bleak Days Ahead for Migrants", *The Daily Star*, March 08, 2009.

studies lack in-depth analysis of the problems faced by this sector in its long traversed path and future challenges to be faced by it. The present study attempts to overcome this gap by identifying and analyzing the factors responsible for the present instability in the manpower export sector as well as the challenges to be faced by the sector.

3. Trends of Manpower Export from Bangladesh

Export of manpower in an organized way from Bangladesh through official channel started in mid-1970s. The primary destination was the countries in the Middle East. It began with a small number of workers. However, soon the number increased drastically as a result of keen interest of Bangladeshi workers in availing the tremendous employment opportunities opened in the countries of the Middle East and, to a lesser extent, Southeast Asia. Table 1 shows the export of manpower from Bangladesh during 1976-2008, while dividing the period into two parts, 1976-1990 and 1991-2008. As evident from the Table 1, in the initial years (1976-1990), Bangladeshi workers went mainly to the countries of the Middle East and Singapore for employment. In this regard, major destinations were Saudi Arabia, United Arab Emirates, Kuwait, Oman, Qatar, Bahrain and Libya. During this period, manpower export from Bangladesh showed upward trend with few exceptions. The total number of migrant workers during this period was 827,700 out of which about 38 percent went to Saudi Arabia, about 14 percent to the United Arab Emirates, about 12 percent to Oman, about 11 percent each to Kuwait and Qatar, about 4 percent each to Bahrain and Libya, while only 0.55 percent went to Singapore and a meagre 0.28 percent to Malaysia. During this period, the growth of manpower export was encouraging. The number of workers travelling abroad for employment increased from 6087 to 30,073 (five times) during 1976-80, from 55,787 to 77,694 (1.4 times) during 1981-85 and from 68,658 to 103,814 (1.5 times) during 1986-90.

Export of manpower started rising sharply after 1990. The number of migrant workers increased from more than 103,814 to over 147,131 in 1991 and further increased to 244,508 in 1993. Then, the number went down to around 187,000 for two consecutive years (1994 and 1995) but again increased to around 212,000 thousand in 1996 and the trend continued till 2000. In 2001, manpower export again went down to below 200 thousand but soon gained momentum. Manpower export received a boost in 2007 and increased from around 381,561 in 2006 to 832,609 in 2007 (more than two times) and reached 875,055 in 2008, the peak point during the whole period 1976-2008.

Although Bangladesh has gained remarkable success in the export of manpower, the sector has always been dominated by the unskilled workers. Table 2 shows that 6,265,909 workers went abroad for employment during the period 1976-2008. 50 percent of the total number were unskilled workers, 31 percent were skilled, 16 percent were semi-skilled and only 2.87 percent were

professionals. In other words, 66 percent of Bangladeshi migrant workers were unskilled and semi-skilled, while less than three percent were professionals. It is the negative side of the export of manpower from Bangladesh. The major problem with the unskilled workers is that they are employed in lower grade works such as cleaner, home servants, security guards and construction workers. As a result, they are poorly paid, work often in health hazardous conditions and, only rarely, enjoy any kind of decent working and living conditions. The professional category includes doctors, engineers, university teachers, cost and chartered accountants, computer experts etc. The professionals are employed in upper grade jobs with higher salary and better working conditions. The skilled workers include machine operators, carpenters, cooks, drivers, painters, electricians etc. who are also employed with better payment and relatively better working and living environment. The semi-skilled workers are somewhere in between skilled and unskilled workers and work mostly as trainee gardener, housekeeper, room-boy, medical attendant etc. The semi-skilled workers also enjoy a status similar to that of unskilled workers, until they graduate into skilled workers. Notwithstanding the low quality of Bangladeshi migrant workers, the country witnessed a phenomenal growth in the remittances; thanks to the similar growth in the number of migrant workers. In 2008, Bangladesh received over US\$9 billion as remittances.⁸ Migrant workers' remittances would be much higher if the country could send more professionals and skilled workers.

4. Flow of Remittances during 1976-2008

Table 3 summarizes the flow of remittances to Bangladesh during 1976-2008. As evident, the country has experienced a rising trend of remittances flow with some exceptions. The remittances received by Bangladesh in 1976 were only US\$23.71 million. These jumped to US\$82.79 in 1977 and continued to increase until 1983. The remittances showed a downward trend during the next couple of years. During the period 1984-1991, the flow of remittances shows a downward trend and remarkable fluctuations. However, the remittances gained momentum in 1992 and showed a persistently increasing trend until 2008 when the country received US\$9019.6 million as remittances.

5. Present Unrest in Manpower Export from Bangladesh

Presently, the manpower export sector has become more unstable in comparison with the past years. The workers from Saudi Arabia, Kuwait, Dubai and Malaysia are coming back home, though the volume did not reach an alarming rate. The export of manpower received a stunning boost in 2007 with 832,609 workers travelling abroad for employment that is more than double the figure of 2006 (381,516). It further increased to 875,055 in 2008. The year 2009

⁸ *Bureau of Manpower Employment and Training 2009, Government of Bangladesh.*

came to witness another wave of decrease in the export of manpower. Thus, in January 2009, the export of manpower reduced to 55,332 in comparison with the January 2008 figure of 91,999. Similarly, in February 2008, the number was 71,716 which decreased to 43,856 in February 2009.⁹ While such a decrease in the export of manpower may be partially explained as a consequence of global recession, there are also other reasons behind this phenomenon.

The highest number of Bangladeshi migrant workers is in Saudi Arabia who faced a ban on their recruitment in the household and agriculture sector in March 2008.¹⁰ The Saudi government also unofficially stopped renewing residential permits to Bangladeshi workers. In July 2008, about 200 workers were forced to come back to Bangladesh and, in February 2009, 8022 migrant workers came back home on strict enforcement of immigration rules and layoffs or long-run vacation by the employers in the Gulf region, mainly UAE and Saudi Arabia¹¹.

In 2008, labour market in Kuwait received a serious blow following strike by Bangladeshi workers demanding better pay and other facilities. The strike took a violent form and the Kuwait government went on action. Thus, over 1000 Bangladeshi workers were deported from Kuwait and Kuwait government decided not to employ Bangladeshi workers in the future. There are about 200,000 workers from Bangladesh in Kuwait and they are mostly employed as cleaner, security guards or construction workers.

The ongoing problems in the manpower sector worsened with the cancellation of 55,000 visas for Bangladeshi workers in Malaysia. Malaysia is the second largest destination for Bangladeshi workers with around 450,000 workers currently employed. Malaysia first imposed a ban on Bangladeshi workers in 1999. Following considerable efforts on the part of Bangladesh, it lifted the ban on 23 May, 2006. But, Malaysia again imposed the ban on the employment of Bangladeshi workers on the allegation of charging extravagant fees from the workers by the recruiting agencies. Again following considerable efforts on the part of Bangladesh, Malaysia started recruiting Bangladeshi workers in 2008. Malaysia also declared its intention of recruiting 500,000 workers from Bangladesh within two to three years. The country also finalized the employment of 55,000 Bangladeshi workers this year as a part of that plan¹². But, the process stopped following the cancellation of visas.

The overseas job market is set to receive another blow as Mauritius government has recently decided to send some 6000 Bangladeshi workers back home within six months in view of global recession. This is the second biggest

⁹ *The Daily Independent*, 21 April, 2009.

¹⁰ Lynne Roberts, "Saudi Shuns Bangladeshi Labor," URL: www.arabianbusiness.com accessed 25 March, 2008.

¹¹ Sohel Parvez, *op. cit.*

¹² *Prothom Alo*, May 08, 2009.

case of job loss after Malaysia had cancelled about 55,000 employment visas in March 2009. Mauritius has asked Bangladeshi workers, numbering about 4000 and working in the garments sector, to leave the country by the end of 2009 in a move to protect local jobs in its recession-hit textile sector.¹³

6. Uncertainties regarding the Export of Manpower: Exploring the Underlying Factors

The factors responsible for the current uncertainties regarding the export of manpower from Bangladesh are numerous and diverse. Following is an attempt to explore some of the crucial ones.

Global Economic Recession: The global recession has affected the manpower export sector curtailing the demand for Bangladeshi workers abroad. The number of overseas workers fell sharply in 2009 compared to 2007 and 2008. About 1.7 million people went abroad during 2007 and 2008. However, the present trend shows the number may not exceed 0.9 million in the next two years.¹⁴ This is mainly because of the fact that the Middle East countries, where the majority of Bangladeshi workers are employed, have downsized their development activities in the aftermath of the global recession.

High Cost of Migration: High cost of migration is one of the major causes of sufferings of Bangladeshi migrant workers. It is alleged that in case of Saudi Arabia, Tk. 300-400 thousand per worker is charged by the unscrupulous recruiting agencies for arranging employment opportunity. In case of Dubai, Libya and Malaysia this figure is around Tk. 230-250 thousand and in case of Korea and Romania it is about Tk. 500 thousand.¹⁵ Most of the large companies and government agencies abroad do not charge any money from the workers they employ.¹⁶ However, most of the migrant workers are continuously being exploited by the greedy and unscrupulous recruiting agencies and their counterpart abroad. High migration costs leave the workers unable to recover the money they spend for migration and this tempts them to switch jobs and to overstay illegally. A good number of Bangladeshi workers in Korea reportedly violated contracts by switching jobs or by migrating to Japan for higher salaries because they were desperate to earn more money to recover the huge amount of money they had paid to the recruiting agencies at home.¹⁷ Such practices by the Bangladeshi workers are tarnishing the image of the country and hampering the prospects for the export of manpower.

¹³ *New Age*, July 16, 2009.

¹⁴ *The Daily Star*, August 21, 2009.

¹⁵ *The Daily Ittefaq*, April 29, 2009.

¹⁶ *The Daily Star*, February 19, 2009.

¹⁷ *The Daily Star*, December 18, 2005.

Fraudulent Practices by the Manpower Recruiting Agencies: Fraudulent practices by the manpower recruiting agencies and their foreign counterparts take several forms like fake passport and visa, fake work permit, lower salary, and poorer working and living conditions than agreed upon in the recruitment contract, non-payment of salary and benefits, curtailing salary in the name of various fees, forcing to do lower grade and lower paid job than agreed upon in the recruitment contract, confiscating the passport of the workers on arrival making them totally helpless, depriving legitimate leave, physical assault on the workers by the employer/management, compelling the workers to buy plane ticket from certain travel agencies which charges exorbitant fares etc. All these reflect just a segment of the exploitation and repression suffered by the expatriate workers in the hands of the domestic recruiting agencies and their foreign counterparts. Ordeal suffered by them also include death from starvation, physical and mental torture by the employers, jail and so on. The number of deaths of Bangladeshi migrant workers is of alarming proportion. During the period from 2002 to 2008, a total of 12,307 dead bodies of migrant workers came to Bangladesh. These included 788 in 2004, 1248 in 2005, 1402 in 2006, 1673 in 2007 and 2237 in 2008. During the period from January 2009 to May 2009, a total of 1044 dead bodies of migrant workers came to Bangladesh.¹⁸ It is alleged that the number of dead bodies might be more than documented. Job insecurity, tension at work, poor working conditions are the main causes for the deaths.¹⁹ The age of the most of the dead migrant workers ranges from 25 to 30 years. Moreover, the dead workers are frequently reported by the foreign employers as illegal workers which deprive their families of the compensation to be received from the employer companies.²⁰

Lack of Control of Government over the Manpower Recruiting Agencies: The exploitation and repression suffered by the migrant workers in the hands of the recruiting agencies and their foreign counterparts testify that the government virtually has no control over the recruiting agencies. Almost every day, a number of Bangladeshi workers come back home being cheated by the recruiting agencies and their foreign counterparts. Many of the cheated workers are sent back home with the cooperation of some international bodies, often, after they have lost their health and livelihood. The fraudulent practices by the manpower recruiting agencies and the sufferings by the migrant workers are known to all through the print and electronic media. Nonetheless, no significant initiative was undertaken to ease their ordeal. As a result, both the fraudulent practices by the recruiting agencies and the number of victims have continued to increase. A significant factor behind this remains the fact that powerful manpower recruiting

¹⁸ *The Daily Janakantha*, June 17, 2009.

¹⁹ Indo Asian News Service (IANS), URL: <http://www.ians.in> accessed May 13, 2009,

²⁰ *The Daily Janakantha*, June 17, 2009.

agencies often neutralize the relevant government departments through inducement.

Prevalence of Unskilled Workers in Manpower Export: As it has already been discussed, 50 percent of the migrant workers are unskilled. Together with the semiskilled, they constitute 66 percent of the total. The problems with unskilled and the semiskilled workers are manifold. They are employed at the bottom-level positions of a company. They are generally engaged in notorious '3-D' – dangers, dirty and demeaning – jobs like cleaners, home servants, security guards and constructions workers with poor pay and, poor working and living conditions. All these negative sides generate frustration among the workers that frequently leads to certain unexpected incidents.

Non-cooperation of Bangladeshi Missions Abroad: There are persistent allegations that the Bangladeshi missions abroad are found to be non-cooperative when migrant workers fall in inconvenient situation and seek their assistance. Rather, in many cases, the employees of the embassies are found to be cooperative with the unscrupulous recruiting agencies and their foreign counterparts. Print and electronic media have paid considerable attention on the matter. So did a number of Non-Governmental Organizations (NGOs). The government is yet to take any effective initiative to reverse the situation.

Absence of a Comprehensive Manpower Export Policy: Despite being a major exporter of manpower and significantly dependent on the remittances, Bangladesh remains without a comprehensive manpower export policy. The manpower recruiting agencies are running the business according to their own rule and, as we have already discussed, exploiting the migrant workers in numerous forms. For every Bangladeshi sent abroad, his sponsor pays a sum of money to the manpower agent in Bangladesh for training that is usually usurped by the agent. Consequently, our nationals are sent abroad without preliminary knowledge about the laws and culture of the destination countries. In the circumstances, they are, sometimes, engaged in such activities which tarnish the image of the country or put them in difficult situations. In order to ensure the safe migration, there must be proper coordination among the Foreign Ministry, Labour and Expatriate Ministry and the Bangladesh Association of International Recruiting Agencies (BAIRA). Due to the absence of a pragmatic manpower export policy, such coordination is yet to be established.

7. Facing the Challenges: Ways and Means

Manpower export has become partial relief to the widespread poverty and unemployment in the labour surplus countries. The migrant workers' remittances are playing a significant role in the economic development of these countries. Therefore, the global competition for manpower export is increasing day by day.

Moreover, the demand for skilled workers and professionals is also rising. But, Bangladesh lagged behind the top remittance earning countries in exporting skilled and professional personnel.²¹ In the circumstances, despite successes achieved by Bangladesh in the manpower export sector, the country is facing a host of difficult challenges with regard to the further increase in the export of manpower. In the preceding section, attempts have been made to probe into the nature and magnitude of the problems and challenges faced by Bangladesh in this regard. Following is an attempt to explore the ways and means of meeting these challenges.

Ensuring Transparency in Manpower Export: Presently, manpower export from Bangladesh is hostage to a number of unscrupulous manpower recruiting agencies and their foreign counterparts. The government has virtually no control over their activities. The manpower recruiting agencies are causing innumerable sufferings to the migrant workers and tarnishing image of the country in the destination countries. In order to sustain the present flow and, more so, for further increase in the export of manpower, the government needs to initiate some effective measures. Central to these could be a regulatory mechanism designed to facilitate necessary coordination among different government agencies so as to ensure transparency and accountability with regard to the activities of manpower recruiting agencies and, if possible, their foreign counterparts. In this regard, bringing the migration cost to a reasonable level and dealing with a wide variety of malpractices as discussed above remain an urgent task. For this purpose, exchange of information, coordination and cooperation among the relevant government bodies, including the law enforcing agencies, Bureau of Manpower Employment and Training (BMET) and BAIRA are of crucial importance. All these will have to be done systematically and under the guidance of a comprehensive manpower export policy.

Export of Skilled Workers and Professionals: Bangladesh has lagged behind India, Philippines and some other top manpower exporting countries in terms of exporting skilled workers and professionals. The country could earn more remittances by exporting skilled workers and professionals. For example, in 2008, the Philippines received US\$33 billion as remittances which are about 3.5 times the amount received by Bangladesh in the same year.²² But, the number of Philippino migrant workers is far less than that of Bangladeshi migrant workers. The reason behind this is the fact that out of total migrant workers of the Philippines, 58 percent are skilled workers, 9.6 percent are professionals and 32.4

²¹ See, the World Bank, *Migration and Remittance Factbook 2008*.

²² Government of the Philippines 2009: "Index of overseas Philippino Workers", Philippines National Statistics Office, URL: www.census.gov.ph accessed January 20, 2010.

percent are labourers and unskilled workers.²³ During 2004-05 almost 10,000 nurses from the Philippines were employed in the US hospitals. With 9800 physicians leaving the Philippines in 2000 for employment abroad, the country became the third largest emigration country of physicians.²⁴

India, our neighbouring country, is the largest recipient of remittances in the world which amounted to US\$45 billion in 2008. This success in remittance earning also stems from the export of skilled workers and professionals. During the period 1995-2002, almost 200,000 IT specialists were employed by Germany from India.²⁵ With 20,300 physicians leaving India in 2000 for employment abroad, the country emerged as the largest emigration country in the world.²⁶

Therefore, proper steps should be taken to enlarge the pool of skilled workers in the country. The government has to set up appropriate type and adequate number of vocational training institutes of international-standard to produce skilled manpower. The leading non-governmental organizations like Bangladesh Rural Advancement Committee (BRAC) and Grameen Bank and other private entrepreneurs could be included in this initiative. In addition, the quality of education in the poly-technique institutes, Bangladesh Institute of Technologies (BITs) and the technical universities must be enhanced to produce professional manpower of high standard.

Exploring New Markets: The market for manpower export should not remain confined to the countries of Middle East alone. Presently, the demand for workers in that region is declining due to the fall in oil price and the impact of global recession. This particularly implies to the demand for unskilled workers due to the slump in the once-buoyant real estate market. The crises have been aggravated as the countries are now encouraging the employers to hire their own unemployed youths. In the circumstances, Bangladesh needs to diversify the markets for manpower export. Diversifying the markets would provide a kind of insurance against a slump in any of the major destinations of manpower export.²⁷ Attention should be focused on Organization for Economic Cooperation and Development (OECD) countries where the demand for skilled workers and professionals as well as per capita remittances is very high. Skilled workers in the healthcare and housekeeping are in great demand in the European countries, where Bangladeshi women could suit well.²⁸ The same implies to Japan which

²³ *Ibid.*

²⁴ Rashid Ahmed Mughal, "Migration, Employment Promotion and Poverty Reduction, A System of Exporting Skills and Earning Foreign Exchange", Weekly Business and Finance Review, *Daily Jang*, May 18, 2009.

²⁵ Rashid Ahmed Mughal, *op. cit.*

²⁶ The World Bank, *Migration and Remittance Factbook 2008*.

²⁷ Sohel Parvez, *op. cit.*

²⁸ *The Financial Express*, August 11, 2009.

remains a vast unexplored market. East European countries also remain a promising manpower export market for Bangladesh. Similarly, Bangladesh also may target some specific industries for exploration. In this regard, the hospitality and tourism industry remains a flourishing industry in the world. The hospitality specialists are highly paid. The industry was expected to employ more than 300 million workers by the year 2008.²⁹ There are, thus, both new regions and new industries to explore. For this, Bangladesh will have to produce trained and qualified personnel. This remains a difficult but not insurmountable challenge.

Utilization of Remittances in Productive Investment: Remittances are not considered as a solid foundation for long-term growth or as a sustainable development strategy. Consumption not the investment is the primary goal of remittances.³⁰ In Bangladesh, only 4.76 percent remittances are used for productive investment and a significant portion is used for non-productive activities.³¹ The hard-earned remittances are not utilized for industrialization that is necessary for the socio-economic development of the country. Therefore, it is a crucial challenge for the government to take necessary steps to divert the use of remittances in productive investment.

Reconstitution of Foreign Missions: Foreign service establishment of Bangladesh needs to be reformed and the country's missions abroad need to be reconstituted enabling these to respond to the diverse requirements of expatriate workers. In this regard, proper training of the diplomats and supporting staff employed in the missions are of crucial importance. In cases, relevant professionals from outside the foreign service establishment could be employed in the missions abroad. This would include a wide diversity of professionals with expertise in exploring the opportunities as well as dealing with multifarious problems faced by the migrant workers. Right person in the right place policy may solve the problem to a great extent. Similarly, in order to ensure accountability, their activities should be closely monitored and evaluated. Accordingly, appropriate action also should be taken by the responsible authorities. There are shortages of manpower in our foreign missions to look after the huge number of expatriate workers. There must be one or more labour counsellors in every mission whose principal duty would be to look after the expatriate workers and research about the type of workers that the respective

²⁹ Mohammad Shahidul Islam, "Promoting Manpower Export through Hospitality Training", *The New Nation*, March 19, 2008.

³⁰ Jamaluddin Ahmed 2007: "Economics of Migrant Remittance", Paper Presented to the XVI Biennial Conference of Bangladesh Economic Association, 12-15 December, 2007, Dhaka, Bangladesh.

³¹ Rashed Al Hasan 2006: "Harnessing Remittances for Economic Development of Bangladesh", Paper Presented at INAFI Asia International Conference on Migration and Development held in the Philippines, 23-27 May, 2006.

countries may need in future. The government then would be able to send desired type of workers by making necessary arrangements beforehand.

8. Conclusion

Manpower export has become a driving force in the economy of Bangladesh. But, this promising sector is beset with myriad of challenges such as high migration cost, fraudulent practices by the unscrupulous manpower recruiting agencies, domination of unskilled labour in the export basket, lack of any regulatory mechanism to facilitate and oversee the manpower recruiting process, lack of adequate preparation on the part of the foreign service establishment to avail enormous opportunities and face multifarious challenges. The ongoing global recession has also affected this sector. In order to maintain the robust growth of our economy, it is essential to ensure the increasing trend of inflow of remittances which account for 56.09 percent of our export earnings and 10.02 percent of our GDP. Therefore, the government should attach top priority to contain the present success and widen the existing market. The future actions for this purpose include training of the unskilled and semi-skilled workers, producing more professionals, establishing transparency in manpower export, utilizing remittances for productive investment, reforming the foreign service establishment and exploring new markets for manpower export. These challenges are certainly difficult but not insurmountable. What is needed for the government is to formulate a comprehensive manpower export policy in consultation with the concerned stakeholders and implement it.

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Table 1.

Table 2: Manpower Export by Skill during 1976-2008.

Year	Professional	Skilled	Semi-skilled	Less-skilled	Total
1976	568	1775	543	3201	6087
1977	1766	6447	490	7022	15725
1978	3455	8190	1050	10114	22809
1979	3494	7005	1685	12311	24495
1980	1983	12209	2343	13538	30073
1981	3892	22432	2449	27014	55787
1982	3898	20611	3272	34981	62762
1983	1822	18939	5098	33361	59220
1984	2642	17183	5484	31405	56714
1985	2568	28225	7823	39078	77694
1986	2210	26294	9265	30889	68658
1987	2223	23839	9619	38336	74017
1988	2670	25286	10809	29356	68121
1989	5325	38820	17659	39920	101724
1990	6004	35613	20792	41405	103814
1991	9024	46887	32605	58615	147131
1992	11375	50689	30977	95083	188124
1993	11112	71662	66168	95566	244508
1994	8390	61040	46519	70377	186326
1995	6352	59907	32055	89229	187543
1996	3188	64301	34689	109536	211714
1997	3797	65211	43558	118511	231077
1998	9574	74718	51590	131785	267667
1999	8045	98449	44947	116741	268182
2000	10669	99606	26461	85950	222686
2001	5940	42742	30702	109581	188965
2002	14450	56265	36025	118516	225256
2003	15862	74530	29236	134562	254190
2004	12202	110177	28327	122252	272958
2005	1945	113655	24546	112556	252702
2006	925	115468	33965	231158	381516
2007	676	165338	183673	482922	832609
2008	1864	281450	132825	458916	875055
Total	179910	1944963	1007249	3133787	6265909

Source: Bureau of Manpower Employment and Training (BMET), 2009

Table 3: Flow of Remittances during 1976- 2008

Year	No. of migrant workers	Remittances earned Million US\$	Annual Change(%)
1976	6087	23.71	
1977	15725	82.79	256.85
1978	22809	106.9	29.12
1979	24495	172.06	60.95
1980	30073	301.33	75.13
1981	55787	304.88	1.18
1982	62762	490.77	60.97
1983	59220	627.51	27.86
1984	56714	500	-20.32
1985	77694	500	0.00
1986	68658	576.2	15.24
1987	74017	747.6	29.75
1988	68121	763.9	2.18
1989	101724	757.84	-0.79
1990	103814	781.54	3.13
1991	147131	769.3	-1.57
1992	188124	901.97	17.25
1993	244508	1009.09	11.18
1994	186326	1153.54	14.31
1995	187543	1201.52	4.16
1996	211714	1355.34	12.80
1997	231077	1525.03	12.52
1998	267667	1599.24	4.85
1999	268182	1806.63	12.98
2000	222686	1954.95	8.21
2001	188965	2071.03	5.93
2002	225256	2847.79	37.51
2003	254190	3177.63	11.58
2004	272958	3561.45	12.07
2005	252702	4249.87	19.32
2006	381516	5484.08	29.04
2007	832609	6568.03	19.76
2008	875055	9019.6	37.32
Total	6265909	56993.12	-

Source: Bangladesh Bank, 2009