Volume: 5, Issue: 9 Page: 1-13 2021 **International Journal of**

Science and Business

Journal homepage: ijsab.com/ijsb



Hindrance to Profitability of Bangladeshi Labour Migration in the Middle Eastern Countries: High Migration Cost

A. G. Al-Morshed

Abstract

International migration has emerged as an important aspect of Bangladesh in the context of surplus labour and unemployment. As our resource is limited comparing to the large population, it is difficult to create job opportunities for all. Therefore, a portion of Bangladeshi labourers temporarily goes abroad for their livelihood and return after certain period. There are many obstacles in going abroad where high migration cost is the highest one and it is a serious bar to economic profitability in migration. This paper aims at finding out the overall cost condition of migration and its negatives effects. Both type of primary and secondary data is used in this study. Primary data is collected through questionnaire survey from three districts of Bangladesh and the secondary data from the reports of national and international organizations and scholarly articles. It is found that the cost of migration is very high in Bangladesh compared to neighboring countries like India, Pakistan, Nepal and others. The cost burden ruins migrant's life cycle psychologically and economically. In fact, responsible authorities fail to reduce cost burden of expatriates. This study will bring the gruesomeness of migration cost to the fore of policy makers that will play a vital role in realizing the unexpected situation. Policy makers and concern authorities can pay more attention and provide logistic support to reduce migration cost. This will increase migration and volume of inward remittances, and will bring back comport to migrant's life.



Accepted 12 June 2021 Published 20 June 2021 DOI: 10.5281/zenodo.4999295

Keywords: Migration, Migrant, Migration cost, Middle Eastern Countries, Profitability.

About Author (s)

A. G. Al-Morshed, PhD Fellow, Institute of Bangladesh Studies, University of Rajshahi, Bangladesh. Email: morshedfm26@gmailcom

1. Introduction

Bangladesh is one of the major labour sending countries of South Asia where the cost of migration is very high. Migrants have to spend a huge amount of money that is two to four times higher than the amount of neighboring countries migrants' including India, Pakistan, Nepal, and Sri Lanka (Daily Star, December 2020). Most of the Bangladeshi workers go to Middle Eastern Countries (MECs) and East Asian countries. Bangladeshi Expatriates who go to MECs mostly come from poor families; have the bitter experience of excessive cost (Akter et al., 2017). They are also victims of fraudulence of recruiting agencies, sub-agents, dalal and brokers. Among the victims of fraudulence, 51 percent have failed to go abroad even after paying and 32 percent have been cheated after going abroad. Our recruiting agencies are more interested in sending unskilled workers to make more money. Such type of uneducated and low skilled migrant highly go to MECs and face adverse situation in working place, does not yet know his or her fair share of rights and entitlements. In many cases, they do not even get the contract paper in hand. This type of over cost-suffered migration becomes unprofitable (Prothom Alo, January 2019). This study has tried to reveal the unexpected high cost scenario of migration and the effects of it. Policy makers and concern authorities also get clear concept from this paper and can take proper initiatives.

2. Importance of this study

High migration cost disrupt the life trajectory of migrants and causes disruption in overall labour export. High migration cost demoralizes aspirant migrants, ruins the happiness of expatriates' life who have gone abroad at high cost, as they are involved various types of anxiety for cost recovery. It ties the migrants in loan bondages and psychological pressure. In order to bear the high cost workers often try to survive through various irregularities that turn them into illegal workers. By this process, a huge number of irregular workers spend their time of uncertainty in abroad and lead vulnerable life (Daily Star, May 2019). According to the rules of international organizations, a migrant worker will not bear the cost of migration himself. Organizations like IOM and ILO are working towards this goal to reduce migration cost by monitoring the practices and preserve the rights of workers. Nevertheless, in Bangladesh, workers face the opposite situation; bear many kinds of incidental expenses in addition to the fees as per the rules of the government (Neelim and Siddiqui, 2015). The stakeholders involve in migration process including government agencies fails to preserve the rights of expatriate's in reducing cost (Financial Express, December 2019). There are many studies on migration cost but very few are on highlighting negative impacts of high cost. This study will focus less discussed issues and will bring the issues to the fore of policy makers. Ultimately, it helps to reduce migration cost, smooth labour export that increase inward remittances and economic profitability.

3. Literature Review

Some studies related with migration cost are presented below to realize actual situation and to get information as far required for this study. The studies are as follows:

IOM (2010) conducted a study based on Bangladesh Household Remittance Survey Report-2009 disclosed that 75% of the migrants have spent a total amount of Tk. 100001 to Tk. 300000. About 10% of migrants identified having spent over Tk. 300000. The average cost of MECs was on average Tk. 199844. The average was much higher as Tk. 228100 for those who went to an Asian country outside the Middle East. It was highest for those who went to North America, Australia or New Zealand. The migration costs included payments for government fees, recruiting agency fees, fees for visas and airfare. It also included payments to intermediaries and other brokers. Siddiqi (2010) explored

that migration cost to Saudi Arabia ranges from \$4000 (Tk. 304800) to \$5400 (Tk. 411480), UAE, Oman and Libya ranges from \$2700 (Tk. 205740) to \$3400 (Tk. 259080), in case of Bahrain and Qatar, it is around \$2700 (Tk. 205740). Compared to male migration, cost for female migration is relatively very low, in case of UAE \$270 (TK. 20574) to \$950 (Tk. 72390), Lebanon \$400 (Tk. 30480) to \$1000 (Tk.76200). (\$1 = Tk. 76.20 in 2010, source: BBC News, 10 October 2011, bbc.com). Rahman (2012) explored that Bangladesh expatriates have to pay almost three times more than the government settled fee. Most of the money goes to brokers, agents or sub-agents of recruiting agencies and intermediaries. Migrants have to bear the extra cost in all fields including official certificate collection, passport or medical cheek up. Migration service providers such as recruiting agents, sub-agents and migrant brokers are the actual activist in the process of recruitment through a network, how they can maximize their profit. They charge excess cost in every step where govt. fees is only 23% and additional 77% goes to the facilitators. Ahmed et al., (2015) conducted a survey that states that Bangladeshi migrants go to 157 countries around the world generally to Middle Eastern and North African countries, Malaysia and Singapore as Southeast Asia. This study reveals cost of migration for significant destination of Bangladeshi migrants including MECs such as KSA, UAE, Kuwait, Qatar, Oman, Jordan, Bahrain, Lebanon, Iraq and Egypt are included. In 2017, IOM conducted a study based on 12 districts of Bangladesh and stating that average migration and recruitment cost is \$4500 (Tk. 351000) for average 43 months for men, where earnings average is \$420 (Tk. 32760). For women, average cost is \$4000 (Tk. 312000) dollars for average 53 months and average income is \$300 (Tk. 23400) dollars. The statistics show that near about one year's income goes for recruitment. Of course, the unskilled workers earn poorer than the average especially in Middle Eastern countries face crucial situation. (\$1 = Tk. 78.00 in 2017, Source: February 22, 2017, Prothomalo.com).

IOM (2020) express that high cost is a result of complicity in migration process where huge levels of migrant intermediaries in both Bangladesh, as the country of origin, and various countries of destination have transformed migrant labor recruitment from a formal to an informal system. It resulting in loss of employment and widespread exploitation, increasing the vulnerability of migrants to the rights and protection of migrant workers.

4. Objectives of the study

To investigate the overall cost burden of Bangladeshi labour migration to MECs, the study is conducted to meet the following two objectives:

- a. To illustrate the cost level of Bangladeshi labour migration to MECs.
- b. To explain the negative effects of high migration cost.

5. Methodology

This study has been completed following both qualitative and quantitative approaches and using both primary and secondary sources of data. Primary data have been collected in summer 2020 by questionnaire survey directly from 227 current and returnee migrants of MECs. Migrant workers of three districts, namely Cumilla, Noakhali and Lakshmipur of Chattogram division are selected as the research area. As a division, Chattogram is considered due to the highest migration prone division (BBS, 2015). Secondary data of this study are collected from journals, newspapers, annual reports or working papers of both national and international organizations.

6. Concept of the Middle Eastern Countries

The MECs is a transcontinental natural land bridge connecting the continents of Asia, Africa, and Europe. It has great importance in history since ancient times for geographic features,

religious beliefs and long significant politics. Saudi Arabia is the largest MEC while Bahrain is the smallest. Seventeen (17) countries are included in MECs. They are Saudi Arabia, UAE, Bahrain, Qatar, Kuwait, Oman, Jordan, Lebanon, Syria, Yemen, Iraq, Iran, Palestine, Israel, Turkey, Egypt and Cyprus (Pariona, A., 2019). Among the countries, Bangladeshi migrants generally go to Saudi Arabia, UAE, Bahrain, Qatar, Kuwait, Oman, Jordan, Lebanon, Egypt and Iraq.

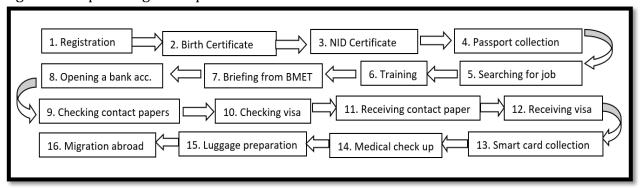
6.1 Migration Trends to MECs

According to government data, there are about 12899283 people have migrated from Bangladesh between 1976 and 2019; and earned 210087.52 million USD. As a single year, in 2019, 700159 workers went abroad and earned 18354.94 million USD. Among the total migrants from 1976 to 2019, 10215084 workers have migrated to MECs covering 80.45% of total migrants. In the year 2019, total 700159 workers have migrated and among them 572171 have migrated to MECs that is 81.72% of that year. The total contribution of MECs in the context of female labour migration from 1991 to 2019 is 96.32% and in 2019, it stood at 98.72% as a single year (BMET, 2020). Evidence is very clear that Bangladeshi workers massively go abroad and choose MECs as destination.

7. Migration cost concept

Bangladeshi workers have to go abroad through various complex stages and spend a certain money at every step. The sum of such costs is migration cost. Total costs that is spent by migrants or their family members for finding, verifying and confirming job to reaching the working place, is called migration cost (BBS, 2020). Several institutions are engaged in the process of migration, including the rural information center, the union information and service center, district employment and work force offices (DEMOs), local passport offices, training centres, recruiting agencies, banks, the BMET one stop service desk, health examination centres, and so on. According the study of ILO the ideal process of migration from Bangladesh have minimum sixteen steps (Barkat et al., 2014). The steps are presented in Figure 1 as follows.

Figure 1: Steps of migration process



Source: Barkat et al., 2014.

Many types of fees and charges are involves with the steps mentioned above as application fee, certificate fee, passport fee, visa fee, air ticket, medical test fee, insurance, welfare fee, non-judicial stamp fee, income tax, service charges of facilitators and other miscellaneous costs are included. Another most important cost is communication and transportation cost. To ensure money supply in proper time of service holders many of the migrants borrow in advance that may create interest paying before migration and continue for long.

8. Excess Migration cost of Bangladesh

Through negotiation with receiving countries, Bangladesh government fixed maximum level of migration cost in 2017 for 15 countries that is moderate and manageable for migrants. Among the fifteen countries, the cost of going to Russian Federation is the highest (Tk. 166640). The cost to Bahrain (Tk. 97780) is lowest and cost of KSA is highest (TK. 165000) to MECs. It is painful but true that expatriates have to go abroad with several times more money from many years ago than the amount of money determined by government in 2017. For better understanding, the list of cost fixed by the government is presented below in Figure 2.

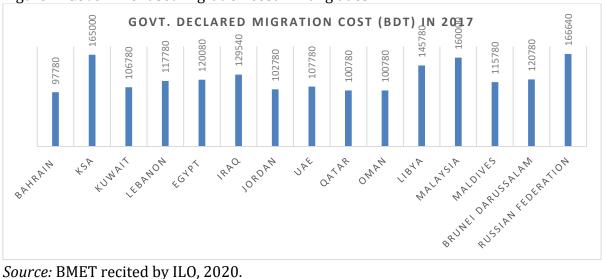


Figure 2: Government set migration cost in Bangladesh

Source: BMET recited by ILO, 2020.

The Figure 1 shows the government-determined cost is comparatively very low than actual existing cost practice especially to MECs. From the review of literature above in section-3 mentioned excess migration cost that is many times higher before government settled year. In 2017, C. R. Abrar expressed valid information about migration that Bangladeshi migrant workers have to work for nine months in Kuwait simply to recover spent migration cost where Indian workers need only two and a half months and Sri Lankans for only a month to recover the migration cost. Abrar also reminds a study of ILO expressing that a male migrant of Bangladesh have to spend Tk. 6.5 to 7.5 lakh to go to Saudi Arabia, Tk. 5.5 to 6 lakh to go to Lebanon and Tk.2.5 to Tk. 3 lakh to migrate to Malaysia. However, the official ceiling is only Tk. 84,000 slightly higher than USD 1,000. It is clear that govt. authorities have failed to ensure the limit (Daily Star, February 2017). According the Annual Migration Report 2018 prepared by WARBE (The welfare Association for the Rights of Bangladeshi Emigrants) Development Foundation, the recent migration expenses have increased by 32-38 times where average monthly income increased only 2-4 times. The migrating cost to Kingdom of Saudi Arabia (KSA) was Tk. 20000 in 1985 while the average monthly income of migrant workers was Tk. 8,000. At present, a migrant worker earns Tk. 15000–30000 per month spending taka Tk. 650000–Tk. 750,000. In the same way, the government has set Tk. 117,780 as total cost to Lebanon, the practice that migrants have to pay Tk. 600,000. (Dhaka Tribune, May 2019). The cost burden is simultaneous for MECs and non-MECs. 'Cost of Migration Bangladesh Survey- 2020' of BBS has been reveal that an expatriate who has gone abroad within 2015-2018, has to spend an average of Tk. 416,789 to migrate abroad and their average monthly income is Tk. 23793. In the case of unskilled migrants, the cost of going abroad is Tk. 477927 and Tk. 427217 for skilled workers. However, in the case of domestic workers, the average recruitment cost stands at Tk.118964. Male migrants have to pay more than the female migrants do. Average migration cost for male Tk. 471668 and for female Tk. 100902. The difference of male-female is high in MECs; in KSA migration cost is Tk. 547984

for male and only Tk. 76995 for female, in Oman Tk. 331691 migration cost of male and Tk. 82196 for female, in Qatar Tk. 421173 for male and Tk. 67318 for female. The difference also exists in non-MECs-Malaysia and Singapore. Male migrants of Malaysia have to pay 404774, female needs 165489, and male migrants of Singapore needs 576763 whereas female needs 145760 (BBS, 2020). BBS Cost of Migration Survey 2020 also reveals the amount of average excess cost than Determined by the government of sending and receiving countries is presented in table 1 (Kaler Kantho, December 2020).

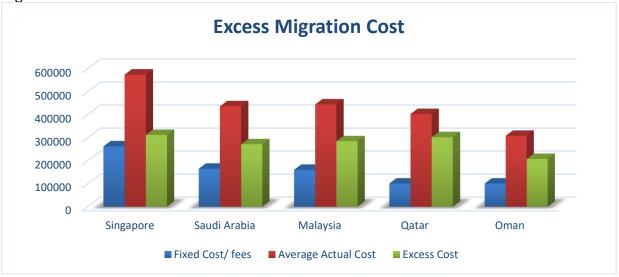
Table 1: Excess cost of migration

0					
Country	Government set fees	Average Actual Cost	Excess Cost		
Singapore	262270	574000	311730		
Saudi Arabia	165000	436366	271366		
Malaysia	160000	444480	284480		
Qatar	100780	402778	301998		
Oman	100780	308047	207267		

Source: Derived from Cost of Migration Bangladesh Survey 2020, BBS.

The excess cost situation is unexpected where migrants spends two and half times more than the government settled fees. It is very important to prevent irregularities by reducing expenses. Figure 3 shows excess cost situation very clearly for selected five countries.

Figure 3: Excess cost burden scenario



Source: Cost of Migration Bangladesh Survey-2020, BBS.

The presented Table 1 and figure 2 disclosed the excess cost liability of Bangladeshi migrants. The scenarios of excess migration cost was also practice in the past period shown by study of ILO based on 2013 data compared to government set fee Tk. 84,000 as the maximum amount. MECs are found excessive cost prone destinations where migrants need to spend Tk. 65000 to-Tk. 750000 for Saudi Arabia that is excess cost Tk. 566000-Tk. 666000, for Lebanon Tk. 550000-Tk. 600000 that means excess cost is Tk. 466000-Tk. 516000 and for Qatar Tk. 350000 where excess cost is 266000 Tk. (ILO, 2014). A report of Washington Post published 19 May 2019, states that Bangladeshi migrants cost to the Middle East is at least four and a half times higher than that of the Philippines or Sri Lanka (Bangla Tribune, May 2017). A report of Jugantor 2019, give idea Bangladeshi workers spend 4.5 lakh to 5.0 lakh taka for going to KSA (Daily Jugantor, June 2019). Famous journalist Saiekh Siraj produced a documentary on migrants' life in MECs and commented that Bangladeshi workers are defeated to the workers of our neibouring countries due to high migration cost. The workers claim that migrants of other countries get extra support from their state but they do not get

(Shykh Seraj, www.youtube.com). Idea about migration cost of returning migrants disclosed by Returning Worker Survey, ILO and BILS 2014; the average cost is highest for migration to Bahrain as Tk. 262656.3; the lowest average cost of migration to Jordan as Tk. 70166.67. Again, from all the MECs the example of minimum cost of Jordan (Tk.20000) and the example of maximum cost is to Qatar (Tk. 600000). Saudi Arabia needs average 205809 and ranges 65000 to 500000 Tk. Detail information about cost are given below in the Table 4 (Ahmed et al., 2015).

8.1 Survey Results on Migration Cost to MECs

This study collected data through questionnaire survey from migrants who have migrated MECs within 1991 to 2018. According the given data of migrants the survey results is presented in Table 2.

Table 2: Survey result of migration cost in MECs including different categories.

Destinations	Average Migration Cost	Types of Migrant	Average Migration Cost
	(Taka)		(Taka)
KSA	404986	Current Migrant	396815
UAE	351667	Returnee Migrant	354165
Kuwait	361333	Professional	295714
Oman	239250	Skilled	388700
Qatar	444615	Semi-skilled	352236
Bahrain	317375	less skilled	390000
Jordan	220000	Total	377463
Lebanon	490000		

Source: Survey on Profitability in Labour Migration to MECs-2020.

The results of this survey shows that currents migrants have to pay more money than returnee migrants' do because migration cost is gradually increasing with the change of time. The total average cost of migration is Tk. 377463; average cost for current migrants is Tk. 394815 and Tk. 354165 for returnee migrants. Country wise highest migration cost found to Lebanon following Qatar, Iraq, KSA and others. However, the average cost to KSA is very high but by the influence of returnee migrants' the cost is stands below the present actual level at Tk. 404986. Among the skill category, professional migrants pay less than others do where less skilled pay highest cost. Less skilled workers try to go at any cost and intermediaries recruiting agencies take the opportunity. On the other hand, visas for skilled workers like electrician or diver are promoted as good visa (valo visa) and demand high migration cost showing the hope of higher salary. The cost situation found in survey and its comparative chart is depicted in Figure 4.

Average Migration Cost (BDT)

600000
500000
400000
300000
200000
1000000

Bahrain Jordan KSA Kurait Lebbron Ornan Oata UARE Migrate Migration Contained Aguiled Secretary Restricted Restricted Contained Restricted Restric

Source: Survey on Profitability in Labour Migration to MECs-2020.

Figure 4 also shows that comparatively migration cost is low towards Jordan and Oman. Among the skill category, professionals spend less money than others do. The cost is very upsetting for less skilled workers; they rush to MECs at any cost and not considering the returns.

9. Causes of High Migration Cost

Migration in Bangladesh is a long, tiring and harassment process that leads high cost. From the previous discussion, it is clear that many stages and many hands are responsible for increasing cost. Especially the price of visa increases in several times by transferring many hands as relatives, friends or family members, dalals, agents or sub-agents associated with recruiting agencies. The same visa is used to sell many times. Most people go through private recruiting agencies instead of government recruiting agency (BOESEL). Limited scope of regular migration make potential migrants depended on unlawful deals with recruiting agencies or brokers. (Barkat et al., 2014). Job searching, visa collection, visa checking, confirming contract paper are very difficult for workers as they have limited access or no access to information. Due to reality, they depend on private facilitator accepting a high cost for the whole process (Rahman, 2012). Young Power in Social Action (IPSA) conducts a field survey on safe labor migration. According to the survey, 80 percent of people work through brokers, only 11 percent can do the job themselves. Most of the migrants have to spend more than 50 per cent of the original cost when applying for a passport. (Prothom Alo, January 2019). The lack of consciousness of migrants is most responsible to increasing cost. A portion of aspirant migrant wants to abroad thoughtlessly without considering economic profitability. They do not want to check the validity of documents and information about work place by going to government offices, wants to go at any cost level.

10. Negative Effects of High Migration Cost

High cost of migration is not only an economic matter; it drives the migrants to different types of vulnerabilities. It harms migrant's personal life and creates many forms of adverse echoes. In addition to the visible economic loss or gain, various issues are involve including the psyche, ethics and reputation of the workers. The effects of high migration cost are described below.

10.1 Profitability Challenge

Incidence of high migration cost is the main barrier of Bangladeshi workers economic profitability in abroad along with MECs. According the report of WARBE (The welfare Association for the Rights of Bangladeshi Emigrants) that Migration costs upraised 32–38 times for the country, average monthly income has increased only 2-4 times between 1985-2018. The mismatch between income and recruitment cost must be solve by all stakeholders under monitoring of national authorities (Dhaka Tribune, May 2019). Study of IOM found that expecting income is varies from man to man and country to country. Most of the prospective migrants expected to earn between Tk. 25000 and Tk. 50000 per month, while others expected to earn any amount from Tk. 50000 to Tk. 100000. Female aspirant migrants hope to get their salaries between Tk. 20000 to Tk. 25000 per month. About 50% returnee migrants reported that they do not get expected salary announced by intermediaries. This point frustrates both male and female expatriates. The situation is very adverse for the migrants of MECs. On the other hand, according the FGD the lowest cost of migration for the returnee male migrant is Tk. 150000 and the maximum Tk. 700000; migration costs varied between TK. 30000 to Tk. 95000 for the returnee women. Spending this large amount of money male returnees' earnings was Tk. 15000 to BDT 30000 without overtime and Tk. 8000 to Tk. 18000 for women (Imam and Munier, 2020). According to the BBS, the migrants who have gone

within 2015-2018, it takes about 18 months to earn migration cost. As migration cost of women is less than cost of men; it takes an average of 5.6 months for a woman to cover her expenses, whereas it takes an average of 19 months for a man (Prothom Alo, January 2021).

10.1.1 Survey Results on Profitability Challenge

According to the survey of this study, migration cost and income of MECs and different category have been compared. The total average months required to recover expenses at MEC is 11 months. The migrants of Lebanon are in a serious crisis because of internal political turmoil and the economic downturn. They have migrated spending higher cost expecting higher salary but their income reduced in one fifth than before (Prothom Alo, August 2020). Therefore, they need 18 months to earn migration cost. The recovery time is also agitating for the migrants of Iraq, Qatar, KSA and Bahrain as 14, 13, 12 and 10 months respectively. The environment is comfortable for Jordan where the expatriates needs 6 months. Among the skill category less skilled workers are in poorest position need 14 months to recover migration cost. The expatriates of MECs are generally recruited for two years as temporary labour. Spending the three-forth time, most of them have to return after their tenure in empty hand. Therefore, it is very clear that high migration cost hinder the economic profitability of migrants in MECs. The survey findings of this study are depicts below in Table 3 and discussed in details about the negative environment that hindrance to profitability.

Table 3: Migration cost recovery period

able 5: Migration cost recovery period					
Destination Country	Migration Cost (Taka)	Average Monthly	Months need to migration		
of the MECs/Types		Income (Taka)	cost recovery		
KSA	404986	33902	12		
UAE	351667	39734	9		
Kuwait	361333	44234	9		
Oman	239250	36550	7		
Qatar	444615	34538	13		
Bahrain	317375	34075	10		
Jordan	220000	41900	6		
Lebanon	490000	28500	18		
Iraq	430625	32000	14		
Current Migrant	396815	34077	12		
Returnee Migrant	354165	36374	10		
Professional	295714	45464	7		
Skilled	388700	41129	10		
Semi-skilled	352236	35328	10		
less skilled	390000	29657	14		
Total average	377463	35119	11		

Source: Survey on Profitability in Labour Migration to MECs-2020.

The Table 3 illustrated the migration cost, monthly income and cost recovery period very clearly. This table may be used as a guideline for aspirant migrants to consider their decision or destination.

10.2 Creating Irregularities

High cost of migration is a result of complicity in migration process. Huge levels of migrant intermediaries in both Bangladesh as the country of origin, and various countries of destination have transformed migrant labor recruitment from a formal to an informal system, resulting loss of employment and widespread exploitation and increasing the vulnerability of migrants (Imam and Munier, 2020). Desperate to recoup migration cost and repay the loan, migrants are obliged to hold on to their jobs despite the abusive and uncertain working

environment. Many of them take the risk of changing jobs illegally when they see that their pay is too low, or that the working conditions are not favorable. Many times migrants get involved in illegal activities for making extra money in order to recover high migration cost. Some legal workers also intentionally become illegal to avoid remigration cost (Daily Star, 18 December 2020).

10.3 Trap in a long-term debt

Bangladeshi migrants obliged to take loans from different sectors like family members, friends or familiar people, bank, NGO, mohajon and others. BBS found that 78 percent of those who went abroad in 2015-2018 took loans (bdnews24, December 2020). Our migrant workers hope that they will repay the loan going abroad securing handsome amount of money. As migration cost is high, many times they fail to repay loan in time, stuck in the longrun debt, and have to pay more than target. Nevertheless, in many cases, negative example is seen where the migrants just spoiling few years of his youth by doing nothing productive. Rather, they lost their confidence, initiatives and communication linkage to survive economically after they return home. In many cases, the returnee migrants come back without gaining specific qualification or skill. As migrants highly depends on loans they are always in pressure to make up loan but feel helpless facing real scenario of low wage. Absence of bargaining opportunity, irregular salary payment and threat of sending back; they agree to work at any rate. That is a painful condition when the creditors, members of family ask for money, but they cannot settle. Sometimes they have to borrow money from others in abroad for sending to the country. Therefore, many people come back home with empty hand, without any savings after termination of their contracts bearing the loan burden (Ahmed, 2012).

10.4 Transformation of Asset Ownership

Bangladeshi migrants suffered by high migration cost that leads them to transfer their permanent assets to others by selling or mortgaging to individuals, NGOs or Banks. Migrants sell cropland or dwelling places, and in maximum cases it not possible for him to repurchase the same amount of land or same position. They also have to hand over the mortgaged property like ornaments and other valuable assets after failing to loan repayment. BBS Cost of Migration Survey 2020 reveals that 12.5 percent of the male workers who took loans to go abroad at that time have lost ownership of the collateral, as they could not repay the loans. Among women, the rate of loss of property ownership is 16% percent. Overall, 12.7 percent of immigrants have lost collateral due to non-repayment of loans (bdnews24, January 2021). Scholar Mizanur Rahman also agreed that migration backpedal family economics in two ways; first, it hampers regular family incomes due the selling of income-generating assets, such as land, livestock and so on and secondly the loans burden family to resource use. (Rahman, 2011).

10.5 Financial Fragility of Expatriates

High migration cost weaken financial condition of migrants. Because of repaying high migration cost, migrants cannot save sufficient amount for future. In addition to meeting family expenses and repaying debts, if migrants fall in any accident or danger, they get lost and depends on further loans. International Organization for Migration (IOM) recently conducted a survey on "Rapid Assessment Round 2: Needs and Vulnerabilities of Internal and International Return Migrants in Bangladesh' two times in May and September 2020 in 12 high migration prone districts. Expatriates who returned to country due to Covid-19 epidemic, 50 percent of them have borrowed money or taken extra loans to deal with economic problems. More than half of the returnees said they each had a debt of over Tk.

100,000 and 26 per cent said they owed more than Tk. 200,000. About 58 percent migrants said that their debt increased in September compared to June 2020 where they face economic challenges including finding a job, financial problems and the burden of paying off debts (Prothom Alo, 09 March 2021).

10.6 Loss of National Income

Excessive migration cost discourages migrants and minimize labor export. It results decrease in international flow of foreign exchange and shrink the reserves. It tarnishes the reputation of Bangladesh in international era and foreign employers may hesitate to recruit the workers. Comparatively skilled workers are unwilling go abroad spending large amount where less skilled take the opportunity. Due to high number of less skilled workers at low wages in abroad, the country obliged to accept less remittances than its capacity.

11. Conclusion

Migration cost is a normal issue in case of migration but that amount must be logical. High cost of Bangladeshi labour migration especially to MECs is a proven fact. Migration process, and persons or organizations involve with migration, and migrants' unconsciousness is responsible for this. Monitoring of international and local agencies of government have failed to reduce the ongoing cost burden. Therefore, more attention should have to pay than usual to hold on hyper migration cost from every corner. Recruiting agencies should be forced to accept the amount prescribed by the government and discourage workers from falling into unreasonable spending traps. Government agencies should run campaigns repeatedly by providing accurate information in the field of migration and take strict action against those who break the existing law. Bangladesh can follow the better experience of Philippines and Sri Lanka in the context of fair migration process and cost management. Philippine's practices of zero migration cost principles of recruitment fees of IOM standard and ILO guidelines and Sri Lankan government's adaptation "The Code of Ethical Conduct for Licensed Foreign Employment Agencies" to protect the rights and welfare of migrant workers must be followed. One stop service needs to introduce for the convenience of potential migrants so that costs such as travel and communication must be reduced. Highest effort must be apply to transform less skilled workers through proper training. Government can give possible subsidies to migrants and take initiatives to export skilled workers instead of less skilled workers. Responsible counterparts can come up with new ideas to protect the interests of migrant workers and to ensure their profitability. In the 50th year of independence, a fair and exploitation-free migration process with moderate cost burden is everyone's expectation.

References

- Abrar, C. R. (2017). Lowering the cost of Migration, The Daily Star, https://www.thedailystar.net/drivers-economy/lowering-the-costs-migration-1364815, (February 23, 2017).
- Ahmed et al., M. (2015). *The homecoming: profiling the returning migrant workers of Bangladesh.* Dhaka: International Labour Organization (ILO), Country Office for Bangladesh, pp. 15-18.
- Akter et al., M. (2017). *Utilization of Workers' Remittances in Bangladesh: A Report Based on Survey Conducted in 2014*. Dhaka: Research Department, Bangladesh Bank, p-3.
- Al Amin, M. (2019). Workers' migration cost 450% higher than government rate, Dhaka Tribune, https://www.dhakatribune.com/business/2019/05/25/workers-migration-cost-450-higher-than-government-rate (May 25, 2019).
- Bangladeshi migrants are losing interest in the Middle East (Moddoprache agroho harache Bangladeshi ovibasira), Bangla Tribune (21 May 2017).
- Barkat et al. (2014). *The cost: causes of and potential redress for high recruitment and migration costs in Bangladesh.* Dhaka: Country Office for Bangladesh, International Labour Organization, pp. 10-32.

- BBS (2015). Population Monograph of Bangladesh: International Migrants from Bangladesh, Socio-Economic and Regional characteristics (Dhaka: Bangladesh Bureau of Statistics, Information Division, Ministry of Planning, Bangladesh, pp. 9.
- Bureau of Manpower, Employment and Training (BMET), www.old.bmet.gov.bd/BMET/viewStatReport.action?reportnumber= 22-34.
- Chowdhury, B. (2019). Sweat and tears are attached to the money of expatriates (probasider takay lege ace gham o oshru), Prothom Alo, https://www.prothomalo.com/opinion/column/প্রবাসীদের-টাকায়-লেগে-আছে-ঘাম-ওঅঞ্জ. (January 16 2019).
- Cost of Migration Bangladesh Survey -2020. Dhaka: Bangladesh Bureau of Statistics, Ministry of Planning, pp. 51-57.
- Expatriates are in Crisis and Danger in Lebanon (lebanone songkote abong bipode probasira), The Prothom Alo, https://www.prothomalo.com/bangladesh/লেবাননে-সংকট-বিপদে-প্রবাসী-কর্মীরা, (August 20, 2020).
- Expatriates are losing property due to non-repayment of loans: BBS survey' (rin ferot dite na pere sompotti harachen onek probasi: BBS somikkha), bdnews24.com, 13-12-2020, https://bangla.bdnews24.com/bangladesh/article1836773.bdnews, December 13, 2020.
- Expatriates are losing property due to non-repayment of loans: BBS survey' (rin ferot dite na pere smpotti harachen onek probasi: BBS somikkha), bdnews24.com, 13-12-2020.
- High migration cost is killing the workers, The Daily Star, https://www.thedailystar.net/backpage/news/high-migration-cost-killing-the-workers-1738804 (May 05, 2019).
- Imam, H. and Munier, A. (2020). *Mapping of Labour Migration Recruitment Practices in Bangladesh.* Dhaka: Bangladesh Country Office, International Organization for Migration (IOM), Website: http://bangladesh.iom.int, pp. 17-37.
- IOM (2010). *Bangladesh Household Remittance Survey 2009 Report*. Dhaka, Bangladesh: Regional Office for South Asia, International Organization for Migration.
- IOM (2018). Safe Migration in Bangladesh: Financial and Nonfinancial Implications. https://bangladesh.iom.int/sites /default/files/documents/11-04-18/2.-Financial-and-Non-Financial-Implications-compressed.pdf.
- Jahan, N. (2020). High cost of migration and the woes of our workers, The Daily Star, https://www.thedailystar.net/opinion/news/high-cost-migration-and-the-woes-our-workers-2013101 (December 18, 2020).
- Middle Eastern workers' life (moddoprache sromiker jibon), The Daily Jugantor, http://www.jugantor.com>featured>abroad (June 29, 2019).
- Neelim, A. and Siddiqui, T. (2015). *Situational Analysis of Migration Context and Policy Framework in Bangladesh*. Dhaka, Bangladesh: International Organization for Migration (IOM), pp.1-45
- Pariona, A. (2019). "Which are Middle Eastern Countries", *Worldatlas.com*, www.worldatlas.com/article/which-are- the- middle-eastern-countries.html (October 10, 2019).
- Rahman, A. (2020). Eighteen Months Needs to Cover the Cost (Khoroch tultei chole jay atharo maas), Prothom Alo, https://www.prothomalo.com/business/খরচ-তুলতেই-চলে-যায়-১৮-মাস-2 (November 19, 2020).
- Rahman, M. M. (2011). Does Labour Migration Bring about Economic Advantage? A Case of Bangladeshi Migrants in Saudi Arabia. ISAS (Institute of South Asian Studies, National University of Singapore) Working Paper, No. 135, pp. 15.
- Rahman, M. M. (2012). Bangladesh Labour Migration to the Gulf States: Patterns of Recruitment and Process. *Canadian Journal of Development Studies* 33(2), pp. 214-230.
- Returnee Expatriates are getting involved in New Debts. (deshe fera probasira notun denay jorachen?), the Prothom Alo, https://www.prothomalo.com/bangladesh/দেশে-ফেরা-প্রবাসীরা-নতুন-করে-দেনায়-জড়াচ্ছেন? (March 09, 2021).
- Khan, S (2019), Keeping migration cost at reasonable level, the Financial Express, https://www.thefinancialexpress.com.bd/views/keeping-migration-cost-at-reasonable-level-1576943615 (December 21, 2019).

- Seraj, S. (2015). Life of Bangladeshi Expats in the Middle East, https://www.youtube.com/watch?v=pKSpQCGVQDs.
- Siddiqui, T. (2020). Recruitment Cost in Bangladesh: Challenges of Governing Migration in the Countries of Origin. Dhaka: Working Paper Series no. 25, RMMRU, pp. 2.
- Syed Maruf Ahmed, "Migration, Remittance and Household Development, Contribution Of International Labor Migration And Remittance S To Migrant Sending Households In Rural Bangladesh" Lund University Master Of International Development And Management, May 2012, 20-24.
- Tamjid Hasan Turag, The income is much less than the cost of going abroad (bidesh jaoar bayer cheye ay khub kom), Kaler Kantho, 15 December 2020, https://www.kalerkantho.com/online/national/2020/12/15/985745, accessed 05 April 2021.
- Siddiqui, T. Recruitment Cost in Bangladesh: Challenges of Governing Migration in the Countries of Origin. Refugee and Migratory Movement Research Unit, Working Paper Series no. 25, Dhaka 2010.

Cite this article:

A. G. Al-Morshed (2021). Hindrance to Profitability of Bangladeshi Labour Migration in the Middle Eastern Countries: High Migration Cost. *International Journal of Science and Business*, *5*(9), 1-13. doi: https://doi.org/10.5281/zenodo.4999295

Retrieved from http://ijsab.com/wp-content/uploads/801.pdf

Published by



