

# **Determinants of Remittance Contraction: A Descriptive and Empirical Review of Bangladesh**

**Marzan Kazi Rubye**

BBA Student

Faculty of Business Administration  
Department of Human Resource Management  
American International University-Bangladesh  
[23-54576-3@student.aiub.edu](mailto:23-54576-3@student.aiub.edu)

**MM Obaidul Islam**

Professor

Department of Operations and Supply Chain Management  
Faculty of Business Administration  
American International University-Bangladesh  
[obaidul@aiub.edu](mailto:obaidul@aiub.edu)

**Bikash Barua**

Associate Professor

Department of Operations and Supply Chain Management  
Faculty of Business Administration  
American International University-Bangladesh  
[bikash@aiub.edu](mailto:bikash@aiub.edu)

## **Abstract**

The objective of this study is to present an in-depth analysis of the trend and pattern of remittance transfers to Bangladesh, focusing on key variables that have influenced growth and development in this important sector of the economy. Remittances play a crucial role in sustaining household livelihoods, improving foreign exchange reserves, and maintaining overall economic stability in recent years. However, the inflows have taken a disturbing turn downwards. The study not only examines the long-term trends in remittance growth but also investigates the possible causes of the recent reversal in the upward trend. Using secondary data from major national sources such as the Bangladesh Bureau of Manpower, Employment and Training (BMET), and Bangladesh Bank, the analysis employs descriptive statistics and visual tools like graphs and charts to clearly and effectively illustrate observed patterns. The results show that several interconnected factors—such as changes in global labor demand, policy inconsistencies, increased informal transfer channels, and economic issues in key migrant-receiving countries—have contributed to the fluctuating and decreasing remittance flows. The study also makes several policy suggestions aimed at helping reverse this negative trend, with improved migration management, stronger incentives for formal channels for the transfer of money, and better skill development programs for outbound workers.

## **Keywords**

Remittance, Households, Foreign Exchange, Migration, Skill Development.

## **Biographies**

**Marzan Kazi Rubye** is currently pursuing a Bachelor of Business Administration (BBA) in Human Resource Management under the Faculty of Business Administration at the American International University–Bangladesh

(AIUB). He completed his schooling at Border Guard Public School, Jashore, and higher secondary education at Jashore Shikkha Board Government Model School and College. He has been recognized for his academic excellence with an AIUB Academic Scholarship and Dean's List Honor. Alongside his studies, he has engaged in leadership and co-curricular activities as a general member at the AIUB Oratory Club, Sub-Executive at AIUB Economics Club, and General Member at AIUB Volunteer Unit, as well as a Management volunteer for the Bangladesh Mathematical Olympiad. His research interests include human resource management, artificial intelligence, Statistics, Statistical analysis, teaching methodologies. He aspires to build a career in academia as a university faculty member, to contribute to teaching, research, and knowledge creation in the field of business and administration.

**Dr. MM Obaidul Islam** has been in the teaching profession for the last 13 years. He is a Senior Associate Professor of the Department of Operations and Supply Chain Management under the Faculty of Business Administration, American International University-Bangladesh (AIUB). He did his PhD from Jahangirnagar University, an MBA, and a Master of Electronic Commerce from Australia. He also did his Master of Statistics from Dhaka University. Mr. Islam obtained a Postgraduate Diploma of Science in Mathematics and Planning from Australia and a Postgraduate Diploma in Development Planning from the Academy of Planning under the Ministry of Planning, Government of Bangladesh. His research interests include business statistics, SME, and E-Commerce in developing countries.

**Dr. Bikash Barua** is serving as Associate Professor at Faculty of Business Administration in American International University-Bangladesh. Prior to joining AIUB, he served as Associate Professor in Prime University. Dr. Bikash Barua also served as Associate Professor and Coordinator, BBA program at Department of Business Administration at State University of Bangladesh. He also served AIUB and Premier University, Chittagong as Assistant Professor and Lecturer respectively. Dr. Bikash Barua also worked as Assistant Engineer at Bashundhara Steel Mills Ltd. Dr. Bikash Barua earned his PhD degree from Bangladesh University of Professionals. He obtained Master of Business Administration (MBA) degree from Asian Institute of Technology (AIT), Thailand. He completed Bachelor of Science in Engineering (BSc. Engg.) from Bangladesh University of Engineering and Technology (BUET), Bangladesh.