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# Socio-Economic Status of Informal Entrepreneurs in Bangladesh: An Agenda Toward Sustainability

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#### Abstract

Despite their rich heritage and appealing past, the informal entrepreneurs are vulnerable at present with having less significance in the economy of Bangladesh. The study aims to explore the socio-economic functions and the factors influencing the sustainability of informal entrepreneurs in Bangladesh. The study applied the survey method using face-to-face structured interviews from 400 informal entrepreneurs from Dhaka, Gazipur, Tangail, Narayangani, Sirajgani, Rangpur, Khulna, Chattogram, Cumilla and Brahmanbaria following cluster sampling, convenience sampling, snowball sampling and purposive sampling. Results in the study found that Socio-Economic Status of Informal Entrepreneurs in Bangladesh is vulnerable. By Conducting Data Normality Test, Chi square test, Pearson Correlation, Cronbach Alpha and Ordinal Logistic Regression, results show that economic and social indicators do not get achieved due to low earnings. The Data normality test indicates that the data are not normal as the p-values from the data normality test are less than 0.05. Based on Chi-square test (p>0.05), it was determined that informal entrepreneurs are mostly dissatisfied in terms of economic indicators whereas informal entrepreneurs are less dissatisfied in terms of social indicators. The study addressed major challenges like increasing cost of raw materials (83%), shortage of Capital

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(58.3%), inadequate loan support (47.5%), Unavailability of quality materials at the local level (45.5%), product spoilage (23.5%) and, not adequate space for work (12.8%) that hinder the sustainability of the informal entrepreneurs. The findings of the study will be quite informative for the government administration, local government, GO-NGOs for working for the betterment of informal entrepreneurs and also for the social researchers, academicians for further study in future.

Keywords: Entrepreneur, Informal, Socio-Economic, Sustainable.

#### Introduction

Economies of developing countries heavily depend on the informal sector and Bangladesh is not an exception. The informal entrepreneurs of the country back up the economy where it lags in terms of the formal sector. In Bangladesh the majority portion of the Economy is served by the informal economy from vegetable sellers to potters, cobblers, and blacksmiths. In Bangladesh, 2.7% of the total population holds below \$1.90 purchasing power parity daily (WB, 2022). Most of the people under this line are from the informal sector. Over the years in mandates or budgets this group of people are unheard. For a developing economy's sustainable development, improvement of the life of this group of people is important. But these people are ignored and overlooked in Bangladesh in most aspects. From basic needs to necessary sustainable privileges people from the informal sector are deprived from all. Informal Entrepreneurs create and maintain the works in the informal sector, which makes them vital in this discussion. In developing countries providing sustainable jobs is next to impossible. As a result, many skills stay in the informal sector where investors of the formal economy invest less. In this sector the entrepreneurs accumulate money and invest on their own to create work for both them and those who work under their surveillance. These people who become informal entrepreneurs lack formal education and financial knowledge. Accessibility of assets is less to them. This challenges their ability to sustain and improve their business and restrain them from making significant profit and local money lenders also hamper the process. Local money lenders take advantage of the reluctance of the formal aspects and lend money at higher interest rates which reduces the growth of the business. Due to this cycle and lack of development the family of this group fails to get out of this cycle. As a result, the economic and social development remains stagnant, and the growing curve remains flat. In the economy of Bangladesh most of the rural entrepreneurs are locked in the informal sector and run their business and entrepreneurship without any protection from the government. This study aims to find out the scenarios of the informal entrepreneurs of Bangladesh from the rural areas who contribute to the economy of Bangladesh. This study aims to find out scenarios of their social and economic indicators which resemble the scenario of livelihood along with their satisfaction level for various aspects and to navigate the challenges that the informal entrepreneurs face. Gender role and earning parity according to gender role. In the labor force and working environment the role of women is a key aspect to analysis. Overall, this paper aims to measure the socio-economic status of the informal entrepreneurs in Bangladesh along with analyzing the factors that influence the sustainability of informal entrepreneurs in Bangladesh.

## **Literature Review**

Islam et al. (2019) tried to find informal business entrepreneurs' socioeconomic status based in Dhaka city. The findings showed that in Bangladesh, informal entrepreneurs' faces adverse business surroundings where they face minimal governmental, technical and administrative support, no stability regarding place, lack of knowledge in marketing etc. but the result also says that these businesses also help to upgrade their socio-economic situation.

Saha and Paul (2003) tried to identify the socio-economic profile of the cobbler community of Dhaka city. They also tried to identify and find the problems of the cobbler community and the solutions to these problems. The study discovered some interesting facts such as — most of the cobblers have no education, they face many difficulties in affording basic necessities. The female cobblers are most deprived in their community.

Muzaffar et al. (2009) attempted to gain insight into the business key-factors and challenges that affect street food vendors' socio-economic status. Their study found out that there are four problems that directly and indirectly affecting the life of street food vendors, and these are lack of business knowledge, lack of effectiveness and efficiency in business operations, issues in extortion and difficulties in production and products.

Hossain et al. (2023) tried to identify the economic condition of blacksmiths, highlight the challenge, and generate opportunities using PRA tools. Their study found out that only 15% of people rely on the blacksmith profession as blacksmiths are changing their profession due to their poor socioeconomic status. The study suggested that proper effective strategies should be taken to solve this problem.

Ahmmed et al. (2021) attempted to investigate the intention of young people of Bangladesh to motivate and challenge entrepreneurship in Bangladesh. The result of their study shows that motivational variables are responsible for creating positive intention towards entrepreneurship whereas challenging factors inhibit movement. They suggested that the government needs to improve the policies and initiatives regarding entrepreneurship.

Akhter and Sumi (2014) conducted their study to discover the factors that create barriers, influence in becoming entrepreneurs in Bangladesh.

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According to their study analysis, religion, socio-cultural features such as education level, poverty, gender rule values, peer group influence and political instability are the factors which have influenced entrepreneurial emergence in Bangladesh.

Ullah (2020) showed in his study that financing problems, higher loan fees, lack of government facilities, demoralization of society, lack of training, poor quality of product, shortage of capital and many other issues are creating huge obstacles for entrepreneurs in Bangladesh. He also said that proper initiatives should be taken to solve these issues.

Mondal (2017) conducted his research to understand the contribution of urban informal sector at a micro scale aiming to reveal the contribution of street vendors who sell vegetables to improve socio-economic status and problems they face to run their business. He thinks it is urgent to take informal economy-friendly initiatives at a macro-level for the betterment of vegetable selling vendors.

Reza et al. (2014) focused on women entrepreneurs and their socioeconomic status and their potentiality in the national economy of Bangladesh. Their study indicates that if the women get proper training and need-based financial and non-financial assistance they will be able to succeed as entrepreneurs and contribute to the economy of Bangladesh significantly.

Rahman et al. (2021) studied the income and health risk of footpath vendors in Dhaka city. This study identified that most of the vendors have no formal education. The study finds among the vending on the footpath most of the occupied garment items. The study also found that a significant number of vendors worked 7 days a week. This study also identified the daily earnings of the vendors. This study also discussed the health risks associated with street vending. Lastly, this study recommended facilitating healthcare and awareness for them.

Ratna (2012) discussed the struggle of hawkers in Dhaka for their livelihood and functionality of the city. This study found that usually hawkers face pressure and harassment from the authorities and political leaders. This study identified that after the time of eviction the hawkers had no income, and they were involved in many illegal jobs. The study also found some prominent problems that the citizens suffered due to hawker business. And lastly this study recommended some solutions to overcome the challenges.

Hussain et al. (2015) discussed the socioeconomic aspects of street vendors in Dhaka city. This study finds that, economically active age group is engaged in street vending which reflects the high unemployment levels in the country. The study found that street vendors relied exclusively on social networks to run their business properly. The study also identified that the

main hindrance in setting up the vending business is lack of capital, transportation problems, inefficient management skill, lack of risk assurance etc. The study recommended that national urban planning should be cooperative with street vending businesses' needs and regulations.

Rayhan et al. (2019) studied the working environment and hindrance faced by street hawkers in Bangladesh. According to the study, as an informal entrepreneur, street vendors are a vulnerable population who are neither protected by the government, NGO's, labor unions nor by any labor law. The study identified that E-commerce has become a great threat to the hawker market. The study also found that the condition of education of street hawkers was not up to the mark, and this was one of the main reasons they took this profession. Street hawkers were also facing health issues due to some environmental problems like noise pollution. And lastly the study recommended that the regulatory body should have taken this situation into consideration.

Islam (2023) focused on contemporary challenges as well as the probable progression of jamdani in Bangladesh. The paper illustrated that Jamdani had significant popularity in domestic as well as in the international market for having its own unique feature. Besides the positive growth of Jamdani, the vulnerable socio-economic condition of the Jamdani entrepreneurs due to their inadequate income had also been discussed in this paper. The papers highlight the disproportionate profit margin between the wholesaler and the entrepreneurs as the significant reason for the economic disparity. The paper finally suggested receiving governmental and non-governmental awareness and patronage to develop the overall condition.

Miah (2003) discussed the socio-economic profile of the carpenter's community in Narsingdi district. The study showed that carpenters' average yearly income was Tk 40,4944 and their annual expenses were Tk 32,760.80. They could hardly save money after meeting the fundamental needs of the family. In addition, the amount of land possessed by them was very low. Again, the average literacy rate, condition of health and technological orientation was not satisfactory.

## Research Gap

After thorough observation and analysis from the literature review, the study found that most of the researchers gave soul focus to the conditions of the informal entrepreneurs that have moved to town and cities in expectation for sustainable life. Some of the authors also studied the adversaries and challenges informal entrepreneurs face. Only a few authors studied the socioeconomic conditions following the social and economic indicators of specific informal entrepreneurship in specific areas outside Dhaka. But none of the authors has done any study of the socio-economic status of traditional artisans

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that are working for generations since British empire and the stereotypical informal entrepreneurs in general of the whole country. And of course, there is barely any study discussed about the socio-economic sustainability of informal entrepreneurs in Bangladesh. This literature review section clearly gives this information about these topics being missed among the researchersworks.

#### Theoretical framework

"Three Pillars of Sustainability Model" was used as a direction of reference to justify this research 'Socio-Economic Status of Informal Entrepreneurs in Bangladesh: An Agenda Toward Sustainability' that was conducted. The mentioned model above have three indicators that represent sustainability in border sense. Those three indicators are— Environmental, Social and Economic Sustainability. It is also called tringle model of sustainability (Purvis et al., 2018).

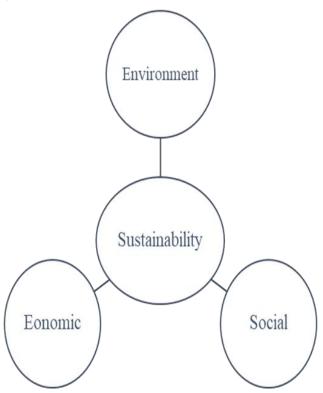


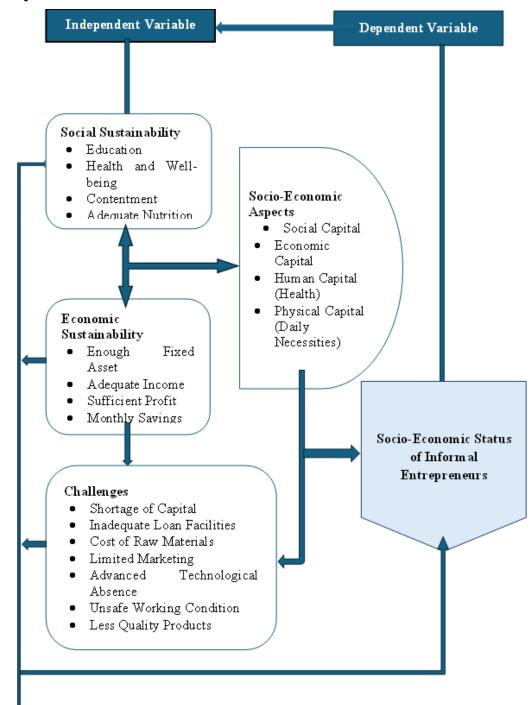
Figure 3.1: Three Pillars of Sustainability

Instead of using the three indicators, this research used only two indicators – Social and Economic Sustainability.

**Social Sustainability:** Human rights, equality, contentment, public health, education, and other critical elements of community well-being are all part of social sustainability (Guion, 2024).

**Economic Sustainability:** This mainly focuses on economic development, job creation, labor rights, fair payment etc. (Guion, 2024).

#### **Analytical Framework**



**Figure 3.2**: Analytical Framework for Socio-Economic Status of Informal Entrepreneurs.

Source: Author's own work based on (Purvis et al., 2018)

## **Operational Definition of Variables**

## Social Sustainability

Giving precedence to the welfare of individuals and communities is a fundamental element of social sustainability. To sustain social consistency and fairness, social sustainability pursues to foster widespread communities, lessen inequality, and ensure the long-term well-being of every person Socio-Economic Status of Informal Entrepreneurs in Bangladesh

(Ghimire, 2023). This study focused on social sustainability to see the situation of informal entrepreneurs regarding their education, happiness, health and social essentials.

## Economic Sustainability

Establishing prospects for everyone in society to benefit economically, irrespective of their fiscal circumstances or social standing, is an additional aspect of economic sustainability. An equilibrium between social advancement, environmental salvation, and economic expansion is crucial to accomplish economic sustainability (Ghimire, 2023). In this study, the economic side was assessed through the financial situation of every informal entrepreneurs and their fixed assets, savings, expenditure etc. how actually helping in their daily lives.

## Socio-Economic Aspects

A person's socio-economic position includes their earnings as well as their level of education, professional standing, and individual opinions on their social class and rank (Moroz et al., 2021). This study took a great look into the socio-economic status of informal entrepreneurs which was basically related to the social and economic sustainability to measure their current status in the country.

## **Challenges**

A challenge is a complicated task, obligation, or circumstance that calls for a great deal of ability, persistence, and effort to face and realistically complete it (Qi et al., 2021). In this part the research tried to dive deeper into the reasons that were the causes for the constant disappointment for the informal entrepreneurs in flourishing their businesses and how many obstacles they face to do their businesses; these things were analyzed.

## Methodology

This research is conducted through quantitative research to measure the socio-economic status of informal entrepreneurs to know how much sustainability it holds in the context of Bangladesh. Quantitative research is a medium to scrutinize data with mathematical and statistical techniques (Coghlan & Brydon-Miller, 2014). The study followed the survey method with a close-ended questionnaire in collecting data from people working throughout the country as informal entrepreneurs in ten different professions such as – Tant, Jamdani Saree, Pottery, Blacksmith, Street-vendor, Tongshop, Cobbler, Boatman, Carpenter, Plantation-livestock. After doing the pilot study, the questionnaire was made through MS Word in both English and Bangla. The questionnaire was used to collect data from every respondent through face-to-face interviews.

The data for this research study was collected mainly through primary data by fieldwork and secondary data was used only for content analysis, which was gathered from journals, articles, documents, websites etc. The quantitative data of this study was analyzed by using IMB SPSS, Stata, R Software, MS Excel with the techniques – Frequency, Likert Scale, Chisquare Test, Pearson Correlation Test, Cronbach's Alpha Test, Logistic Regression, Multiple Linear Regression, Simple Linear Regression to measure socio-economic aspects and indicators and satisfaction of informal entrepreneurs.

This research study used probability cluster sampling and non-probability purposive, snowball, convenience sampling for selecting 10 districts - Dhaka, Gazipur, Tangail, Narayanganj, Sirajganj, Rangpur, Khulna, Chattogram, Cumilla, Brahmanbaria of Bangladesh for collecting data from 400 (sample size) informal entrepreneurs of 10 different professions to measure the sustainability of their socio-economic status.

#### **Area Selection & Population Size**

Dhaka, Gazipur, Tangail, Narayanganj, Sirajganj, Rangpur, Khulna, Chattogram, Cumilla, Brahmanbaria were the ten areas from where the selected population were taken to interview the 400 informal entrepreneurs, who were connected to traditional artworks and contemporary businesses. But to justify the population size, this research need real population number of those informal entrepreneurs who were selected from sectors like Tant, Jamdani Saree, Pottery, Blacksmith, Street-vendor, Tong-shop, Cobbler, Boatman, Carpenter, Plantation-livestock. Due to lack of evidence through census report regarding the number of informal entrepreneurs in Bangladesh, it created a gap in selecting the population. So, this research hereby proceeds to take the population of the informal entrepreneurs as unknown population.

## **Sampling Formula**

Total As the total population was taken as unknown to justify the research ethics, so to analyze the total population Cochran's formula of sample size was used. Here,

Acceptable sampling error margin, e = 0.05

The fraction of the population (according to percentage), p = 0.5

Z-score, z = 1.96

$$n = \frac{z^2 \times p (1 - p)}{e^2}$$
$$= \frac{(1.96)^2 \times 0.5(1 - 0.5)}{(0.05)^2}$$
$$= 384.16 \approx 385$$

 $\therefore$  The sample size, n = 385

Using the Cochran (1977) formula above, the study said it requires 385 participants to validate the data where this research accumulated 400 data..

## **Research Ethics & Data Validity**

The data of research was collected with the full consent of respondents maintaining confidentiality and bias free. It is free from plagiarism. The study tested normality test by applying Kolmogorov-Smirnov and Sapiro-Wilk test and values were measured by skewness and kurtosis. Histogram, Whisker boxplot, Q-Q plot was used to find out the outliers and resulted in – no missing values being found.

### **Findings**

### **Status of Business Owner (Demographic and Socio-Economic Profile)**

The study conducted survey questionnaire interviews with 400 respondents. Among the 400 respondents, 340 respondents were male, and only 60 respondents were female. So, after analyzing the information with the help of SPSS, the study found out that 85% are male and only 15% are female. According to the survey, the study found that 67.6% of the respondents were aged 41 to 60 and most of the respondents (50.2%) had only a primary level education qualification. 96.75% of the respondents were married and most of the respondents' family members were 6 to 10 (56.9%). From the survey, the study also found out that 55.1% of the respondents earn 10000 to 19999 BDT per month.

**Table 1:** Overview of Demographic and Socio-Economic Profile

Demo	ographic and Socio-Economic Characteristics	n (%)
Gend	er	
-	Male	340 (85%)
	Female	60 (15%)
Age		
-	1-20	3 (0.7%)
-	21-40	114 (28.4%)
-	41-60	271 (67.6%)
	61-above	12 (3%)
Educ	ational Qualification	
-	No literacy	107 (26.8%)
-	Primary level	201 (50.2%)
-	Secondary level	77 (19.3%)
-	Higher secondary level	14 (3.5%)
	Graduate and above	1 (0.2%)
Mari	tal Status	
-	Married	387 (96.75%)
_	Unmarried	13 (3.25%)
Fami	ly Members	
-	1-5	156 (38.9%)
-	6-10	228 (56.9%)
	11-above	16 (4%)

Monthly Income (BDT)	
- 0-9999	11 (2.7%)
- 10000-19999	221 (55.1%)
- 20000-29999	149 (37.2%)
- 30000-39999	13 (3.2%)
- 40000-49999	4 (1%)
- 50000-59999	2 (.5%)

#### **Business Information**

The study conducted survey questionnaire interviews to 400 informal entrepreneurs to gain their business information. Among the 400 respondents, 11.4% respondents were Blacksmith, 6.2% were Boatman, 5.2% were Carpenter, 5.2% were Cobbler, 9.5% were Jamdani Saree weaver, 6.7% were doing plantation and livestock entrepreneurship, 10.7% were potter, 19.5% were street vendor, 11.14% were Tant Saree weaver and lastly, 18.7% were tong shopkeeper. According to the survey, the study found out that 90% of the respondents' business modes were permanent. 37.9% of respondents were in their respective businesses for 11 to 20 years. 95.75% of the respondents invested no BDT to 49999 BDT. 37.5% of the respondents said that their source of capital for initial investments was local money lenders. 90.3% of the respondents earn monthly profit from 0 BDT to 9999 BDT. 56.4% of the respondents have monthly expenditure of 20000 BDT to 29999 BDT. 61.6% of the respondents' average working hour is 8 hours to 10 hours. 86.3% of the respondent's monthly savings is from 0 BDT to 999 BDT. The study also found out that 54.9% of the informal entrepreneurs think that market value has not increased.

**Table 2:** Business Information of Informal Entrepreneurs

<b>Business Information</b>	n (%)
Name of Business	
Blacksmith	26 (11.4%)
Boatman	25 (6.2%)
Carpenter	21 (5.2%)
Cobbler	17 (5.2%)
Jamdani saree	38 (9.5%)
Plantation and livestock	27 (6.7%)
Potter	43 (10.7%)
Street vendor	78 (19.5%)
Tant saree	49 (11.14%)
Tong shop	75 (18.7%)
Types / Modes of business	
Mobile	30 (7.5%)
Permanent	361 (90%)
Semi-permanent	9 (2.4%)
Tenure of Business (Years)	
1-10	88 (21.8%)
11-20	152 (37.9%)
21-30	130 (32.4%)

31-above	31 (7.7%)
Initial Investment (BDT)	
0-49999	383 (95.75%)
50000-99999	15 (3.75%)
100000-199999	2 (0.5%)
200000- above	0 (0%)
Source of Capital	
Family	87 (21.75%)
Spouse	100 (25%)
Local money lender	150 (37.5%)
Personal savings	63 (15.75%)
Monthly Profit (BDT)	· · · · · · · · · · · · · · · · · · ·
0-9999	360 (90.3%)
10000-19999	29 (7.2%)
20000-29999	8 (2%)
30000-above	2 (0.4%)
Monthly Expenditure	
0-9999	2 (.7%)
10000-19999	121 (30.2%)
20000-29999	226 (56.4%)
30000-39999	44 (11%)
40000-49999	5 (1.2%)
50000-above	2 (.5%)
Average Working Hours	
6-8	14 (3.7%)
8-10	247 (61.6%)
Less than 6 hours	3 (0.7%)
More than 10 hours	136 (33.9%)
Monthly Savings	
0-999	346 (86.3%)
1000-1999	11 (2.7%)
2000-2999	21 (5.3%)
3000-3999	8 (2%)
4000-4999	2 (0.5%)
5000-above	12 (3%)
Increase in The Market Value of Product	
Yes	184(44.11%)
No	219(54.9%)

#### **Socio-Economic Aspects**

The study has conducted survey questionnaire interviews to 400 informal entrepreneurs to gain their business information. Among the 400 respondents, 300 respondents (788%) have 0 BDT to 199999 BDT market values of fixed assets. 79.8% of respondents said that their family situation has not improved since opening an entrepreneurial business. Only 12.1% of the respondents have taken out loans for their entrepreneurial businesses. 99.5% of respondents said that they never had any training or instructions regarding entrepreneurship from NGO or Union Parishad.

**Table 3:** Socio-Economic Aspects of Informal Entrepreneurs

Socio-Economic Aspects	n (%)		
Market Value of Fixed Assets			
- 0-199999	300 (78.8%)		
- 1000000-1199999	6 (1.5%)		
- 200000-399999	47 (11.7%)		
- 400000-599999	32 (8.0%)		
- 600000-799999	7 (1.7%)		
- 800000-999999	8 (2.0%)		
Family Situation Improved After Opening The Bus	siness		
- Yes	80 (20.2%)		
- No	320 (79.8%)		
Taken Loan Only for Business			
- Yes	48 (12.1%)		
- No	353 (87.9%)		
Any Training or Instructions Regarding Entrepreneurship From NGO or			
Union Parishad			
- Yes	2 (0.5%)		
- No	398 (99.5%)		

## **Getting Basic Amenities by doing Informal Entrepreneurship**

In this section, the study has shown the level of opportunities given to informal entrepreneurs to get basic amenities by doing informal entrepreneurship with the help of the Likert scale.

After calculating the total average percentage of table 4.4, it can be clearly observed that most of the respondents have given negative answers in terms of getting basic amenities by doing informal entrepreneurship. 48.47% of the respondents disagreed with the given opportunities to get basic amenities by doing informal entrepreneurship. They have been informed that they are not generating enough profit from informal entrepreneurship to provide education, receive good healthcare services, and afford basic daily commodities and entertainment facilities.

**Table 4:** Level Of Given Opportunities to Informal Entrepreneurs to Get Basic Amenities by Doing Informal Entrepreneurship

Basic Amer	nities		5	4	3	2	1
Providing E	ducation		1%	11.3%	61.5%	24.8%	1.5%
Healthcare S	Services		0.5%	9%	66.3%	21.0%	3.3%
Affording Commoditie	Basic es	Daily	0.3%	10.3%	21.3%	67.3%	1.0%
Enjoying Facility.	Enterta	inment	0.8%	2.5%	7.5%	80.8%	8.5%
Total Avera	age Perce	ntage	0.65%	8.27%	39.15%	48.47%	3.57%

(Strongly Agree = 5, Agree=4, Moderately Agree=3, Disagree=2 & Strongly Disagree=1)

## Measure of Satisfaction by doing Informal Entrepreneurship

In this section, the study has shown the level of satisfaction of social indicators by doing informal entrepreneurship with the help of Likert scale.

Giving a thorough observation to the total average percentage of table 4.5, it can be visibly specified that most of the respondents have given negative answer in measure of satisfaction by doing informal entrepreneurship. 49.075% of the respondents disagreed with the social indicators to being satisfied by doing informal entrepreneurship. They informed that informal entrepreneurship does not allow them to run family smoothly, bear educational and healthcare expenses and manage adequate food and meals every day.

**Table 5:** Level of Given Opportunities to Informal Entrepreneurs to Get Basic Amenities by Doing Informal Entrepreneurship

Social Indicators	5	4	3	2	1
Running Family Smoothly	0%	8%	14.2%	74.5%	3.3%
Bearing Educational Expenses	0%	11.3%	62.3%	24.0%	2.5%
Bearing Health Care Expenses	0%	9%	61.5%	25.3%	4.3%
Managing Adequate food and meals regularly	0%	12.0%	13.8%	72.5%	1.8%
Total Average Percentage	0%	10.075	37.95%	49.075	2.975
		%		%	%

(Very Satisfied=5, Satisfied =4, Neutral=3, Dissatisfied =2 & Very Dissatisfied =1)

## Measure of Economic Indicators by Doing Informal Entrepreneurship

In this section, the study has shown the level of economic indicators by doing informal entrepreneurship with the help of Likert scale.

The total average percentage of table 4.6 can clearly indicate that most of the respondents have given negative answers in level of economic indicators by doing informal entrepreneurship. 74.92% of the respondents disagreed with the economic indicators by doing informal entrepreneurship. They informed that they do not have enough fixed asset to facilitate their informal entrepreneurship, do not get enough amount of daily/monthly income to fulfil basic necessities, do not generate sufficient monthly profit to conduct forthcoming business activities, do not make enough monthly savings for the future and their monthly expenditure surpasses the monthly profit.

**Table 6:** Level of Economic Indicators by Doing Informal Entrepreneurship.

		~ - 5 7	<del></del>		
Social Indicators	5	4	3	2	1
Enough Fixed Asset	0.8%	12.0%	11.3%	70.0%	6.0%
Adequate amount of daily/monthly income	0.3%	6.8%	18.0%	72.5%	2.5%
Sufficient Monthly Profit	0.3%	2.0%	8.5%	82.8%	6.5%

Enough Monthly Savings	0.3%	4.3%	5.3%	75.3%	15.0
for Future					%
Monthly Expenditure not	0.8%	3.3%	8.5%	74.0%	13.5
surpassing monthly Profit					%
Total Average Percentage	0.5%	28.4%	10.32	74.92	8.7%
			%	%	

(Strongly Agree=5, Agree=4, Moderately Agree=3, Disagree=2 & Strongly Disagree=1)

### **Challenges**

The study found some notable challenges from the respondents. They claimed that they faced many problems. The study tried to identify the problems and find out the major challenges by conducting survey. The percentages of table 4.7 indicate that the major problem of informal entrepreneurship is increasing cost of raw materials which holds 83% percentage of the response from the respondents. The informal entrepreneurs are suffering very much because of the continuous increasing cost of raw materials.

**Table 7:** Challenges faced by the informal entrepreneurs

Type of Challenges	N = 400	Percentag
		e
Shortage of Capital	233	58.3%
Inadequate loan support	190	47.5%
Increasing cost of raw materials	332	83%
Unavailability of quality materials at the local level	182	45.5%
Limited Marketing	213	53.3%
Lack of Technological orientation	57	14.2%
Lack of customer's interest	101	25.3%
Weak transport facility	35	8.8%
Unsafe working condition	32	8%
Product spoilage	94	23.5%
Not adequate space for work	51	12.8%

## Measuring The Socio-Economic Aspects, Satisfaction and Economic Indicators of Informal Entrepreneurs

## **Data Normality Test**

The research has also gone through Data normality test to find out whether the data are normally distributed or not. By doing the data normality test, the further tests have been determined. The study tested normality test by applying Kolmogorov-Smirnov and Sapiro-Wilk test and values were measured by skewness and kurtosis. Histogram, Whisker boxplot, Q-Q plot was used to find out the outliers and resulted in – no missing values being found.

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Here, the study has tested the data normality test by giving input of Monthly income-expenditure, age and working years in the respective profession to both SPSS and R-Software. All 400 respondents' data were found, and no data was missing from the data sheet.

**Table 8:** Data Normality Test Result

Tests of Normality						
	Kolmogorov-		Shapiro-Wilk		Z Statistics	
	Smirnov					
	Statistic	P-value	Statistic	P-value	Skewness	Kurtosis
Monthly	.279	.000	.317	.000	97.46	715.41
Income						
Monthly	.139	.000	.942	.000	7.66	10.64
Expenditure						
Age	.063	.000	.988	.001	-8.39	2.77
Years in	.097	.000	.965	.000	3.47	-1.57
This						
Profession						

From the 'Tests of Normality' table, the results of p-values from both Kolmogorov-Smirnov test and Shapiro-Wilk test show that the data are not normally distributed because the p-values are less than 0.05. Also, Z statistics indicate that the data are not normal as well. It is known in Z statistics that if the value is between -1.96 to +1.96, data is normally distributed but if the value is not between -1.96 to +1.96, data is not normally distributed. In the table, Z statistics have divided both skewness and kurtosis by standard error for each category and found out that none of the values are between -1.96 to +1.96 which simply indicates that the data are not normally distributed.

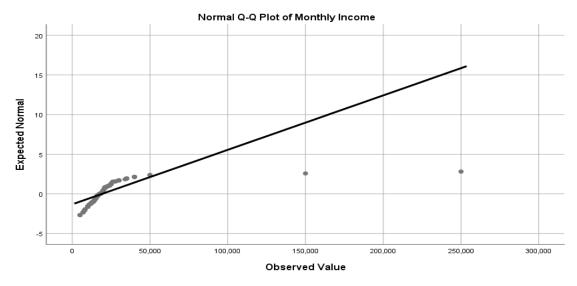


Figure: Q-Q Boxplot of Monthly Income

The study has also tested the data with the Q-Q plot and used Whisker boxplot to remove extreme observations. The Q-Q plot also showed that the data are not normal. Here, the normal Q-Q Plot of monthly income has been shown to understand the glimpse of Q-Q plot test situation of the data.

### **Cronbach Alpha and Ordinal Logistic Regression**

Cronbach Alpha is a convenient test used to estimate the reliability and internal consistency of a composite score. For this study the indicators value that were collected as satisfaction, social indicator and economic indicator were tested by it to measure their reliability. According to many literatures the acceptable value for Cronbach Alpha is 0.7>x. For this test the values the study got:

**Table 9:** Result of Cronbach Alpha and Ordinal Logistic Regression

Scale Reliability	Cronbach Alpha	LR Chi Square
Coefficient		
Satisfaction	0.7481	51.18
Social	0.8251	59.53
Economic	0.8193	27.27

This table also informs the results of the ordinal logistic regression for satisfaction, economic indicators, and social indicators. The Chi square tests portray a good fitness of the model. In the case of this model, the value of Likelihood Chi square test 27.27, 59.53 & 51.18 and probability of p<0.05 is for all the cases. Pseudo R square means the quantity of variances covered by the model in the three aspects. The model indicates that both income and expenditure were statistically significant for satisfaction and better indicators in terms of economic and social livelihood.

### **CHI-SQUARE TEST**

**Table 10:** Chi-Square Test Result

P-value of	P-value of	P-value of	P-value of	P-value of	P-value of
monthly	monthly	monthly	monthly	monthly	monthly
income.	expenditure	income	expenditure	income	expenditure
(receiving	(receiving	(satisfaction	(satisfaction of	(economic	(economic
basic	basic	of social	social	indicators)	indicators)
amenities)	amenities)	indicators)	indicators)		
Education	Education	Run Family	Run Family	Fixed asset	Fixed asset
0.000209	0.000014	Smoothly	Smoothly	0.001	0.000003
		1.0914	1.0914		
Health Care	Health Care	Educational	Educational	Adequate	Adequate
0.000	8.0999	Expenses	Expenses	income	income
		0.001	0.001	0.000001	2.6423
Basic Daily	Basic Daily	Healthcare	Healthcare	Monthly	Monthly
Commodities	Commodities	Expenses	Expenses	profit	profit
0.000004	1.465	1.9313	1.9313	0.000006	0.001
Entertainment	Entertainment	Adequate Food	Adequate Food	Savings for	Savings for
facilities 0.003	facilities	and meals	and meals	future	future
	0.002	1.065	1.065	0.000002	8.0035
				Expenditure	Expenditure
				surpasses	surpasses
				Monthly	Monthly
				profit	profit
				0.000113	0.000218

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After running the chi-square test, it is seen in table 4.8 above that respondents are not dissatisfied with receiving basic amenities as their income allows them to afford the basic amenities as all p-values are less than 0.05 which accept the statement 'respondents are satisfied with receiving basic amenities' as significant. In the second column, it can be said that respondents are dissatisfied with receiving basic amenities as their expenditure does not allow them to afford the basic amenities as all p-values are less than 0.05 which accept the statement 'respondents are dissatisfied with receiving basic amenities'. The third column indicates that respondents are not satisfied with social indicators as almost all p-values are more than 0.05 which accept the statement 'respondents are dissatisfied with the social indicators with their monthly income'. From the fourth column, it can be said that respondents are not satisfied with social indicators as almost all p-values are more than 0.05 which accept the statement, respondents are dissatisfied with the social indicators with their monthly expenditure'. It can be said by observing the fifth column that respondents are not dissatisfied with economic indicators as almost all p-values are less than 0.05 which accept the statement 'respondents are not dissatisfied with the economic indicators with their monthly income.' The sixth and last column indicates that respondents are not dissatisfied with economic indicators as almost all p-values are less than 0.05 which accept the statement 'respondents are not dissatisfied with the economic indicators with their monthly expenditure'.

#### **Pearson Correlation**

**Table 11:** Pearson Correlation in Basic Amenities, Social Indicators and Economic Indicators

		Educatio n	HealthC are	Daily Commoditi	Entertain ment
		11	Services	es	ment
	Education		.000	.000	.000
BASIC	HealthCare Services	.000		.000	.000
AMENI TIES	Affording Basic Daily Commodities	.000	.000		.000
	<b>Enjoying Entertainment Facility</b>	.000	.000	.000	
		Running	Educatio	Health	Adequate
		Family	nal	Care	Food and
		Smoothly	Expense	Expenses	Meals
			S		
SOCIAL INDICA	Running Family Smoothly		.000	.000	.000
TORS	Bearing Educational Expenses	.000		.000	.000
	Bearing Health Care Expenses	.000	.000		.000
	Managing Adequate Food and Meals	.000	.000	.000	
	Regularly				

		ECONOM	IC INDICAT	TORS	
	Enough Fixed Asset	Monthly Income	Sufficient Monthly Profit	Enough Monthly Savings for Future	Expenditure not Surpassing Monthly Profit
Enough Fixed Asset		.000	.000	.000	.000
Adequat e Amount of Daily/M onthly Income	.000		.000	.000	.000
Sufficie nt Monthly Profit	.000	.000		.000	.000
Enough Monthly Savings for Future	.000	.000	.000		.000
Monthly Expendit ure not surpassi ng monthly Profit	.000	.000	.000	.000	

Correlation is significant at the 0.01 level (2-tailed).

Here, the table shows the Pearson Correlation among economic indicators.

This paper analyzes satisfaction levels along with social and economic indicators and tries to find out its relationship with present earnings and expenditures of entrepreneurs. Besides these the survey for this paper also collected other aspects which can also help to further discuss the findings from the analysis of this paper. The data shows that the informal entrepreneurs of Bangladesh suffer from the cycle of low earning and low expenditure. From an intuitive sense it can be said that expenditure is one of the key determinants which dictates the aspects of people. We witness it further here. The data shows it for both male and female participants for this paper. From the data we get major findings about the life of the informal entrepreneurs of Bangladesh and about the scenarios which they have to go through to survive in this economy of Bangladesh. From the statistical analysis first, it was seen in Cronbach's Alpha which shows the data which were taken are statistically reliable and consistent. The Ordinal Regression

shows that the income and the expenditure have a significant role in dictating the life quality of the informal entrepreneurs and the ability to spend and save have further impact. The data driven findings show that among the social entrepreneurs the probability of breaking the barriers of low earning is low. Most of the social entrepreneurs earn less. Therefore, the amount of expenditure is significantly low. Expenditure in sectors like health, education, and food determines the quality of life in many aspects. Expenditure in health ensures the families are getting proper treatment and precautionary measures for avoiding diseases and injuries. Many of the entrepreneurs who were in the sample were aged above 50 and were affected by chronic diseases like diabetes and blood pressure but their ability to buy medicine and get treatment is very limited. In further discussion it was also seen that many of the sample didn't have knowledge about health issues and were reluctant to get a checkup as that can cause fees. This reluctance and lack of knowledge was severe in terms of food and meal management. Many of the samples believed that the food and nutrition they got were adequate and enough to live sustainably but they lacked the correct idea of nutrition and need for balanced healthy food. Importance of healthy food and balancing out the food items to get a proper diet is very important for the development of the body and avoiding risks of disease. The social entrepreneurs were not able to accommodate their family members with need of education many times. Education is one of the basic needs of people which ensures further help to improve quality of life and others. Low expenditure restricts the informal entrepreneurs to invest and ensure this and this creates the vicious cycle of poverty. The entrepreneurs lack the ability to gather capital which restrain them from further improving their business.95% of the sample size had 0 to 49999 taka amount of investment initially in their business. This happens due to two reasons. One is because of the lack of chances to have savings. 86.3% of the sample size had 0-999 taka savings from their monthly income. From the data it was seen that the chance of savings was very limited for the informal entrepreneurs and the majority of them had no savings. Because their expenditure caused a significant amount, and it matched their amount of income. Secondly the assets they have is also another reason which shows it. The amount of fixed assets is a key to have proper investment and chance to further improve which was not available for the informal entrepreneurs. Ullah (2020) showed it on this aspect that the chances for lack of training, higher loan fee, lack of government facilities and all caused it further.

They needed help from formal financing like banks were limited as well. Many banks will not provide them with an adequate amount because of the lack of trust they can do. This further jeopardized the scenario for the informal entrepreneurs as Islam etal.(2019) said in findings that informal entrepreneurs face adverse business surroundings and minimal technical and administrative support. This droves them to take financial assistance from local landlords and co-operative societies which caused higher interest rates. Higher interest rates limit their ability to improve the business and result in scope of no

improvement. From the aspect of gender one key findings were seen. For male participants their earnings were key to pay the expenses of the family as they were in the role of the family head. But on the contrary the earning of the female played a role in the support system as it was seen that most of the times the families of the women had higher total expenditure then their earnings. It shows the different roles of informal entrepreneurs as male and women in their family. Families which had women as informal entrepreneurs had higher chances of having better satisfaction levels and indicators regarding education and society. But as the main earning source informal entrepreneurship lacked the amount and as a result the life standard in those cases were significantly low. In terms of challenges two core challenges were prevalent for everyone, lack of investment and loan facilities. It is acknowledged by most of the sample participants that lack of investment restricted their ability to further extend their business which restrained them from getting into a better scene of entrepreneurship. The investment process is jeopardized, and low savings keeps no way to get additional investment. As a result, the businesses fail to improve further and to have better outcomes. Some of the occupations have risky environments which also affect their outcome. As a whole the consumers demand has decreased due to the present scenario of the economy of Bangladesh. Pandemic and Russia-Ukraine war has resulted recently which caused a significant level of decrease in the demands of the consumers. Consumers tend to buy and consume less in recent times and that causes less sales for the informal entrepreneurs. As they have to depend on day to day sales and earnings it creates a greater burden upon them due to the low sales as the chance of recovery is lower in this type of business. Demand and supply is matched often by the extensive market research which is not available for these informal entrepreneurs. It also causes ineffective inventory and less reactive actions. On the subsidiary side it is not possible for them to have such help. In the time of emergency business needs protection and help to sustain situations which helps a business to survive in critical moments. For the informal entrepreneurs this protection is not available. Which also caused significant loss for them in the time of pandemic. Many shared about the sales amount which occurred before the pandemic and the significant fall afterwards. In overall view the indicators shown in the study brings out the scenario about the needs of informal entrepreneurs about their life such as education, health, food and necessities and their relationship with the earnings and expenditure of the informal entrepreneurs.

#### **Discussion**

This paper shows that 67.6% of the respondents aged between 41-60 years which means the older generation is more engaged in informal forms of entrepreneurship as they prefer the younger generation to go for formal occupation. This completely contrasts the finding of Husain et al. (2015) which shows the majority of the respondents fall between the age group of 26-35, pointing out the sign of unemployment as this economically active age

group are engaged in street vending. This study reveals that the majority of the respondents have a primary level of education. This means as they do not have adequate educational qualifications to take up formal forms of business they opt for informal forms of business. Similarly, the finding of Husain et al. (2015) suggests that the mostly low-educated people chose Street vending as their profession. Rayhan et al. (2019) reveals a similar fact as well. According to the study of Saha and Paul (2003), there is a correlation between the pattern of receiving loans and the array of economic activities. Majority of the respondents take out loans to fulfill their daily expenses as expenditure surpasses the income. The findings of this paper also indicate that most entrepreneurs are not satisfied with the quantity of their income in comparison to their expenditure. Saha and Paul(2003) further say the prime share of loans are received from NGOs whereas only 2% loan is received from money lenders. But in this paper, the study revealed that informal entrepreneurs usually reach out to local money lenders (37.5%) as they do not have a sustainable number of formal money lending sources. Lastly, Hossain et al. (2023) discussed in their paper that the blacksmith community of the kamarpara area is changing their occupation due to less profit generation. Besides, the increasing cost of raw materials and unavailability of raw materials since the pandemic made the majority of these workers jobless. These findings demonstrate a similar idea of this paper as here the authors found out the majority of informal entrepreneurs complained about the rising cost of raw materials and how they prefer formal forms of occupation for their children as these informal economic activities do not assure a substantial level of profit for them.

#### Conclusion

While conducting the survey research, the study found out that their socioeconomic situation is not even up to the lowest mark. Without taking proper measures and initiatives, it is impossible to improve their socio-economic lives.

First, the government needs to create specific and effective laws and regulations regarding informal entrepreneurship. Secondly, the products of the informal entrepreneurs should be promoted more widely in the country so that they can get proper benefits by selling their product to more buyers. Most of the informal entrepreneurs have said that they have not received any proper training or instructions regarding entrepreneurship from NGO or Union Parishad at all. Local governments should ensure this case so that every informal entrepreneur can receive the best training for their business. They also face inadequate loan support problems. NGOs, Top level banks should come forward to solve this problem. The cost of raw materials is increasing day by day. The government must ensure that the price of the products in markets stays under control.

The socio-economic situation of informal entrepreneurs is very poor. Their lifestyle is very limited due to lack of basic amenities and low incomes.

Most of the informal entrepreneurs are leaving their own profession and moving to towns and cities with the expectation of a better lifestyle. Some of the finest businesses like pottery and woodwork are on the verge of extinction. It is not only the responsibility of the government to solve everything, but it is also the responsibility of the people to help them by purchasing their products and giving them the proper price they deserve. The study is expected to be helpful in the near future for the academicians, researchers, students and bureaucrats for the betterment of the socioeconomic status of informal entrepreneurs so that they can lead a better and sustainable life.

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## **Evaluating People's Satisfaction on E-passport Service** in Bangladesh: Potentials and Challenges

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#### Abstract

The E-passport is a significant achievement in developing a digital Bangladesh. Bangladesh has brought dynamic changes in the service delivery process of the e-passport system. The study primarily focused on evaluating people's satisfaction with E-passport Services in Bangladesh, exploring the existing scenario of E-passport Services, and analyzing to what extent the government is effectively delivering e-passport services. The study used a mixed method to collect data from 250 participants following purposive sampling. It then analyzed the data using Statistical Packages for Social Sciences (SPSS). The study revealed that most of the participants (90.21%) have the necessary knowledge of the e-passport service, and the majority (67.6%) are aware of the application process of the e-passport service. People accessed their essential information about e-passport services from social media (39.8%), family members (18.9%), and government websites (8.0%). Most of the participants (79.34%) received their passports timely, and the majority of the participants visited the passport office once (33.8%) or twice (40.8%). The study found an association between the satisfaction level and participants' age, gender, educational qualification, and location based on the Chi-square test results. Participants reported challenges

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regarding the lengthy process, long queues, inadequate manpower in the passport office, and management inefficiency. Participants highlighted the difficulty of citizens with low to no literacy, which caused a significant information gap.

Keywords: E-passport, Satisfaction, Service, Bangladesh

#### Introduction

Bangladesh's government adopted various e-services to accelerate one-stop public service functions at the national and sub-national levels (Islam & Rahman, 2020; Islam & Rahman, 2022; Rahman et al., 2022). E-passports are a key government service at the national level, among many electronic services in Bangladesh. Passports that serve as the government's jurisdiction for aid and protection to its citizens are also equipped to identify its citizens and regulate their mobility (Torpey, 2018). According to the Passport Offences Act (1954), a passport includes any permit, visa, or other travel document authorizing the holder to travel from Bangladesh to any other country or from any other country to Bangladesh. Bangladesh is one of the first countries in South Asia to introduce an e-passport and the 119th country globally. Bangladesh officially inaugurated the distribution of electronic passports, widely known as e-passports, in 2020 (Kawser, 2020). The initiative is a crucial step forward for Bangladesh towards its digital transformation. Digital transformations in Bangladesh have improved service delivery by enhancing efficiency and reducing cost and time service delivery (Siddiquee, 2023). The E-passport is a significant achievement towards developing digital Bangladesh. Bangladesh's government brought dynamic changes in the service delivery process of e-passport system. The study primarily focused on evaluating people's satisfaction with E-passport Services in Bangladesh, exploring the existing scenario of E-passport Services, and analyzing to what extent the government delivers e-passport services effectively. The study used a mixed method to collect data from 250 participants following purposive sampling. It analyzed the data using the Statistical Packages for Social Sciences (SPSS), version 25. A quantitative study was utilized to evaluate service recipients' satisfaction with e-passport services in Bangladesh and analyze to what extent the government is delivering e-passport services effectively. The qualitative research has been incorporated to identify the challenges and prospects associated with Epassport Services in Bangladesh and present recommendations for the existing scenario.

#### **Literature Review**

Before the ICT-enabled transformation, Alam & Rahman (2006) studied the conventional process of passport service that required the applicant's inperson presence in each phase, from handing over their application to receiving the passport. The study remarked on the nature of passport service

delivery as a breach of public service, which functioned more as a "privilege for the citizens" than a right for them. It further lacked services to deliver the necessary information on the passport application process and requirements. Applicants who lacked literacy and belonged to lower income groups, unskilled laborers groups, and rural areas suffered the most, creating a dependency on brokers.

Haque (2011) evaluated the governance reform project of the Regional Passport Office, focusing on the One Stop Service Centre for urgent endorsement of passports. Service recipients of the One-stop Service Center were found to be content with comparatively speedy services. However, the brokers established a parallel network, which resulted in poor service delivery and bad governance. Besides, the study finds that the complexities of the police verification process, service providers' lack of motivation, and charges affect the experience of service takers. The study recommended necessary outlets, motivational training and incentives to service providers, investigative and hassle-free police verification, and conducting client satisfaction surveys.

Kundra et al, (2014) analyzed the technologies used in the e-passport based on its specifications and standards proposed by the International Civil Aviation Organization (ICAO). Being the most secure globally recognized identification document, the e-passport is based on cryptographic tools that guarantee authenticity, information integrity, and confidentiality. Siddiquee (2016) noted the decrease in several issues with passport service due to ICT-enabled reforms in service delivery. The successful implementation of e-service delivery can potentially ensure enhanced service quality, more public participation, and administrative efficiencies. However, Bangladesh still has to go a long way to achieve a breakthrough in electronic service delivery and governance (Siddiquee, 2016).

Despite the positive changes, service delivery efficiency and quality could not be achieved. TIB (2017) remarked on a few improvements and slightly decreased corrupt practices. However, the study finds limitations and challenges, from collecting forms to passport distribution. The institutional limitation stems from workload and shortage of manpower, incapability in infrastructural and logistical supports, lack of effective monitoring, lack of skills and training of employees and officials, and inefficiency in enforcing policies. TIB further advocated for remedial initiatives to combat public harassment, irregularity, and corrupt practices. The main suggestions for the initiatives include public hearings to address the service recipients' feedback and complaints. It further suggested including private banks to receive passport fees online and enhance service delivery, overseeing the passport service delivery every week and introducing a citizen satisfaction register, and establishing a help desk for the service recipients and applicants. However, Iftekharuzzaman (2022) finds the prevalence of corruption in passport service delivery is indifferent regardless of the gender and

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socioeconomic identities of service receivers, reflecting the adverse and widespread corrupt practices. The study finds that rural, marginalized, and weaker communities are more impacted and victimized by corruption.

Though electronic public service and digitization have been made, Bangladesh faces major challenges due to the complexity of sociocultural and political environments, power dynamics, and multiple stakeholder involvement. Imran & Okai-Ugbaje (2022) find that the innovation regarding information and communications technology, their implementation, and organizational capacity is deeply embedded in the sociocultural dynamics of developing countries along with organizational norms, interests, and power politics. Despite the improvement and shifts toward e-passport service delivery in Bangladesh, there is a notable knowledge gap regarding the analysis of the public perception of e-passport services. Limited research has been conducted to comprehensively assess the satisfaction of the service recipients and the challenges associated with e-passport services in the country. This knowledge gap creates a barrier to understanding the factors influencing the acceptance and implementation of e-passport services among the service holders. To address this gap, this study aims to evaluate the people's perception of e-passport services in Bangladesh, focusing on the satisfaction levels, prospects, and challenges individuals face. The findings will provide a comprehensive understanding of the public perception and shed light on the effectiveness of e-passport service delivery, satisfaction levels, and challenges individuals face. This information will be valuable for policymakers and stakeholders in designing strategies to improve the acceptance, effectiveness, and accessibility of e-passport services in Bangladesh. Considering this, the study's key objective is to evaluate people's satisfaction and discover the potentialities and challenges of epassports from the service holders.

### Methodology

## **Research Design**

The mixed-method research follows a cross-sectional study to evaluate people's satisfaction with the e-passport service in Bangladesh. The quantitative research has been accompanied by an evaluation and exploration of people's satisfaction with E-passport Services in Bangladesh, focusing on exploring the existing scenario of E-passport Services and analyzing to what extent the government is delivering e-passport services effectively. The qualitative study has been incorporated to identify the challenges and prospects associated with E-passport Services in Bangladesh and present recommendations for the existing scenario.

#### **Research Method**

This mixed-method study used a survey questionnaire that included closedand open-ended questionnaires. It has utilized non-probability purposive sampling by targeting a specific group of individuals who received e-passport services. This sampling approach allowed for data collection from individuals with one particular experience, ensuring relevance to the study's objectives. The random selection of 250 individuals demonstrated the feasibility of obtaining a sufficient sample size. The study also includes 12 semi-structured interviews from the service recipients.

**Table 1:** Research Methodology of the Study

Research Design	Qualitative and Quantitative		
<b>Research Method</b>	Survey Questionnaire - 250 (Who received e-passport		
	service),		
	Interview – 12 (Service recipient)		
<b>Sampling Method</b>	Non-probability (Purposive Sampling)		

#### **Data Analysis Techniques**

The study applied SPSS (Statistical Software for Social Sciences), version 25, to analyze the data. Based on the Kolmogorov-Smirnov and Shapiro-Wilk tests (p < 0.05), the data was not normally distributed, and non-parametric statistical tests have been applied. To explore relationships among the variables in the data, the study employed the Chi-square and Mann-Whitney U tests as the non-parametric statistical tests. The reliability of the internal consistency of the constructs has been tested using Cronbach's Alpha. The study also includes Exploratory Factor Analysis (EFA) using principal component analysis and varimax rotation. Data were calculated with a 95% confidence level, implying that the estimated results are expected to fall within the calculated confidence intervals. The study also considered a 5% level of error (0.05) to minimize the probability of making an error.

**Table 2:** Data Analysis Techniques

Data Analysis	Analysis Techniques
Uni-variate analysis	Frequency distribution, percentage, central tendency, standard deviation.
Bi-variate analysis	Chi-square test
Data Validity	Data Normality test, Cronbach alpha
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#### **Findings and Analysis**

#### **Socio-Demographic Profile of the Participants**

Table 1 represents the socio-demographic profile of the participants of the respondents (n = 250). The age group distribution shows that the age range of (20-30) includes the majority (57%) of the respondents, followed by (30-40) of age range with 17.3%, (50-70) of age range with 8.8%, (40-50), and (10-20) of age groups with 8.0% and 0.8% of the respondents belonged to the age group of (70-80). Regarding gender, 66.4% of the respondents were male, and 33.6% were female. Among the respondents, the majority (54%) had an

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education quality of honors and above, 28.4% had a higher secondary certificate (HSC), 8.4% had a secondary school certificate (SSC), and 3.2% of the respondents had a primary level education. Most respondents were found to have resided in urban areas (76%), while 24% belonged to rural areas.

**Table 3:** Socio-Demographic Profile of the Participants

<b>Demographic Characteristics</b>	(%)	
Age		
- 10-20	8.0	
- 20-30	57.0	
- 30-40	17.3	
- 40-50	8.0	
- 50-70	8.8	
- 70-80	0.8	
Gender		
- Male	66.4	
- Female	33.6	
Educational Qualification		
- No literacy	1.6	
- Primary	3.2	
- JSC	4.4	
- SSC	8.4	
- HSC	28.4	
- Honors and Above	54.0	
Location		
- Urban	76.0	
- Rural	24.0	

#### **Background Information of the Participants about e-Passport Service**

Table 2 presents the knowledge and access to the e-passport services. The study revealed that most participants (90.21%) have the necessary knowledge of the e-passport service, and the majority (67.6%) are aware of the application process for the e-passport service. Among the respondents, 44% used social media as the source of information about e-passport services. Others have mostly used family members (17.6%), friends/colleagues (11.6%), government websites (11.2%) and print media (5.6%). Besides, 66.8% of the respondents used the government's e-passport website. However, while 51% have used e-passport websites by themselves, 32.9% went to computer shops to use websites for e-passport websites. Besides, The majority of the participants visited the passport office once (31.7%) or twice (47.8%), while the rest of the respondents required visits more than twice to receive a passport.

**Table 4:** Existing Scenario in Accessing E-passport Services

<b>Knowledge and Access to E-passport Websites</b>	(%)
Possess knowledge about e-passport service	90.21
Knowledge about application processes for e-passport	67.60
Uses the e-passport website of the government	66.80
Medium Used for Application by the Participants	
Self	51.0
From computer shop	32.9
By friend	4.0
Others	12.0
Sources of Information about e-passport service	
Social media	44.0
Print media	5.6
Electronic media	3.2
Radio	5.6
Family members	17.6
Government website	11.2
Friends/colleagues	11.6
Others	1.2
Number of Visits	
Once	31.7
Twice	47.8
Three times	14.5
Four times	4.0
Five times	1.2
More than five visits	0.8

# Access and Use of e-Passport Service among Service Recipients

The Kruskal Wallis T-test has been used to evaluate the differences in the sources for acquiring information regarding e-passport service across different levels of education. The test revealed an insignificant difference (p = .211) in the preference of sources of information on e-passport based on the education levels. However, the study also evaluates if differences exist in

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performing online application procedures across different levels of education using the Kruskal Wallis T-test. The test reveals a significant difference (p = .002) in the preference of medium used for the application procedure of e-passports based on education levels.

## Satisfaction of e-passport service

Ch-square statistics have been used to examine the association between the demographic variables and the satisfaction level of the e-passport service (Table 3). Based on the Chi-Square test, the study finds a significant association in the level of satisfaction in terms of access to the application, receiving service within the definite time, number of visits to the passport office, and additional cost associated with receiving service with the service recipients' location and age. However, there is no association between gender and the level of satisfaction regarding access to the application, receiving service, and perception of service efficiency. There is no association between the level of satisfaction of the service recipients who have made an application very easily and demographics such as age, gender, and education quality.

**Table 5:** Chi-Square Test Regarding the Satisfaction Level of the E-passport Service

#### **Significance (P-value) Level of Satisfaction** Age Gender **Educational** Location Qualification Service recipients have made an .131 .240 .813 .022\* application very easily Service recipients received the .020\* .283 .982 \*000 service within a definite time Service recipients did not visit .363 .305 .472 .004\* the passport office too many times Service recipients received .400 .793 .644 .720 adequate support from the passport officials Service recipients did not pay an .305 .978 .314 .030\* additional amount to get the service

However, as Table 3 shows, the location of the respondents has a significant association with the location of the respondents. Similar results have been

<sup>\*</sup>p<0.05

found with the level of satisfaction of the service recipient's number of visits to get the e-passport service. The level of satisfaction regarding paying the additional payment for e-passport services has a significant association with the location of the service recipients (p = 0.03), and the other variables are not statistically significant (p>0.05). Satisfaction regarding receiving adequate support from passport officials has not been statistically significant regarding age, gender, educational qualification, and location. However, satisfaction regarding the receiving e-passport service within a definite time shows a significant association with the respondent's age (p = .020) and location of the service recipients (p = .000). To identify if there exists a difference in the number of visits by the service recipient based on their locations, the study used the Mann-Whitney U Test. The test revealed significant differences in the number of visits to avail passport service, U = 3616.500, z = 4.544, p = .000, r = 0.287. Therefore, it can be said that there exists a difference in the number of visits by the service recipient based on their locations.

# Factors Affecting the e-passport service

# **Reliability Test**

Reliability is the measure of internal consistency of the constructs in the study, a construct is reliable if the Alpha ( $\alpha$ ) value is more significant than .70 (Hair et al., 2009). Construct reliability has been assessed in this study using Cronbach's Alpha. The result revealed that the e-passport service with five items ( $\alpha = .784$ ) was reliable.

# **Exploratory Factor Analysis (EFA)**

An EFA has been performed using principal component analysis and varimax rotation. The minimization factor loading criteria have been set to 0.50. The scale's commonality, which indicates the amount of variance in each dimension, has also been assessed to ensure acceptable levels of explanation. The results show that all communalities are over 0.50.

**Table 6:** EFA Results

	Component			
Item	1	2		
Accessibility to Application Process	.863			
Time (service within time)	.829			
Number of visits	.809			
Support from Administrative Official		.754		
Additional Payment		.932		

The study included six items relating to the effectiveness of the service and administrative support for e-passport service for factor analysis using

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Principal Component Analysis (OCA) with Varimax Rotation. The value of Kaiser-Meyer-Olkin measure of adequacy is 0.743, which is above the recommended value of .60. Barlette's test Sphericity was significant,  $x^2$  (n = 400) = 486.396, as the p-value is determined (.000 < .05). The Eigenvalue > 1, determines that the analysis is fit for two factors explaining a total of 77.379% of the variance of the data. Factor 1 is labeled service efficiency due to high loadings in the following items: ease of application process, service within time, and number of visits associated with the passport service. Factor 1 explains 45.033% of the variation after rotation. Factor 2 is labeled administrative support due to high loadings in the following item: Support from Administrative Official, Additional Payment. Factor 2 explains 32.346% of the variation after rotation.

The qualitative analysis of the study further finds that satisfaction with epassport service depends on the simplicity of the application form, selection of appointment dates, faster access to services, and reduced time taken to receive the passport. Additionally, reduced physical hassle and improved accuracy and security have influenced the satisfaction of e-passport service among the respondents. Regarding the online application process the education level of the service recipient is associated with the preference of medium used for the application procedure of e-passport service. The qualitative findings of the study triangulate that the respondents with little to no education face difficulty in navigating the activities to be performed through websites. Respondents revealed that lack of administrative support from the passport officials made the process more complex, and ultimately, broker dependency persisted. Besides, the prolonged queues, slow administrative process, and processing delays have severely affected service recipients' satisfaction regarding e-passport services. The study also finds a substantial lack of sources of information dissemination in the passport office, which created complexity for the service recipients.

## **Discussion**

The study reveals that most of the participants have the necessary knowledge of the e-passport service, and the majority are aware of the application process for the e-passport service. The sources that service recipients mostly use social media as their source of information about e-passport services. In contrast, others have mostly used family members, friends/colleagues, government websites, and print media. The study finds that most respondents have used the government's e-passport website. However, while most of the respondents have used e-passport websites by themselves, others went to computer shops to use websites for e-passport websites. Besides, most of the service recipients are required to visit the passport office more than twice to receive a passport, despite the digitization of the service. The education level of the service recipient is associated with the preference of the medium used for the application procedure of e-passports. The study findings reveal that the respondents with little to no education face difficulty in navigating the

activities to be performed through websites. Besides, the lack of administrative support from the passport officials made the process more difficult and resulted in broker dependency.

In terms of the satisfaction level of the service recipients regarding the epassport service, the study finds a statistically significant association in the level of satisfaction in terms of access to the application, receiving service within the definite time, number of visits to the passport office, and additional cost associated with obtaining service with the service recipients' location and age. However, there is no association between gender and the level of satisfaction regarding access to the application, receiving service within a certain time, number of visits to the passport office, and additional costs associated with obtaining service. There is no association between the level of satisfaction of the service recipients' perceived simplification of the service and the demographics of the respondents, such as age, gender, and education quality. Satisfaction with the service has been influenced by factors such as service efficiency and administrative support. In terms of efficiency of service, simplification of application process, service within time, and number of visits associated with the service played the most vital role. Factors such as administrative officials' support and payment requirements influenced satisfaction with the e-passport service.

The e-Passport service has brought a massive change in the service delivery process and has stepped towards service process simplification. However, the service recipients faced challenges regarding long queues and prolonged wait times, inadequate administrative officers, inefficient management, the prevalence of brokers, and lack of facilitation for citizens with low to no literacy. The lack of proper dissemination of information and inadequate administrative support has made it more difficult for the respondents to understand the process. Broker dependency remains one of the issues as many service recipients, especially the older generation, citizens with low to no education, and citizens with limited access to the internet, intend to avoid the administrative complexities of receiving the e-passport service.

#### **Conclusion and Recommendations**

Electronic public service delivery in any country depends significantly on the relationship between citizens and government, state capacity, and socio-economic conditions (Haque & Ferdous, 2024). The study reveals that the effectiveness of the e-passport service has been impacted by factors such as application process, taken for the service delivery, and number of visits associated with the service. Additionally, support from administrative officials and additional payment for the service. The mixed method study reveals progress and many challenges regarding Bangladesh's e-passport service. The transition to online application has created a way forward for service process simplification. However, the system's lack of integration with the citizens' needs has further fuelled the corrupt practices and broker

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reliance. The study recommends creating a platform for knowledge dissemination in the passport office to facilitate every citizen regardless of their demographics. A hotline number and helpdesk must be established to assist citizens with additional support. The study also recommends increasing administrative staff, counter, and overall administrative capacity to speed up the service processing time and make the system more efficient. Bangladesh has to adopt a rigorous anti-corruption strategy to eliminate broker dependency. Regular oversight and monitoring must be established to eradicate corrupt practices and ensure system efficiency. Besides, mass public awareness could be created by focusing on disseminating knowledge and information regarding the e-passport service so that citizens could be empowered enough to eliminate broker dependency.

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# Drop of Circulation of Print Dailies during COVID-19 Crisis in Bangladesh: How Far is Readers' Return?

# Rakib Ahmed\* Nowshin Jahan Etee\*\*

#### Abstract

This paper examines the phenomenon of not resubscribing print newspapers after unsubscribing them for households by readers during the COVID-19 crisis in Bangladesh. In terms of theory, this study consulted displacement theory and the theory of media habits to evaluate the contexts of quitting reading print dailies and unsubscribing print papers under a pandemic environment. To understand the picture, the authors conducted in-depth interviews with 12 persons (six males and six females) who stuck to their decision not to resubscribe print national dailies for their houses as the COVID-19 situation improved at one point in time. The key findings are: i) readers unsubscribed print newspapers out of fear of getting infected by coronavirus either through the copies of papers or delivery persons; ii) readers did not resubscribe print papers as they developed a habit of reading news on online news portals, epapers, and social media pages of news outlets; and iii) although readers are somewhat satisfied with the information and news that they find on digital platforms, they hold a passion for print papers, and cherished their longtime habit of reading print newspapers.

**Keywords:** Print Newspapers, Bangladesh, Circulation, COVID-19, Digital Platforms

#### Introduction

Like elsewhere in the world, the sector of print newspapers in Bangladesh was affected by the COVID-19 crisis. As the pandemic hit Bangladesh in March 2020, the financial strength of print newspapers started breaking down, mainly due to a plummet in circulation of newspaper copies and the flow of advertisements to newspapers. In an interview, Mahfuz Anam, editor of Bangladesh's leading English-language newspaper *Daily Star*, and an executive member of the Newspaper Owners Association of Bangladesh

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(NOAB), identified this crisis as "deadly and unprecedented" for the country's newspaper industry (Jamuna Television, 2020). According to Mondol and Paul (2021), the Bangladeshi media industry was severely hurt by the COVID-19 pandemic. Government and private advertisements in newspapers decreased during the pandemic, putting print newspapers and their journalists into a financial crisis (Mondol and Paul, 2021). This financial crisis affected the journalists and operations of print newspapers. Generally, the income of a print newspaper depends on two sources – the money coming from the sale of copies of newspapers and the advertisers for publishing advertisements. As these two revenue-generating sources of print newspapers were disrupted during the pandemic, the newspaper industry experienced a financial crisis that disturbed the regular operations of newspapers. A total of 254 out of 340 national dailies – registered with the government - stopped their operations within four months of the beginning of the COVID-19 pandemic in Bangladesh (Sharifuzzaman, 2020).

In order to cope with the changed financial realities, almost every print newspaper started following several cost-cutting strategies that included dismissing journalists, reducing the number of pages of a paper, and publishing a single edition in a day. Initially, the circulation of copies of print dailies began to fall because of a scarcity of hawkers to distribute papers during a countrywide shutdown enforced by the government in late March 2020 to control the dissemination of the COVID-19 virus. Later, many subscribers of print papers decided to stop purchasing copies of newspapers at their places following the spread of a message on social networking platforms that identified print copies of newspapers as a potential source of transmission of COVID-19 to human bodies. In addition, the subscribers, as a measure of precaution, preferred avoiding the presence of newspaper delivery persons on their doorsteps. However, people's thirst for news and information, especially on COVID-19-related issues, was always there. The results of a survey conducted on people from 17 European countries show that the level of news consumption, especially of certain sorts, increased during the COVID-19 pandemic (Van Aelst et al., 2021). Due to easy accessibility, people in pandemic days chose social media, internet, and televisions for news, whereas the level of consumption of radio and newspapers was unchanged or declined (Van Aelst et al., 2021). It happened at such a time when the popularity of internet-based platforms for news and information was growing among audiences across the globe, cutting people's dependency on legacy media for news and information. Whenever a new medium steps into the domain of media, as Lee (2008, p. 1) argues, a fear of the "displacement effects" of that new medium over the existing ones arises. The key logic behind this fear is the limited time that audiences have for media consumption in their daily routine. It is argued that audiences may not give a similar amount of time to all media daily (Lee, 2008). Against these realities, this paper investigates the trend of return of subscribers who unsubscribed print newspapers in their households during the pandemic. It attempts to explore the reasons that discouraged people from resubscribing to print newspapers following the improvement of the COVID-19 situation in Bangladesh. It further examines the alternative sources of news that readers of print dailies started following in the absence of print newspapers at their places during the pandemic. Specifically, this study seeks answers to the following Research Questions (RQ).

- *RQ1:* Which factors played a determining role behind readers' decision not to resubscribe print dailies as the COVID-19 situation improved?
- *RQ2:* To what extent did digital platforms meet the demand of print newspaper readers for news and information?
- *RQ3:* How does this group of readers evaluate their new news consumption habits?
- *RQ4*: How does this group of readers foresee the future of print newspapers in Bangladesh?

### **Literature Review**

# Journey of News Organizations under COVID-19

As of October 2022, 1,279 registered print dailies were operational in Bangladesh. Of them, 504 were published from the capital, Dhaka, and the rest were published from other parts of the country (Department of Film and Publications, 2022). Thirty-four television channels, 22 FM radios, and 17 community radios were operational in Bangladesh as of 2020 (Yasmin, 2020). Many local newspapers faced acute financial constraints as advertisements to those organizations dropped by 70-80 per cent during the COVID-19 pandemic. On the other hand, 1,010 journalists from 191 media houses contracted the COVID-19 virus as of November 2020. Of them, 35 died after their illness (Mondol and Paul, 2021). According to the results of a survey, 275 out of 456 local newspapers in Bangladesh suspended their operations within several months of the break of COVID-19 because of their financial constraints ("Coronakale Bondho Hoye", 2020). Only seven Bangla and four English-language newspapers, published from the capital Dhaka, managed to pay wages regularly to its journalists till July 2020 (Sharifuzzaman, 2020).

There was no difference in the global media picture. Over 36,000 journalists in the United States of America (USA) were either dismissed or experienced pay cuts during the COVID-19 pandemic (Radcliffe, 2020). Over 200 media organizations in the USA followed "cost-saving measures" that included "mergers and reduced print runs" to cope with financial problems that arose with the pandemic (Hare in Radcliffe, 2020). In the USA, community newspapers changed their business model to survive the

economic crisis following a sharp decline in advertising revenue during the COVID-19 pandemic. In the changed strategies, newspapers accepted government funding, public donations, and grants to continue publishing the papers (Finneman et al., 2023). The Indonesian Press Council demanded incentives from the government for newspapers to help them survive the COVID-19-associated financial constraints (Supadivanto, 2020). Jadhav (2020) found that the print newspaper business went through a massive recession in India during the COVID-19 crisis. The advertising revenue of newspapers almost stagnated while the lockdown disrupted the distribution of newspaper copies, hampering revenue earned from the sale of newspapers (Jadhay, 2020). Many newspaper journalists in India were dismissed from their jobs or paid less than their regular salaries. Some newspapers suspended their regular publications. Journalists of web and electronic media outlets were also terminated during the COVID-19 crisis (Jadhav, 2020). On the other hand, the COVID-19 crisis, as Casero-Ripolles (2020) argue, restored the influence of legacy media, particularly television, to an extent, and it "reconnected" people to news, especially those who generally do not follow information. Papadopoulou and Theodora (2021) found that the pandemic brought in fresh dimensions to the existing challenges to freedom of the press. The powerful actors including the state, on many occasions, used the COVID-19 crisis "as a pretext to silence critical journalism" (Papadopoulou and Theodora, 2021). While shading lights on virtual newsroom operations during pandemic days, Garcia-Aviles (2021) opines that communication among journalists in relationships cyberspace reshaped their existing improved "collaboration, shaping news practices and communication protocols" (Garcia-Aviles, 2021).

# History and Influence of Newspapers

Newspapers have been an influential medium of mass communication for decades, meeting people's demands for information, news, and knowledge. A factor that played a crucial role behind the introduction of newspapers was the sense people had that newspaper was an emblem of a community (Anderson et al., 2016). At least until the advent of television and the internet, newspapers had a continuous influence on people's lives. This medium has played an indispensable role in building an informed citizenry. Due to low prices, people from all walks of life can afford newspapers that offer news, features, photo features, statistics, editorials, opinions, and so on. The newspapers may assist in shaping public thoughts and create forums for public discussion and debate. It has been regarded as a major tool of democracy and a bridge between the government and the people. The first periodical news sheet came to market in 1605 in Strassburg, Germany (Weber, 2006). The first English newspaper was published in Amsterdam in 1620 (Anderson et al., 2016). A variety of newspapers became available in central Europe in the 1620s. In the second half of the 17<sup>th</sup> century, newspapers were the most widely read secular material (Weber, 2006). According to Park (1923, p. 273), newspapers became a product of city life, and the growth of circulation of newspapers made this medium an "independent [news] enterprise, an envelope, and carrier for advertising".

The British era marked the inception of newspapers in Bangladesh. Hickey's Bengal Gazette or the original Calcutta General Advertiser was the first newspaper published in India by James Augustus Hickey in 1780 (Dhar, 1985). The first newspaper under Bengali ownership was the Bengal Gazette. It was brought out in 1818 by Gangakishore Bhattacharya (Roy, 1994). During the 1971 War of Liberation of Bangladesh, newspapers played a vital role in drawing the attention of the country's citizens as well as the outside world to the homicide done by the Pakistani army on the people of Bangladesh.

# Challenges for Print Newspapers in the 21st Century

The challenges for print newspapers have been manifold in the 21<sup>st</sup> century. It has already become an issue of discussion whether print newspapers will disappear or thrive in the future. Academic Philip Meyer has meanwhile forecasted that the last newspaper will be printed in 2043 (Anderson et al., 2016). People now do not need to wait for the next day morning for news. Instead, there are myriad ways for people to acquire daily information, thanks to the advancement of communication technologies and the internet. People can now find news regularly from television channels and internetbased news portals. The presence of news organizations on social media platforms is dominant too. Here, one can share her or his opinions and perspectives in the comment sections under every news, and the readers can receive feedback from online-based news sources more frequently than newspapers and any other forms of legacy media. The concept of multimedia journalism has already brought a new dimension to news for audiences. Some empirical data are evident that newspaper reading is gradually declining. The readership of newspapers, as Dominick (2017) finds, is falling gradually. Furthermore, Bigai (2003) mentions that the number of newspapers has been decreasing because of "non-readership" since the 1970s. The industry of print newspapers has become more precarious than ever before. Newspaper organizations are starting their online platforms to attract readers and advertisers to secure their survival. Against these backdrops, some newspapers have shifted their focus to building a digital subscription model.

## **Theoretical Framework**

This paper consulted two theories -- displacement theory, and the theory of media habits as its theoretical framework to examine the phenomenon of quitting the habit of subscribing and reading print newspapers by the readers. The displacement theory says it becomes difficult for people to perform "social and professional activities offline" due to their involvement with diverse tasks on internet-based platforms (Tokunaga, 2016, p. 345). It

is argued that two factors play a role in this displacement trend – time and function (Lee, 2008). The audiences, at least according to Robinson (cited in Lee, 2008), spend less time on radio if they spend more time on television. Similarly, television views declined when people chose to go online (Kayany and Yelsma cited in Lee, 2008). In terms of function, at least according to Himmelweit et al., Schramm, and DeFleur and Ball-Rokeach, a new medium displaces the existing ones when the newcomer delivers "better" also in a "more effective manner" (Lee, 2008, p. 2). The trend of shifting of readers to digital news platforms from print dailies is propelled, according to Lee (2008, p. 2), by the features and scopes that include – "interconnectivity, multifarious information sources, hyperlinks, and instantaneity" – of the internet-based mediums. The presence of news organizations on social media eased the process of shifting of print newspaper readers to digital platforms for news and information during the pandemic days.

The media habits notion argues that the amount of time people spend on the internet is connected to their habits of internet usage (Tokunaga, 2016). Internet habits are developed following people's "inability" to "control" their individual practices of internet usage that expand people's "cognitive resources necessary for conscious media selection" (LaRose in Tokunaga, 2016, p. 345). The practices of internet use and internet habits are "reciprocal in nature" (LaRose in Tokunaga, 2016, p. 345). Media habits, according to LaRose and Takunaga, become dominant as internal and external factors set an "internet routine that ends in some reward" (Tokunaga, 2016, p. 443). In addition, a reiteration of a certain task can speed up the development of a particular media habit (Bayley cited in Tokunaga, 2016) that progresses following a goal (LaRose, 2010). Over half of all media behaviors, as Wood, Quinn, and Kashy (cited in LaRose, 2010, p. 194) find, are "habitual". Media habits, according to LaRose (2010, p. 217), are linked to "automaticity in media consumption" that develops following people's "repeat media consumption behavior in stable circumstances". Dependency of people on the internet and digital devices increased globally during the COVID-19 pandemic which influenced people's internet habits also media consumption habits.

## **Methods**

The method of in-depth interview was followed in this study to collect data from the field. In-depth interviewing is a popular standard technique for collecting data in qualitative studies because of the flexibility of the process (Bryman, 2008) which accommodates a small number of samples, and discrete answers, and facilitates scopes for a thorough background (Wimmer & Dominick, 2011). In-depth interviews, according to Charmaz and Belgrave (2012), further assist in examining institutional change and professional strategy. The authors conducted interviews with 12 persons, living in and around Dhaka city, who quit their habit of reading print dailies during the COVID-19 pandemic. Of the 12 interviewees, six were males

and six were females. All interviewees, aged 30 to 40, came from seven different professions including teacher, journalist, financial analyst, farmer, housewife, and entrepreneur. All interviewees were university graduates, and they belonged to middle-class families.

A semi-structured questionnaire was followed while conducting the interviews online also in May 2022. The semi-structured questionnaire, according to Bryman (2008, p. 471), is preferred in qualitative research as it allows a researcher to ask questions, following an interviewee's responses, from outside the list, and ensures "a great deal of leeway" for an interviewee in how to respond. The authors of this paper asked questions to interviewees covering a range of areas that included the habit of newspaper reading; reasons for quitting reading print dailies; new sources of information; satisfaction; and the future of print newspapers. The interviewees were selected following the purposive sampling method that encouraged the selection of samples to meet "specific characteristics or qualities" (Wimmer & Dominick, 2011, p. 94). Three themes were generated from the interview data following the basic categorization technique to present the findings and put forward the discussion. While the first theme -- fear of infection of COVID-19 drove papers away, new habits precluded it from coming back -- answers RO1, the second one -- satisfied with digital platforms, yet passion for print papers survives - responds to RQ2 and RQ3. The third theme – future of print newspapers: worries there, hope too – answers RQ4.

## **Findings**

# Fear of Infection of COVID-19 Drove Papers Away, New Habits Precluded it from Coming Back

The fear of contracting the COVID-19 virus, either through paper or getting in touch with newspaper hawkers, forced the subscribers of print dailies to stop purchasing papers at their households, quickly after the beginning of the countrywide shutdown in March 2020. Even though the average length of the habit of reading print newspapers of the interviewees was over 20 years, they decided not to welcome copies of print dailies to their homes, considering the safety of themselves as well as their family members, especially the elder ones. As an interviewee who has been working as a reporter for a Dhaka-based television channel for over 15 years was saying:

"I did not want to bring any outside substance including newspaper into our house as they could be the carrier of coronavirus. I wanted to ensure my aged father does not get infected with COVID-19 from any source. My father has been a regular reader of print newspapers for years and it was hard for him to pass days without reading newspapers. However, we had to stop purchasing newspapers for our home on the ground of the safely."

Drop of Circulation of Print Dailies during COVID-19 Crisis in Bangladesh

Although the decision of the subscribers of not to welcome print newspapers to their households was taken in a pandemic situation, the interviewees said they were influenced by a message that identified newspapers as a potential source of transmission of the COVID-19 virus. Though the interviewees were initially not sure about the rationality of the message, they believed that they learnt it either from mainstream media or social media. An interviewee who works as a financial analyst in a Dhakabased private bank said:

"I learned from web-based sources that copies of print newspapers could be a source of transmission of the COVID-19 virus. I was not entirely sure about this information, but I could not ignore it too. In fact, I am still not clear about it. In addition, we did not want a newspaper hawker to reach our door every morning with a paper."

The amount of internet usage by the interviewees increased during the pandemic days. They used the internet for multiple purposes, from browsing news portals and social media platforms to doing personal and official communications. A 36-year-old interviewee who became a reader of print newspapers in his childhood said he became a heavy user of social media at the beginning of the pandemic. In this process, he started finding information for him from social media. His level of consumption of news on free online news portals increased too during the pandemic days. As he was saying:

"I found alternatives to print newspapers, and I gradually adapted myself to reading news on online platforms of news organizations. In this new habit, I hardly felt that I missed important national and international news. I am now accustomed to finding news on internet-based sources."

Almost a similar opinion came from another interviewee who is a full-time faculty at a public university in Bangladesh. She said she and other adult members of her family became familiar with the process of reading news on free online news portals during the pandemic days.

"I developed a habit of reading news on online news portals during the pandemic days. And, I have already become used to it. Now, I know how to find news quickly from online sources."

# Satisfied with Digital Platforms, Yet Passion for Print Papers Survives

A certain level of satisfaction was noticed among the interviewees, at least in terms of finding news and information, over the use of digital platforms during the pandemic. Two factors were predominantly present behind this gratification. According to the interviewees, they could access information sources, mainly online news portals and social media pages of news organizations, anytime and from anywhere using their mobile phones and other portable devices. This opportunity helped them grow a habit of

consuming information and news on digital platforms, breaking the bar of time and space. As an interviewee said:

"I can access the same contents on an e-paper. Also, I can read e-papers on my smartphone whenever I want. So, I think going digital is more convenient."

Almost a similar notion was shared by a housewife interviewee who spends most of her time taking care of her two children. As she was saying:

"I can barely manage time now to sit idle with a print newspaper. Instead, I browse through the internet for news on my mobile phone or watch news tickers on television channels whenever I find some free time."

Another factor that discouraged several interviewees from resubscribing print dailies for their houses was the cost of print newspapers. In Bangladesh, almost every popular newspaper and television station has dedicated online news portals which are free. Only one national daily does charge a fee for accessing its e-paper version which is way too low than the price of its print version. Several interviewees think that reading news online is much cheaper than subscribing to print newspapers for news and information. In addition, news organizations release news on their social media pages, especially on Facebook, Instagram, and YouTube, regularly which audiences can access without spending their money. As an interviewee who owns a cattle farm near Dhaka said:

"Before the pandemic, I was a subscriber of print copies of two national dailies, and I had to pay Tk 12,000 (\$130) in a year as a subscription fee for these two newspapers. Now, I pay Tk 400 (\$4.30) only for subscribing to the e-paper of one of the dailies for a year. The e-paper version of other newspapers is free. So, reading e-paper is economically viable too."

However, the interviewees showed a strong passion for reading print newspapers. Though they no longer subscribe to print dailies for their households, they cherish their long-time habit of reading print newspapers. As another housewife interviewee was saying:

"It feels like I am missing some important news [on digital platforms]. It does not feel complete to read news on online platforms. There is a question of contentment too. The taste of reading a print paper is lost while I read the news on my smartphone. Instantly, it gives me a machine-like artificial feeling."

A journalist interviewee also shared a similar thought. As he said:

"I am quite familiar with the way news is arranged in a print newspaper. Scanning and finding news on a print paper is Drop of Circulation of Print Dailies during COVID-19 Crisis in Bangladesh

easier than locating news on digital platforms. Besides, reading e-papers on smartphones is not convenient for the eyes. I face difficulties in reading e-papers on my phone. Sometimes, I miss important news on an e-paper."

## Future of Print Newspapers: Worries There, Hope Too

The interviewees have given a mixed reaction about the future of print newspapers in Bangladesh. While several interviewees foresee a positive future for print papers, others believe this form of mass media will struggle to survive in the future. An interviewee who teaches International Relations at a university thinks that factors like the birth of new readers, multipurpose usage of copies of print newspapers, and the existence of common platforms such as educational institutions, offices, libraries, and tea stalls will ensure a positive future for print newspapers in Bangladesh. A journalist interviewee opines that the appeal of print newspapers will not fade away soon because of its features which offer comfort to readers while reading news in it. An interviewee who teaches communication and journalism at a university thinks the market for print newspapers will shrink in Bangladesh in the coming days, but it will not disappear.

Some interviewees stressed the need to concentrate on the contents of print newspapers to fulfil the demands of modern-day subscribers. As an interviewee who is an entrepreneur said:

"Print newspapers need to evolve on a regular basis to survive taking the demands of their readers into account. They need to bring variations and dimensions to their papers by doing research and analysis. Print papers should build a bridge between readers of digital platforms and print copies, and they should target both groups of readers for their survival."

On the contrary, some interviewees think that a dark future is looming for print newspapers in Bangladesh since people, especially the youth, are becoming more comfortable on the internet with digital devices than ever before in finding required information and news. They think people will gradually learn to live without reading print newspapers in the future. As a housewife interviewee said:

"Young people are not into reading print copies of newspapers. They seem to be content with online platforms as their sources of news and information. I think print newspapers will disappear from Bangladesh's news industry within the next 20 years."

Another interviewee predicts that circulation of print dailies will drop on a regular basis in the future but this medium will never be non-existent altogether as a group of people, especially aged ones, will prefer reading print newspapers over online news portals.

## **Discussion & Conclusion**

According to Schoenbach et al. (1999, p. 225), the print newspapers have become an "endangered species". Since the beginning of the 1970s, the circulation of print newspapers has declined everywhere in the world, except in some third-world or "threshold" countries (Schoenbach et al., 1999, p. 76). Over the years, print newspapers have been hit by several crises, including global recession, domestic setbacks, and inflation. The latest thwack in the list for print newspapers was probably the financial crisis and the loss of readers during the COVID-19 pandemic. Over the past 15 years, more than one in five newspapers in the United States has shuttered, and the number of journalists working for newspapers has been cut in half (Takenaga, 2019). The prominent print dailies in Bangladesh are gradually concentrating more on internet-based platforms to reach the growing online-platform-based audiences, thus surviving in the challenging media economics context.

Since readers are the driving strength for print newspapers, a decline in the readership of print copies of papers is a concern for the entire newspaper industry, especially in contexts of survival and revenue generation. Arguably, reading print dailies is a habit that people of this country have been following for years. The contents of print newspapers still become the topics of discussion in public gatherings and meetings with friends and family members. Apart from hurting the print newspaper industry financially, the COVID-19 pandemic left a long-time impact on print newspapers which was the decline of subscribers of papers. Since a certain group of subscribers of print dailies quit purchasing print papers in their households and become used to or developed a habit of reading news on online platforms during the COVID-19 pandemic, print newspapers may need to come up with new ideas to get those subscribers back. This study understands that a longtime habit of reading print newspapers may change if a person continues reading news on online news-based platforms or consumes news in other forms of mass media. This paper also finds that the new habit of reading news on digital platforms during COVID-19 has created an invisible bar to the path of the return of print newspapers to people's households every morning. Despite the fact that people, who have been readers of print newspapers for years, hold a strong passion and love for print papers, they were unsure, at least up until May 2022, whether or not they would restart their pre-COVID-19 practice of subscribing to print newspapers at their households. This is what adds a level of worry to the already existing threats to print newspapers regarding their survival in this digital era. This paper argues that print newspapers in Bangladesh will face difficulties, at least in terms of holding readers, in the days ahead as people, especially educated youths, are gradually becoming accustomed to reading news on digital platforms. However, as this study understands, the affection of a certain group of people towards the print copies of newspapers will be there for a long time too due to the unique features of print newspapers.

#### Limitations

This study has several limitations. First, the size of the interview samples is small to reach a conclusive argument regarding any decision taken by the subscribers of print newspapers. Secondly, the phenomenon of not resubscribing print newspapers for households by readers was analyzed based on data collected through interviews conducted in a single month – in May 2022. The authors did not get back to those interviewees sometime after that to observe whether they returned to their original positions of being subscribers of print dailies. Thirdly, the data were collected from 12 city dwellers, based in and around Dhaka city, leaving the subscribers of print papers from other parts of the country, especially in villages, aside.

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# Urban Informal Economies and Patterns of Livelihoods in Gangtok, Sikkim

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## Abstract

The informal economy has its own dynamic in developing countries like India. This sector shares a huge percentage of informal workforces contributing to Gross Domestic Product of the Indian economy but the workers remaining in a vulnerable situation. Due to liberalization in India, the flourishment of new industries seen in Sikkim and this generates new form of employment opportunities in the state. The State capital Gangtok provides a huge number of migrant workers in the informal sector from the neighbouring states, Bihar, West Bengal, Assam, etc. As per the recent data around 142195 workers are under informal sector in Sikkim. These workers come from outside of the State and are engaged in various urban informal services. To study the informal employment and their vulnerability, sub-sectors namely tailors, taxi drivers, construction and garage workers are chosen and samples of 100 worker having 25 in each sub-sector. The analysis shows that the wage rate is lower than the legally prescribed minimum wage in Sikkim. The poor wage security is seen in their wages as the savings are very low. Even the workers don't have decent living and working condition in their workplace. The lack of skill affects their wage pattern. There is low level of social security for them. They are not even aware of the Governmental schemes. Therefore, they are still living in vulnerable condition.

Keywords: Informal Economy, Labour, Wage-pattern, Social-security

### Introduction

The term informal sector was first introduced by Keith Hart in 1973 (Hart, 1973). In 2003, the 17<sup>th</sup> International Conference of Labour Statisticians at the International Labour Organization (17<sup>th</sup> ICLS) defined the concept of informal employment as all paid work (including wage employment and self-

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employment) that is not registered, controlled, or otherwise protected by current legal or regulatory frameworks, as well as any non-paid activity carried out in an income-producing enterprise (International Labor Organization, 2003).

Like other developing countries, India has a large proportion of the youth population who are suffering from unemployment. In this case, most of them now started small businesses or are engaging in contractual basis work in the Informal sector. Most of the people are coming to urban areas because of jobs. Poorer sections of urban society and rural migrant workers can find relatively simple access to a variety of employment options in the urban unorganized sector (Reddy and Vinodini, 2005). According to NSSO 68th unit level data on employment unemployment 2001-2012 and periodic labor force survey 2017, Ranana Murthy computed that the number of people in the informal sector is 82.6% in 2011-12 as respectively this percentage increase in the year 2017-18(85.5%) and the growth of formal organized is too low in India around 0.7%. Although they are contributing a large amount to the GDP they are neglected by the government policies (Murthy, 2017). The socio-Economic insecurity creates a barrier to growth progress. Not only the worker but their family also suffer from the insecurity level of Job. These unorganized sectors livelihood patterns which is below the poverty line creates a barrier to achieving the country's development as a whole.

## **Overview of Literature**

In 1970 the term Informal economy considers an economic activity that occurred outside the official institution. The "informal sector" has been defined by numerous economists, including those working for well-known agencies like the World Bank and the International Labour Organisation (ILO), as something they must contend with, if only as a fact of life for the urban poor in the Third World (Hart, 1985). In third-world countries like Africa, the labour is surplus but not unemployed. They engaged in the Informal sector which has linked with the Formal sector and capitalism in its organized form as "Informal income opportunities" (Hart, 1973). There are several theoretical approaches taken into consideration to describe the Informal Economy. Mainly three approaches are considered in the whole theoretical work (Bhowmik, 2010). These are Dualist, structuralism, and legalist (Wilson, 2005). The dualist approach talked about the poor infrastructure in rural areas and formed an Informal economy by migrants in urban areas. The structuralism approach shows the exploitation of formal sectors in urban areas (Wilson, 2011). Therefore, in the concept of capitalism, Marxists remarked this as a patty commodity production (Hart, 1985). Lastly, the approach of legalism talked about individuals working in the unofficial sector protesting the bureaucratic regulations imposed by a mercantilist government that benefits the wealthy, implying that the informal sector is characterized by counter-hegemony (Wilson, 2011).

The informal economy has a huge contribution to the Gross Domestic Product of the economy. On a world basis, the economic contribution of the Informal sector varies. In developed countries like Sweden, Denmark, and Austria where urbanization is high the percentage of the Informal economy is 39%, 15.40%, and 16% respectively. On the other side developing countries like Brazil, Nigeria, and Thailand have 49.21%, 48.85%, and 42.24% (Ayvagari, 2007). Being a developing country, the picture is quite the same as other developing countries in the world. In the year of 1991, India introduces the liberalization reform which adjoins the flourishment of the deregulation effort which was started in the year of 1980s. During this time India increase privatization and disclosed the international flow of the Economy (Kohli, 2006).so, a huge number of workers are working in the Informal sector. The nature of the informal economy in India is people invest at their own risk in these small-scale industries, and production costs are often indistinguishable from household expenditure (Maiti, 2010). Similarly, the liberalization of India impacted the Sikkim economy. In 1975 Sikkim was merged with India and from there liberalization of economy between India and Sikkim took place. For this, many businessmen, and workers were coming from different parts of India. Also, on the other side, many hydropower projects were taken by the Sikkim government which create opportunities for the local and migrated workers (Mitra, 2019). On the other side, the migration rate can also create an Informal economy. The study of Chaudhury shows that of the migrant who came to Sikkim after 1975,35% of migrated people come to Sikkim in the year 1981 which is high among the other states of India and the socio-economic condition of the women as well as Labour are poor as the asset is being on the hand of people who came before 1975. This gap creates a major impact on the socioeconomic condition of the people and creates informality in working place as there are fewer facilities for them (Choudhury, 2021).

In the informal economy, the majority of the migrant worker is the only bread owner as their wives are housewives in their respective native places (Pattarnik, 2006). So, the dependency on the worker is high. But the earning wages are very low and they are insecurity of wages due to transport costs, raw materials, and political pressure. The vendors have to pay a certain amount from the earning money. Even if they don't have a bank account (Patel et al., 2014). The savings amount is too low around 300 Rs. a month (Hassan et al., 2015). In an informal economy, there is always gender bias in decisions by small industries. So, women are neglected by the organizer. They are suffering from job insecurity (Coelho et al., 2012). The medical facilities show a similar vulnerability. There is no available first aid box on the construction side worker (Pattarnik, 2006). The study in the town area of Sikkim shows that migrant taxi drivers are facing financial, health problems, and wage insecurity in the town, Singtam (Mitra, 2019). Thus, in spite of contributing to the huge GDP in the growth of the economy the livelihood pattern of the Informal worker is poor and they are not able to break into the barrier and give their family a better stand of living.

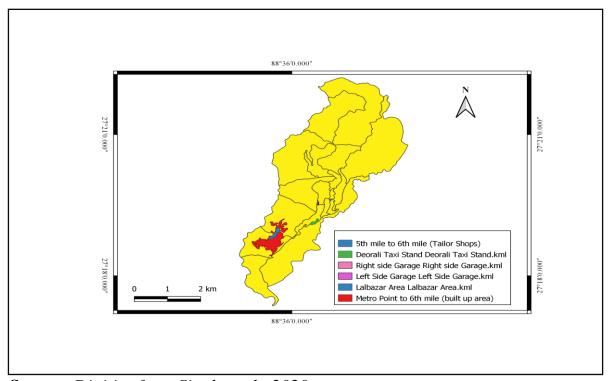
Urban Informal Economies and Patterns of Livelihoods in Gangtok, Sikkim

Considering this, the study primarily aims to analyze the working conditions and pattern of Livelihoods in the Selected sub-sectors (Garage workers, Taxi drivers, Construction workers, and Tailors) of the Informal Economy. It further seeks to suggest measures to overcome the difficulties and challenges faced by Informal Workers.

## **Sources of Data**

This study is done on the basis of Secondary and Primary data. There are some published and unpublished data which is taking consideration to fulfill the objectives of the current study. The data provided by the government offices of Sikkim like Directorate of Economy, Statistics & Monitoring and Evolution (D.E.S.M.E), Labour Department, Middle Lingding is used in this study. Year wise data of Gross District Domestic Production is taken from the D.E.S.M.E and the unpublished data of Informal labour mobility, District wise workers of Informal labour (within state, outside state, and foreign national), participation of Informal Sector (male & female) are taken from the Labour Department office. State, district level data was collected from District Census Handbook. The primary data was being collected through questionnaire in four locations with target group of Informal workers.

**I:1 Map:** Field Site of Primary Survey



Source: Digitize from Singh et al., 2020

# Methodology

Four informal sectors were chosen to analyze this study. These are Construction, Tailoring, Garage, and Transport services. The samples were collected from four worker areas, Lalbazar (lower MG Murg), Indira Bypass area (Lower Sichey 2), Deorali taxi stand (Deorali), and Tadong to Ranipool.

This study is done with 25 samples of each Informal sector by snowball sampling method as no of labourers are unknown. The secondary data has been collected and analyzed from both the published and unpublished data. The primary and secondary data are processed through various software like Excel and SPSS. For the comparison study of four sectors the data of demographic condition (age, religion, native places, caste, and education qualification), economical condition, social security (availability of washroom, fast aid box, pandemic facilities, medical facilities) were putted into the SPSS software. To calculate the average monthly income, monthly expenditure, and savings arithmetic mean is used to calculate this.

## **Study Area**

Sikkim's east district is home to the Northeastern Himalayan town of Gangtok. According to the Census of India (2011), the total area of the Gangtok subdivision is 563 km<sup>2</sup>, in this area 541.83 km<sup>2</sup> is rural and 21.17 km<sup>2</sup> is urban (Census of India, 2011). Gangtok urban area has a higher population (52.41%) than the rural (44.46%), making up the total 219450, the total population of Gangtok. According to the Census of India (2011), There were total 9 towns (including the Census town) in Sikkim. These are Mangan(NP) in North District, Gyalshing, Bazar Area in the West District, Namchi, Jorethang (NP) in the south and lastly the East district relatively large number of towns like Gangtok (M.Corp.), Singtam (NP), Rangpo (NP), Rhenak (CT), have the least number of people (5.03%) among the all cities in Gangtok (Census of India, 2011). In terms of literacy; all the districts of Sikkim have more literacy rate than the national average of 74.04%. In Sikkim, the East district has the highest literacy rate (83.85%). The literacy rate of Gangtok is 77.09% almost 6.76% less than the East district. But the literacy rate of Gangtok (Municipality Corporation) is 81.08%, almost 3.99% greater than the Gangtok. Regarding the Sex Ratio, the state has 890 females for every 1000 males, compared to the

## **Abbreviations**

NP- Nagar Panchayet

M.Crop.- Municipality Corporation

CT- Census Town

national average. Only the West and South districts have a Sex Ratio that is higher than the state average. In Sikkim the West District stands first with 942 females per 1000 males, followed by the Southern District (915), the East District (873), and the West District with 767 females per 1000 males. Gangtok (Municipality corporation) has a 912 Sex Ratio (Females per 1000) which is lesser than Gangtok (856 females per 1000) (District Census Handbook, 2011).

As per the 1991 census the categories of workers are nine. These are Cultivators, Agricultural labour Livestock and forestry Livestock Forestry etc., Mining and quarrying, Household industry, Construction Trade and Urban Informal Economies and Patterns of Livelihoods in Gangtok, Sikkim

Commerce, Transport & storage communication, others workers. And in 2001 the category of worker is four. In Gangtok the main and marginal workers are high in respect to Sikkim and East District. In the category of workers, mostly the temporal variation shows a complete picture of changing economy where the more workers are engaging in the service sector (Household Industry, others) and Gangtok Urban area have the highest percentage of workers in this category and this is an indication of the mobility of the labourers in cities like Gangtok, also emerging of Informal economy.

**Table 1:** Census Year-wise Trend of Workers

Indiantons	Vaar	Cildina	East	Gangtok
Indicators	Year	Sikkim	District	(Urban)
	1991	40.45	37.14	56.7
Main Worker (%)	2001	39.4	37.8	39.16
	2011	37.73	39.16	46.55
	1991	1.06	1.37	1.6
Marginal Worker (%)	2001	9.3	9.8	2.8
	2011	12.73	10.09	7.28
No Worker (0/)	2001	51.4	52.4	32.6
No Worker (%)	2011	49.53	52.4	69.5
Cultivator (0/)	2001	49.9	32.6	0.2
Cultivator (%)	2011	38.1	22.54	0.44
Agricultural (%)	2001	6.5	7	0
Agricultural (%)	2011	8.43	8.22	0.4
Household Industry	2001	1.6	1.8	7.7
(%)	2011	1.67	1.72	1.19
Others (0/)	2001	42	58.7	98.61
Others (%)	2011	51.8	67.51	84.43

Source: District Census Handbook 1991,2001,2011

Similarly, in relation between the selected sub-sectors of Informal Economy and the GDDP of sates are showing the increasing pattern of targeted workers and the total GDDP of Sikkim. Year-wise the Subsectors from 1991 is rapidly increasing on the other side in case of urban area like Gangtok where the percentage of sub-sector is high in respect to Sikkim, and East District. In respect to GDDP from the selected subsectors are also increasing. So, a Urban area like Gangtok is creating opportunity for the labourers and this fulfill the demand of service sectors.

Table 2: Relationship between Selected Sub-sectors and Gross District Domestic Product

Selected		199	1	Selected			2001		2011			
Sub-				Sub-sectors								
sectors	Sikk im	East Sikkim	GDDP of Sikkim (in Lakh)		Sikkim	East District	Gangtok (Urban)	GDDP of Sikkim (in Lakh)	Sikkim	East District	Gangtok (Urban)	GDDP of Sikkim (in Lakh)
Transport & Storage Communic ation (%)	1.47	3.26	941	Others Worker (%)	42	58.7	98.61	33353	51.8	67.51	84.43	140558
Constructi on (%)	7.5	10.61	3044									
Other Workers (%)	13.1 4	19.54	2690									
Total GDD	P (in L	akh)	6675	Total GDDP	(in Lakh)	)		33353	Total G	DDP (in I	Lakh)	140558

Source: District Census Handbook 1991,2001,2011 and calculated from the unpublished data provided by DESM &E-Office,202

# **Limitations of the Study**

- Due to unavailability of Town wise data of Informal Economy it's become difficult to study the micro level analysis of the Informal Economy in Urban areas.
- The data of inter-sate migration and the migration from the other states is not taken consideration due to a lack in the amount of data
- This study is only done on the basis of 4 Informal sub-sector so; the finding is only based on these sectors.
- The data of formal economy shares, and Labour registration card issues year-wise is not given by the Labour Department of Sikkim.
- For the taxi drivers, only one taxi stand is chosen due to the short period of time for research.
- The very young workers (18-20 age) who just came from other places the operator doesn't want to give the survey details of the respondents, due to the peak season of the taxi drivers are not able to give sufficient time for interaction.

# Trends of Economy and Informal Sector in Sikkim

There is an end number of objectives that are used to represent the Informal Economy. These are hidden, parallel, gray, underground, unorganized, shadow, unregulated, alternative, and illegalness. (Schoof's, 2015). The main two approaches which can use to define the Informal Economy is the Definitional and Behavioral approach. The Definitional approach considers it as unrecorded and on the other side Behavioral approach considers it as an economic activity (Fleming et al., 2000). Although there are numerous issues regarding the based definition of the Informal Economy it's become an important phenomenon in various countries in recent days. In past decades the world economy is confessing to some kind of economic crisis. As a result, the flourishing of the Informal Economy is becoming an essential occurrence in the different parts of the world economy (Chen, 2010). So, nowadays the study of the formation, flourishment, and impact of an Informal Economy in an individual country's economy becomes a more interesting topic in the study of geography.

# District-wise Economic Trends and Employment in Sikkim

The rapid process of urbanization and Sectoral Flourishment may be one of the major reasons for the high demand for Informal Labour. On the other side, the informal sector and formal sector interlink with each other in the context of material, labor, and finished product. Instance, both informal and formal sector helps to increase the rate of Gross state domestic Product of Sikkim. With respect to the data of DESME, 2022 the temporal analysis of GDP shows that in the primary sector, the GDP contribution percentage was 8.14% in the year of 2011-12 and it's become 7.83% in the year of 2020-21. The

secondary sector contributed 61.29% in the year 2011-12 and the contribution of secondary sectors in the year 2020-21 is 56.60%. But in the case of the tertiary sector, the contribution of gross state domestic product increased over the period. In the year 2011-12, the contribution was 28.12 and it's become 31.12% in the year of 2020-21. So, in Sikkim, the tertiary and secondary sectors contributed a major role in the agricultural sector over the period of time. The flourishment of the truism industry may be one of the reasons behind it as.

**Table 3:** Year wise GDDP Trend in Sikkim (2011-12 to 2020-21)

Contains	2011-	2014-	2017-	2020-
Sectors	12(%)	15(%)	18(%)	21(%)
Agriculture, Forestry &	90137	99226	130498	148295
Fishing	(8.07)	(7.59)	(7.38)	(7.79)
Cuana	78207	84688	111000	129243
Crops	(7.00)	(6.48)	(6.28)	(6.79)
T	7627	9547	13026	13136
Livestock	(0.68)	(0.73)	(0.74)	(0.69)
Forestery and locains	4017	4606	5937	5298
Forestry and logging	(0.36)	(0.35)	(0.34)	(0.28)
Eiching	287	385	535	618
Fishing	(0.03)	(0.03)	(0.03)	(0.03)
Mining & Onomying	800	1097	1273	789
Mining & Quarrying	(0.07)	(0.08)	(0.07)	(0.04)
Total of Drimony Sector	90937	100323	131771	149084
Total of Primary Sector	(8.14)	(7.68)	(7.46)	(7.83)
		523485	782910	753791
Manufacturing	430623	(40.05)	(44.30)	(39.59)
	(38.57)	· · · ·		, ,
Electricity, Gas, and water	186623	180893	212158	253214
supply	(16.71)	(13.84)	(12.00)	(13.30)
Construction	67095	66452	69658	70629
	(6.01)	(5.08)	(3.94)	(3.71)
Total of Secondary Sector	84341	770831	1064726	1077635
J 10 10 10 10 10 10 10 10 10 10 10 10 10	(61.29	(58.97)	(60.24)	(56.60)
Trade, Hotel, and	21.446	60093	76207	107606
Restaurants	31446	(4.60)	(4.31)	(5.65)
	(2.82)	. ,	, ,	, ,
Transport, Storage &	20265	40088	49843	54951
Communication	28365	(3.07)	(2.82)	(2.89)
	(2.54)	20772	27(21	42070
Transport by other means	21351	29772	37631	42879
	(1.91)	(2.28)	(2.13)	(2.25)
Communication	7014	10315	12212	12072
	(0.63) 16521	(0.79)	(0.69)	(0.63)
Banking and Insurance		19558		35939
	(1.48)	(1.50)	(1.36)	(1.89)

Urban Informal Economies and Patterns of Livelihoods in Gangtok, Sikkim

Real estate, ownership of a	58394	62725	66880	73742
dwelling	(5.23)	(4.80)	(3.78)	(3.87)
Public Administration	74027 (6.63)	10315 (6.83)	12212 (5.20)	12072 (7.70)
	` /	, ,	` '	` ′
Other Services	105197	116568	127338	173703
Other Bervices	(9.42)	(8.92)	(7.21)	(9.12)
Total of Tantiany Sector	313932	388300	436133	592545
Total of Tertiary Sector	(28.12)	(29.71)	(24.68)	(31.12)
Total State Value added at	1089210	1259455	1632630	1910262
Basic	1089210	1259455	1032030	1819263
Product Taxes	40600	60603	140920	94178
Product Subsidies	13300	13960	6215	9449
<b>Gross State Domestic</b>	1117510	1207007	17/7225	1002000
Product	1116510	1307097	1767335	1903998
Population(lakh)	(6.14)	(6.33)	(6.54)	(6.73)
Per capita income (in Rs.)	18142	206492	270235	282911

Source: Calculated from the data provided by DESM &E-Office, 2022

There is a shift in industry location after World war-2. Due to the profit maximization concept in the mind of capitalists, the industries were formed in the developing part of the world where the mass population is in poverty because of unemployment. These decrease the bargaining power of the labor which is beneficial for the capitalist. On the other side, the process of formalization is very low in developing countries. So, the unemployed population is seeking a job to full fill their basic need. they found opportunities in the informal sector. As Simon said, "Underemployment is better than employment, subsistence preferable to starvation" (Simon, 1984:570). Thus, this informal economy helps the people as well as economic development.

## Trends and Patterns of the Informal Sector in East Sikkim

In cities where economic growth has lagged behind population growth, the informal sector is expanding quickly. It is now widely acknowledged that industrialization has not produced enough expansion and formal employment opportunities to absorb the substantial increase in urban labor supply resulting from urban population growth in low and middle-income countries due to both migration and natural increase (Castells and Portes 1989; Elgin and Oyvat 2013; Meagher 1995; Moser 1978). Crush et al., (2015) said "The numbers of international migrants are frequently exaggerated, it is clear that they have played an increasingly important role in the Informal Economies of South African cities over the last two decades". The work of Rogerson shows how migrant people join an urban informal economy (Rogerson, 2000; Rogerson, 2008). Besides retailing, the migrant is also engaging in recycling and repairing. Like garage machines and phone repair (Rogerson, 2008). The small clothing industries, taxi drivers, and street barbers are seen in the informal market in cities (Rogerson, 2000). In east Sikkim mainly Gangtok

there are many industries formed in recent days. Mainly tourism industry flourished in such a way that it contributes a large amount of GDP to the economy of Sikkim. There is a rapidly increasing rate of tourists in Sikkim. From the year 2014, around 562418 people from the country and 49175 people from foreign countries visitors came in Sikkim whereas the number of tourists in the year 2019 is 1421823 people from the country and 133388 people from foreign. So, the number is increasing by around 152.80% with respect to the country's visitors and 171.251 per cent of foreign visitors (Ministry of Tourism, 2014; Ministry of Tourism, 2019). For this accommodation also increased by providing goods and services. Mainly transport, hotel services, hospitality, electricity, water supply, and other accommodation like a shopping mall, Bazar, and traditional cloth shops are rapidly increasing nowadays and it's expanded the process of urbanization in Gangtok. These accommodations need workers to build and maintain Many workers are coming from different regions and are engaged in informal or unorganized sectors.

The trend of the Informal Sector shows the contribution of the informal Workers from different states/ Union Territory of India to the Economy of Sikkim. This trend of the migrated workers represents that from the October 2020 to 20th April, 2022 the no. of total migrated workers is 137348. In Distance wise the most of the workers are from immediate neighbor states. The percentage is 96.76%. In respect to state wise total migrated workers the most of the workers are from West Bengal and Bihar. The percentage is 50.73% and 29.53%. Similarly, in trend wise also, from October 2020 to 28<sup>th</sup> Feb 2022 around 112533 (97.09%) workers are from the immediate neighbor states, 2991 (2.58%) workers are from moderate neighbor states and 379 (0.33%) workers are from distance neighbor states. Likewise, 29<sup>th</sup> Feb to 22<sup>nd</sup> March and 23<sup>rd</sup> March to 20<sup>th</sup> April 2022 the highest no. of workers is from immediate neighbor states. The no. of workers in respective dates are 16923(93.98) and 3417 (99.51%). These shows a high positive trend of the migrated worker are joining rapidly in the Informal Sector in a short period of time and these workers are from the states like West Bengal and Bihar. In region wise most of the workers are coming from North Bengal. So, the most of families of the immediate neighbor states are depend upon this Informal economy of Sikkim. Therefore, Less employment opportunities and less wages become a push factor for migration to Sikkim from their native.

# Urban Informal Economies and Patterns of Livelihoods in Gangtok, Sikkim

Table 4: Spatial Interaction and Mobility of Informal Labourers in Sikkim

		on and Modin	y or informa	Labourers	III OIKKIIII			/D · 1	
Distance of Class from the capital of the states to Sikkim (Road distance in km)	States/ Union Territory	October 2020 to 28th Feb 2022	Percentage	29 Feb to 22nd March	Percentage	23 <sup>rd</sup> March to 20th April 2022	Percentage	Total Informal Labour (October 2020 to 20th April 2022)	Percentage
	West Bengal	59442	51.29	8540	47.42	1699	49.48	69681	50.73
	Bihar	33523	28.92	6377	35.41	654	19.04	40554	29.53
0-1000 Km	Sikkim	10004	8.63	10	0.06		0	10014	7.29
(Immediate Neighbour	Jharkhand	6892	5.95	826	4.59	801	23.33	8519	6.2
States)	Assam	2669	2.3	1167	6.48	263	7.66	4099	2.98
	Nagaland	2	0	2	0.01		0	4	0
	Meghalaya	1	0	1	0.01		0	2	0
Sub-Total		112533	97.09	16923	93.98	3417	99.51	132873	96.74
	Odisha	1825	1.57	182	1.01	8	0.23	2015	1.47
	Delhi	882	0.76	2	0.01	1	0.03	885	0.64
	Uttar Pradesh	147	0.13	427	2.37	1	0.03	575	0.42
1001 2000 W	Madhya Pradesh	93	0.08	8	0.04		0	101	0.07
1001-2000 Km (Moderate	Manipur	20	0.02	8	0.04		0	28	0.02
Neighbour States)	Himachal Pradesh	15	0.01	15	0.08		0	30	0.02
States	Haryana	8	0.01	2	0.01		0	10	0.01
	Tripura	0	0	0	0	1	0.03	1	0
	Arunachal Pradesh	1	0	27	0.15		0	28	0.02
	Chhattisgarh	0	0	1	0.01		0	1	0

Society & Change

	Mizoram	0	0	0	0	1	0.03	1	0
Sub-Total		2991	2.58	672	3.72	12	0.35	3675	2.68
	Tamil Nādu	128	0.11	128	0.71		0	256	0.19
	Andhra Pradesh	65	0.06	65	0.36		0	130	0.09
	Maharashtra	88	0.08	20	0.11	5	0.15	113	0.08
	Kerala	64	0.06	15	0.08		0	79	0.06
2001-3000 Km	Punjab	10	0.01	10	0.06		0	20	0.01
(Distance	Kashmir	7	0.01	5	0.03		0	12	0.01
Neighbour states)	Karnataka	4	0	4	0.02		0	8	0.01
states)	Telangana	4	0	4	0.02		0	8	0.01
	Bangalore	3	0	3	0.02		0	6	0
	Gujrat	3	0	159	0.88		0	162	0.12
	Ladakh	2	0	2	0.01		0	4	0
	Hyderabad	1	0	1	0.01		0	2	0
Sub-Total		379	0.33	416	2.31	5	0.15	800	0.58
Grand Total		115903	100	18011	100	3434	100	137348	100

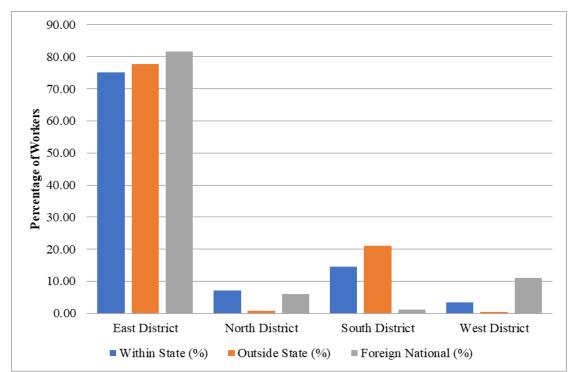
Source: Source: Directorate of Economics, Statistics & Monitoring, and Evaluation, 2022

So, the workers from both local and migrant are finding many job opportunities in the informal sector of East Sikkim. Around 14295 withinstate, outside-state, and foreign Labours are engaged in the informal economic sector of Gangtok. From there 10014 laborers are from with state, 1277703 laborers are from non-local, and the other 4478 laborers are from foreign countries. The data shows that the number of high laborers is from out of the state in the Informal Economy. The difference between within-state and outside-state workers is 117689. In respectively the laborers are high in the east district of Sikkim. The percentage of within-state, outside-state, and Foreign countries Labours in East Sikkim district is 75.085%, 77.69%, and 81.69% respectively. Within that 77.69% of Non-Local laborers are engaged in the Informal Economy in East Sikkim which signifies that there is a high demand for Informal migrated Labours in this district. The total Labours of East Sikkim in the Informal Economy is 110391 people. Relatively, the South District, North District, and West District of Sikkim is ranked 2nd, 3rd, and 4th respectively. The rapid process of urbanization and Sectoral Flourishment may be one of the major reasons for the high demand for Informal Laborers. Hence the contribution of the Informal Laborers can be noted down in the economy of the urban area of Sikkim.

**Table 5 District**-wise Workers in the Informal Sectors from 20<sup>th</sup> October 2020 to 20<sup>th</sup> April 2022

2020 to 20 11	DIII 2022			
Districts	Within State	Outside State	Foreign National	Grant Total
East District	7519	99214	3658	110391
East District	(75.08)	(77.69)	(81.69)	(77.63)
North District	714	1033	270	2017
North District	(7.13)	(0.81)	(6.03)	(1.42)
South District	1449	26932	54	28435
South District	(14.47)	(21.09)	(1.21)	(20)
West District	332	524	496	1352
West District	(3.32)	(0.41)	(11.08)	(0.95)
Total	10014	127703	4478	142105 (100)
Total	(100)	(100)	(100)	142195 (100)

**Source:** Directorate of Economics, Statistics & Monitoring, and Evaluation, 2022



**Chart I:** District-wise Distribution of Workers in Informal Sectors

**Source:** Directorate of Economics, Statistics& Monitoring, and Evaluation, 2022

Table (3) shows that the total number of male and female informal laborers in Sikkim is 136818,5377. So, no. of male informal Workers is high in this state. In the male worker percentage also, a high percentage of male Labours is seen in the East District of Sikkim and South District, North District, and West District ranked 2nd, 3rd and 4th respectively in the percentage of male informal workers. The total number of female informal workers in Sikkim is 5377. The majority of the female informal workers are seen in the East District of Sikkim. The percentage of female workers respected by the total female worker is 89.92 %. Which signifies that there is a high opportunity for females in the East District of Sikkim.

**Table 6:** District-wise Participation of Males and Females in the Informal Sectors

Dectors						
Districts	Male	Male Workers (%)	Female	Female Workers (%)	Grant Total	Percentage
East District	105896	77.4	4835	89.92	110731	77.87264
North District	1901	1.39	209	3.89	2110	1.483878
South District	27830	20.34	192	3.57	28022	19.70674
West District	1191	0.87	141	2.62	1332	0.936742
Total	136818	100	5377	100	142195	100

**Source:** Directorate of Economics, Statistics & Monitoring, and Evaluation, 2022

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**Chart** 2 District-wise Participation of Workers in Sikkim



**Source:** Source: Directorate of Economics, Statistic & Monitoring, and Evaluation, 2022

## Policies Related to Informal Labour in Sikkim

The Inter-State Migrant Workmen (RE&CS) Act by the government of India was established in 1979. This Act was enforced in Sikkim in the year 1983,7th June. In this act, every establishment and contractor employing 5 or more migrant workmen is required to register themselves. One-time Registration is applicable to the principal employer only. Each year, the license will be up for renewal. It is applicable to Employers and Contractors both. To date, 11822 Inter-State Migrant Workers registered in the Unorganized sector. On the other hand, 220 nos. of Contractors have been registered to date. An act for Unorganized Sector workers for social security published in 2008 by the Government of India. This Act was enforced in Sikkim in the year of 2009,16<sup>th</sup> May. The e-SHARM portal is also there for Informal Labor. Once they registered themselves in this, they don't need to register any other scheme for social security. The workers will be paid 2 Lakhs for accidental death and 1 Lakh for partial disability. The accidental insurance is covered by Pradhan Mantri Suraksha Bima Yojana (PMSBY) for 365 days. This will not only provide social security but also help eligible Informal workers in case of pandemics and calamities. Also, it kept the all records and create more job opportunities for them. Till now 152532 workers are under e-Sharm portal-1(DESM&E, 2022).

Liberalization creates a major impact on the Economy of India. The formation of urban cities in different parts of India where due to the flourishment of the new industries in urban areas the unemployed people and people from the rural area migrated from rural to urban. As the city-centric Industrial development flourishes day by day people from rural areas or the periphery states are coming to the urban center, on the other side the city-oriented population growth is there. So, a huge portion of the population is

taking to jobs in the Informal sector. This Sector has its own contributions to the economy as it is related to the formal sector. Similarly, the analysis shows the picture of the growth of the informal economy in Gangtok with respect to the data and literatures.

## Comparative Analysis of Sub-sector: Case study Approach

The rapidly growing industries in the urban area of Sikkim create opportunities for the people of that place and the periphery states of Sikkim. The population growth in urban areas is becoming very high nowadays and a recent study shows that overpopulation creates by the growth of the population in urban areas than the migration from the other area. Therefore, people are suffering from unemployment and engaging in the informal economy with low wages (Papola, 1988). On the other side workers who came from the outside part of the state for the better living condition remain living in the poor condition in the urban area. To, analyze the livelihood patterns of different subsectors of the Informal Economy the living condition, wages patterns savings are considered in this study. The garage, taxi drivers, construction workers, and tailors from different areas of Gangtok livelihoods pattern are described below with respect to the field survey.

In the four Informal subsectors only in two subsectors (Construction and Tailoring) the female participation seen in this urban area. Mostly young age group labours are seen in 3 sub-sectors like in garages, taxi stands, and construction side. This kind of job is labourious so the contribution of youth population seen in this sector but on the other side the tailoring work is being done under the roof so the elderly people can also take participate in this job. In the caste wise the most of the population is from backward caste. Except the taxi drivers in each sub-sectors of Informal Economy the high percentage of workers are from the Other Backward Class. Similarly, to the secondary data the field survey shows the same picture, where most of the labour are migrated. Except the tailoring, in each sub-sector the migrated worker's participation from other states participation is high. Most of the labours come from Immediate Neighbour States like West Bengal, Bihar, Uttar Pradesh etc. In tailoring the majority of the tailors are from Sikkim but in this case also an interstate migration of worker is being seen.

There is circular trap in the Informal Economy (Mishra, 1998). Worker's father who were engaged in Informal sector mostly their son also become the part of Informal workers because the less amount of wages, low job security does not full fill the needs of their family so, their children become a part of again in this informal economy in early age. Similarly, in case of Gangtok the most of the Informal workers economical background is poor and most of the cases their fathers were also part of this economy. Also on the other hand they are the only bread owner in their family. So, because of the low security level they become more vulnerable.

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In case of the wages the taxi drivers' wages are comparatively high but in the lean season when the tourists are low they have no income. There drivers are mostly belonging to West Bengal (Siliguri, Kalimpong, Darjeeling) and Sikkim. Majority of the drivers who are from West Bengal don't have land for agriculture so they are fully depend upon this and they have to survival in the lean season is become so difficult for them and also those who don't have their own car they have to pay a certain amount in peak and lean season to the owner of the car so the earning money remain low. Tailors have the low income in this four sub-sector. Omens are having less skill so they only do repairing work and remain under low wages. On the other hand, during the construction workers survey the workers said they are suffering from wage security as the Thikadars are not giving money on time. They said in their native place they don't have proper job facilities and the wages are low so, these force them to migrated toward Sikkim. Most of the workers come to urban area for the betterment of their wages and living condition but the less availability of facility and the low wages they remain under the same socioeconomic condition. Even in the bypass area there is no public toilet for the workers are there working place condition is relatively poor. In most of the work place, there are basic facilities like washroom, Firs aid box are not available and there are no special medical facilities for the workers. The workers are not aware of labour Registration Card even after Covide-19 pandemic the government published e-sharm card, but the huge portion of workers don't even know about this.

 Table 7: Socio-Economic Background of Migrant Labourers, Gangtok

Items	Garage V	Vorkers	Taxi Dri	vers	Constructio	n Workers	Tailor	'S
	Male	25 (100)	Male	25(100)	Male	23(92)	Male	21(84)
Gender (%)	Female	-	Female	-	Female	2(8)	Female	4(16)
	15-24	13 (52)	23-31	5(20)	18-25	15(60)	15-24	4(16)
	25-34	8((32)	32-40	14(56)	26-33	5(2)	25-34	6(24)
	35-44	3(12)	41-49	4(16)	34-41	4(16)	35-44	13(52)
Age Group(%)	>45	1(4)	50-58	2(8)	42-49	1(4)	45-54	2(8)
	Hindu	8(32)	Hindu	21(84)	Hindu	13(52)	Hindu	20(80)
	Muslim	16(64)	Christian	1(4)	Muslim	12(48)	Muslim	3(12)
Religions(%)	Christian	1(4)	Buddhist	3(12)	Christian	-	Christian	2(8)
	SC	4(16)	SC	15(60)	SC	9(36)	SC	11(44)
	ST	1(4)	ST	4(24)	ST	3(12)	ST	2(8)
	OBC	20(80)	OBC	6(24)	OBC	12(48)	OBC	12(48)
Caste(%)	General	-	General	-	General	1(4)	General	-
	West Bengal	11(44)	West Bengal	13(52)	West Bengal	21(84)	West Bengal	7(28)
	Bihar	12(48)	Bihar	1(4)	Bihar	1(4)	Bihar	6(24)
	Sikkim	1(4)	Sikkim	11(44)	Sikkim	2(8)	Sikkim	12(48)
	Uttar		Uttar		Uttar		Uttar	
Native Places(%)	Pradesh	1(4)	Pradesh	1(4)	Pradesh	1(4)	Pradesh	1(4)
	Illiterate	7(28)	Illiterate	7(28)	Illiterate	8(32)	Illiterate	4(16)
	Primary	7(28)	Primary	6(24)	Primary	4(16)	Primary	10(40)
	Secondary	69(24)	Secondary	7(28)	Secondary	8(32)	Secondary	9(36)
	Higher	, ,	Higher	. ,	Higher	. ,	Higher	
	Secondary	3(12)	Secondary	4(16)	Secondary	2(8)	Secondary	2(8)
Education	Higher		Higher		Higher		Higher	
Qualifications(%)	Education	2(8)	Education	1(4)	Education	3(12)	Education	-

Source: Field Survey, May 2023

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Items		Garage Workers	Taxi Drivers		<b>Construction Workers</b>		Tailors	
Only Bread	Yes	17(68)	21(84)		14(56)		6(24)	
Owner (%)	No	8(32)	4(16)		11(44)		19(76)	
Economic Activities of Worker's Father (%)	Primary	14(56)	7(28)		11(44)		4(16)	
	Secondary	7(28)	10(40)		14(56)		7(28)	
	Tertiary	-	8(32)		-		14(56)	
	Unemployed	4(16)	-		-		-	
Sectors (%)	Formal	7(28)	9(36)		5(20)		4(16)	
	Informal	18(72)	16(64)		20(80)		21(84)	
Family Members (Class) (%)	2-5	14(56)	3-5	20(80)	3-6	18(72)	1-3	4(16)
	6-9	8(32)	6-8	4(16)	7-10	6(24)	4-6	14(56)
	10-13	2(8)	9-11	1(4)	11-13	1(4)	7-9	7(28)
	14-17	1(4)						
Average Monthly Income (Rs.)	Main Mechanic	30000	Self-Owners of car	43400	Mistree	20000	Owners	12714
	Mechanic	15000	Not Self- Owner of Car	24267	Helpers	15000	Helpers	7111
	Helper	10208						
Average Monthly	Main Mechanics	20714	Self-Owners of car	20200	Mistrees	8000	Owners	7857
	Mechanics	9357	Not Self- Owner of Car	14933	Helpers	6000	Helpers	4666
	Helpers	6091						
Average Monthly Savings (Rs.)	Main Mechanics	9286	Self-Owners of car	23200	Mistrees	12000	Owners	4857
	Mechanics	5643	Not Self- Owner of Car	9333	Helpers	9000	Helpers	2444
	Helpers	4625					_	

Source: Field Survey, May 2023

**Table 9:** Availability of Health Care Facilities and Labour Card Provisioning of Migrant Labourers in Gangtok

Items	Garage Workers	Taxi Drivers	Construction Workers	Tailors	
	Yes	16(64)	25(100)	15(60)	25(100)
Availability of Washroom(%)	No	9(36)	-	10(40)	-
-	Yes	4(16)	25(100)	3(12)	21(84)
Availability of first aid box(%)	No	21(84)	-	22(88)	4(16)
	Yes	1(4)	6(24)	-	-
Covide-19 time facilities(%)	No	24(96)	19(76)	25(100)	25(100)
	Yes	1(4)	20(80)	2(8)	5(20)
Medical Facilities(%)	No	24(96)	5(20)	23(92)	20(80)
Availability of Labour	Yes	19(76)	20(80)	21(84)	14(56)
Registration Card(%)	No	6(24)	5(20)	4(16)	11(44)
	Yes	4(16)	4(16)	-	-
	No	8(32)	-	4(16)	5(20)
Availability of <i>e-Sharm</i> Card (%)	Unknown to them	13(52)	21(84)	21(84)	20(80)

Source: Field Survey, May 2023

The livelihood pattern includes ways of obtaining the essentials of life. Therefore, the case study in different Informal sectors shows that the workers in the different sectors came to this urban area for the new formation of job opportunities, and on the other side they came to join this Informal economy as fewer opportunities are available in their native place. But due to high migration, the Labour market of this urban area become flourished as this affecting the bargaining power of the worker for basic wages to maintain their basic needs and sustain in the recent money inflation economy. The wage pattern, savings, living conditions, and facilities provided to them do not become sufficient for them although they are providing services to the formal economy as well as the economy of Sikkim.

# **Conclusion and Policy Recommendation**

The informal economy has its dynamic in developing countries like India. This sector shares a huge percentage of the workforce contributing to the Gross Domestic Product. Similarly, after the liberalization of the economy in India many new industries, and urban centers are generated in the state of Sikkim. The trend of the GDP of Sikkim shows an increase in the secondary and tertiary sectors and the activities related to these sectors are related to the urban area. The new industries in urban areas of Sikkim create more job opportunities for unemployed workers from different districts of Sikkim as well as different states of India. Although they are providing their services in various ways the subsector-wise analysis shows the ground reality of the condition of the Informal workers.

The workers in this Informal sector do not have any income security concerning their job and mostly they are from lower castes. The official statement of the states said the minimum wage of a worker is Rs. 500 per day but except for some construction workers the daily wages are low. Like, for garage workers monthly fixed money is around Rs. 4000 to Rs. 5000. They get extra money concerning how many cars they are servicing in a day. If any car doesn't arrive at the garage in a day, they won't be able to make that extra cash. Also, some workers in the construction industry are also unhappy with their compensation. They continue to experience wage instability since the manager (*Thikadar*) is not providing money timely. Migrant cab drivers have a bad economic situation. They do not have enough money to support their family during the lean season. Due to fewer prospects in the official sector, those who migrated to Sikkim after 1975 are also impacted by this wage pattern. The pay in the tailoring industry is too low, according to many workers, whose wives also work in this unorganised sector. Due to the low salaries in tailoring, they employed themselves as domestic workers in their home country. Some of the female tailors claimed that because their husbands' earning money is low, they engaged themselves to work in this industry to support their husbands in running the household. However, they claimed that because of this, they are unable to take care of their children in terms of study and other things.

Because of the low wages, the workers have to reduce their daily expenditure so, most construction workers are staying in the working place without basic amenities and the environment is too unhygienic. Some of them said they have to live like this as the rents in hilly areas are high. On the other side, those who are staying in the rented room, they share the room with more people. According to them, it will reduce the rented amount per person so, they have to stay like that.

Skill is being played a major role in this economic sector as it helps them to earn more wages than others. But female tailors, only do repair and cutting work since the beginning as they are not able to make dresses because they

don't have that skill. So, still, they are earning comparatively low money from the master craft man. Similarly, the migrant tailor and garage workers who come recently are earning less wages because they don't have proper skills.

Concerning facilities, the workers are suffering from basic facilities which are necessary for every workplace. Only some of the garages have washrooms, there is no public toilet available in the working area. It is not only problematic for them as well as the customers who are coming to garages and waiting too long for service the car. On the other side, Thikadars didn't provide any bathrooms initially so, the construction workers made their own, which is too poor as it made of plastic or sacks. As women are also engaging in this informal sub-sectors, they are also suffering from less numbers of public toilets are available in this area. There are no first aid boxes available in the respected workplace for accidental use. As government of India start the e-Sharm card for the migrant labour till the date April 20,2023, around 8crore migrant labour registered in the e-Sharm portal but the labourers are not under the Food Security Act. On the ration card data only 20.63 crore people registered whereas only 28.6 crore registration are done till the date. So, workers and the families are not only depriving from the scheme but also from the National Food Security. The migrant labourers who are working out of district or out of sates the ration scheme in migrated place help to save their earning money. But the study shows the labourers are not aware of this schemes so, the implementation of new scheme by the higher authority will be beneficial to upgrade the livelihood pattern of migrant laboueres.

As this economy has a huge portion of a workers, the proper facilities like the formal sector are hard to give all of them but opportunities and basic facilities can help them for the betterment of their family condition. So, skillrelated classes can help the informal sub-sector like tailors, and garage workers as new fashion and model cars are launched frequently in recent years, it will help them to earn more money. There is no availability of car parking area and the garages are too small in size. Therefore, when 4-5 cars come at a time, it became problematic for them while working in garage. So, a parking area can solve this problem. Public toilets from a certain distance and the garage area can be helpful for them for the betterment of the workplace. Each informal subsector has its different type of problem so, the individual schemes for each sector will be beneficial for them, the new schemes like the e-Shram card for the informal workers are unknown to them, and also some of the labours don't make any labour card as they don't know about the importance of it. So, a promotion program can help to increase awareness of the schemes in this urban area.

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