**FIGURE 1:** *Trend of Overseas Workers from Bangladesh*

 **FIGURE 2**: *Inflow of Remittance earning*

**TABLE 1:** *Estimated Results of* *Unit Root Test of Bangladesh’s HDI and Remittance*

|  |  |  |  |
| --- | --- | --- | --- |
|  | In levels | In first differences |  |
| Variables | Model A | Model B | Model A | Model B | Level of Integration |
| HDI | 3.71(1.00) | -.880(0.945) | -4.12 (0.003) | -5.66 (0.004) | I(1) |
| RMT | 0.87(0.99) | -1.84 (0.65) | -5.25(0.002) | -14.70 (0.00) | I(1) |

Note: The null hypothesis indicates the existence of unit root problem to the variable. In model A intercept is included but no trend is assumed where model B includes both intercepts and trends. Value in the parenthesis indicates P value.

Source: Data for HDI and remittance are from UNDP, Bangladesh Bank, and BMET.

**TABLE 2***: Estimated* *Results* *of Johansen Cointigration test for HDI and Remittance*

|  |  |  |
| --- | --- | --- |
|  | Option 1 | Option 2 |
| Test | Hypothesized number of CE(s) | Statistical value  |  CV | Statistical value  | CV |
| Trace Test | H0(1) | 23.056(0.003) |

|  |
| --- |
| 15.49 |

 | 28.80 (0.02) | 25.87 |
| H0(2) | 0862 (0.353) | 3.84 | 4.47 (0.672) | 12.52 |
| Maxeigen Test | H0(1) | 22.19(0.0023) | 14.26 | 24.32(0.008) | 19.38 |
| H0(2) | 0862 (0.15) | 3.841 | 4.47 (0.88) | 12.52 |

Note:H0(1) indicates the null hypothesis of no cointigrating equation and H0(2) indicates the null hypothesis of cointigrating (I) equation at most. CV stands for critical value and CE stands for cointigrating equation. Option 1 includes only intercept in the CE where option 2 includes the intercept and trend. Parenthesis indicates standard error.

**TABLE 3**: *Estimated Results of VEC Model*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Coefficient | Standard error | t-statistics | Probability |
| C(1) | -0.000607 | 0.000221 | -2.750716 | 0.0117 |
| C(2) | -0.173740 | 0.210323 | -0.826063 | 0.4176 |
| C(3) | 0.195000 | 0.352471 | 0.553237 | 0.5857 |
| C(4) | -0.009057 | 0.006171 | -1.467681 | 0.1563 |
| C(5) | -0.000406 | 0.005036 | -0.080693 | 0.9364 |
| C(6) | 0.017038 | 0.006717 | 2.536703 | 0.0188 |
| R-squared | 0.385416 |  Mean dependent var | 0.016180 |
| Adjusted R-squared | 0.245738 | S.D. dependent var | 0.003661 |
| S.E. of regression | 0.003179 |  Akaike info criterion | -8.476937 |
| Sum squared residual | 0.000222 |  Schwarz criterion | -8.191465 |
| Log likelihood | 124.6771 |  Hannan-Quinn criter. | -8.389665 |
| F-statistic | 2.759313 | Durbin-Watson stat | 2.029471 |
| Prob (F-statistic) | 0.044132 |  |  |  |