

# **The Status of Iranian Emigrants in Foreign Countries: Transformations, Routes and Remittances**

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## **Abstract**

Nowadays, one of the tools of development in developing countries is the immigrants. International immigrants send their remittances back to their origin country along with ideas, innovations, and investments and hence play an important role in the development of their home country. This study seeks to describe the status of Iranian emigrants in the world, the level of their remittances sent back to Iran, and transformations of these funds as compared with other selected countries. The methodology of the study is the documentary approach and is based on secondary analysis of the statistics provided by international organizations and other findings relevant to the subject of the study. The findings suggest that there have been several changes in the pattern of internal and international migration in Iran. Based on Zelinsky's (1971) theory of mobility transition, along with the process of development in Iran, these changes have made city to city migration and emigration more important, in a way that the findings indicate: First, the decline in migration from rural to urban areas and the subsequent increase in migration from cities to cities. Second, the decline in migration from cities to villages and from villages to villages and also the reduction of total migrations to villages. Third, an increase in emigration to foreign countries. Also, the results show that the growth of Iranian emigrants has been constantly high from 1960s to 2013, and today Iran's emigrant population has reached 1,604,750 people. Iranian emigrants are often in two types of countries: developed countries or countries with high revenues and potentials for trade with Iran. Moreover, more than 60 percent of the total remittances has been transferred to Iran from UAE, the US, and Germany with 26.3, 24.8 and 9.8 percent, respectively. But the per capita of remittances as well as the annual growth rate of transferred remittances from Iranian emigrants have been lower than the global average and than that in all the studied countries.

**Keywords:** Iran's International Immigrants, Transnational Immigrants, Migrant Flows, Remittances.

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## **Introduction**

Today, one of the tools of development in developing and underdeveloped countries is the immigrants. International immigrants send their remittances back to their origin country along with ideas, innovations, and direct and indirect investments and hence play an important role in the development of their home country.

The world is “on the move”; more than 175 million people in the world are immigrants (about 3% of the world’s population live or work outside the country where they are born) (UN, 2002). Immigration has almost become a major social and economic factor in all countries. International labor immigration, with more than 100 million migrant workers and their families, plays a major role and has complex and challenging consequences for sender and receiver countries (Heilmann, 2006: 231). Remittances from these migrant workers have had a profound impact on developing countries of Asia, Africa, Latin America and Middle East. According to the Global Development Finance (World Bank, 2004), the official international remittances sent home by migrant workers is the second main source of foreign investment in developing countries. International remittances are now officially \$93 billion per year (Ratha, 2004) and about two times larger than the official level of capital flows to developing countries in the form of international aids (Adams JR. and Page, 2005: 1645).

Therefore, displacement/movement of people has gradually become a key factor in enabling economic growth; labor and immigration are now among the indices of economic development. As the role of local workers employed in the global economy is one of the most important parts of a country’s economy, and because of the networks resulting from the relationships governing the immigration of labor, this has contributed significantly to the integration of countries into the global economy. The second point is important on different levels, including donations (gift, gratuitous aid), investment (large and small), trade, tourism and unilateral transfers. For example, income from the demand for home country goods and services (telecommunications, tourism, transport, nostalgic trade) is on the rise. In addition, the relations between diasporas and home countries is expanding and deepening. Moreover, the investments and savings of immigrants in their hometown (in acquisition of land, property, or small businesses) stimulate economic growth in regions traditionally neglected by the public and private sectors. Furthermore, unilateral transfers, principally reflected through families’ or workers’ remittances and to a lesser extent through the donations of immigrant associations, have shaped the basic structure of economic growth and livelihood of many countries (Orozco, 2003: 1-2).

Most international immigration takes place from developing towards developed countries. A clear example of this type of immigration is that of workers and their families from many countries of North Africa, South East Asia, etc. to the industrialized countries of Western Europe. This process also involves the “brain drain”, i.e. absorption of specialists to industrialized countries (Moshfegh, 2013: 8).

Iran also has a considerable number of international immigrants, though the related statistics and information is contradictory. Currently, there is no accurate information and data about the status of Iranian immigrant population abroad and even foreign immigrants in Iran. Also, many claims and statements about Iranian immigrants are based on speculation or case studies and are not scientifically reliable (ibid: 8-9). In any case, given that Iran has many immigrants in different countries, such as the US, Europe, Australia and the Persian Gulf countries, and some of these immigrants have high levels of economic, human, social and cultural capital, this potential can be used for social and economic development of the country. Accordingly, this study seeks to describe the status of Iranian immigrants in the world, the level of their remittances sent back to Iran, and transformations of these funds as compared with some other countries.

## **Literature Review**

### **A) The role of immigrants in development**

Although the economic incentive of immigrants has long been recognized, the role of immigrants in the economic development of their home and destination countries only recently has become the spotlight. For long, the consensus has been that immigrants are either neutral in balancing supply and demand of labor market or bring about labor loss in sending countries and labor gain in receiving ones. But recently, the calculation of remittances and the competition over highly skilled immigrants has led to extensive examination by commercial firms, international banks and governments of the positive economic contribution of immigration to investment, and income growth and distribution (DeWind and Holdaway, 2005: 1). The positive role attributed to immigrants and their contributions to development has come as a surprise. International (transnational) immigration was considered an indication of the failure of development during the 1970s and 1980s. That is, it can be portrayed as a territorial or geographical leave upon the failure of governments or other institutions to provide security and well-being (Hirschman, 1970). After the 1990s, international organizations such as the World Bank, NGOs and the nation-state governments, and the Organisation for Economic Co-operation and Development (OECD) are increasingly promoting immigrants' remittances as a solution for development (Faist, 2008: 22).

The fact that the remittances sent by immigrants to developing countries is much more than foreign aid has strengthened the interest in the relationship between immigration and development among researchers and policy-makers (DeWind and Holdaway, 2005: 2-3). Therefore, flows of workers' remittances are a major source of external finance for developing countries (Pablo Acosta, 2008: 89) and can trigger the wheels of economic growth.

International immigration is one of the most important factors in the economic relationship between developed and developing countries in the 21<sup>st</sup> century (Adams JR. and Page, 2005: 1645). The relationship between immigration and development can be summarized as flows of money, knowledge and global ideas – called remittances – and it can be argued that they have a positive influence on what is known as development in the immigrants' origin countries (Faist, 2008: Firstly, financial remittances have a huge potential for poverty reduction and local investment and even have anti-recession effects, especially when remittances are stable. It is estimated that the amount of remittances sent to developing countries, especially through formal channels such as banks or money transfer services, has increased rapidly in recent years – from about \$40 billion in 1990 to \$167 billion in 2005 (IOM, 2005: 270). Secondly, despite the fact that financial remittances is still in the spotlight, in the new round of interest in and support of the relationship between immigration and development, more emphasis is laid on human capital transfer from north to south. Now that the costs and benefits have been considered, the idea has changed from “brain drain” in the 1970s to “brain gain” in the 1990s. Today, we would probably find more win-win situations for people on the move, governments and others involved in this process. Even the newer concept of “social remittances” ((Levitt and Nyberg-Sørensen, 2004) denotes the flow of ideas and “good” practices: human rights, gender equality and democracy. Thirdly, part of this interest is in temporary immigrant labor because it is expected that, compared with permanent immigrants, they send a high percentage of their income home. And it is believed that in their short-term visits they act as development agents by diffusing ideas and knowledge. In general, transnational immigrant networks and associations are in the center of optimistic prospects of national and international institutions of economic development policies (qtd. in Faist, 2008: 21-2).

### **B) Remittances**

Remittances are part of a private welfare system that transfers purchasing power from relatively wealthy members of families or communities to the relatively poor members. Remittances reduce poverty, encourage consumption and provide working capital and have

increasing effects on expanding the supply of money in a country through raising household spending (Gupta et al., 2009: 105).

In most cases, it seems that remittances are used to finance consumption, or as investment in human capital such as education, health and nutrition. For example, in Zimbabwe, immigrant households having less agricultural land are more likely to show an interest in education. The results also show that immigrant remittances to Ghana are anti-recession and positively affect household consumption and welfare over time, especially for food crop farmers who are usually the most disadvantaged socio-economic group. Similarly, the data from a large survey of households indicate that international remittances have significantly reduced poverty among the poorest families. Ratha (2003) also notes that remittances that raise the level of consumption of rural households may have increasing effects on the expansion of money supply in a country, because these funds are likely to be spent on domestic goods. Also, some studies have found evidence indicating a connection between remittances and human capital formation in Latin America (Gupta et al., 2009: 105).

There is also empirical evidence that remittances help economic growth through the positive impact on consumption, savings or investment. Quoting from different case studies, Lucas (2005) provides evidence that remittances have probably accelerated investment in Morocco, Pakistan and India. Glytsos (2002) has modeled direct and indirect effects of remittances on income and consequently on investment in seven Mediterranean countries and showed that remittances have increased investment in six of these seven countries (Catrinescu et al., 2009: 82). By structuring and analysis of a new data set on immigration, remittances, inequality and international poverty in 71 developing countries, Adams and Page (2005) concluded that both international immigration and remittances have significantly reduced the level, depth and severity of poverty in the developing world (Adams JR. and Page, 2005).

Therefore, remittances have had a significant role in the development of origin countries, and livelihood and living conditions of people. Remittances make it possible to effectively improve the living conditions of millions of households in the countries sending immigrants (De Haas, 2005: 1277). In short, it seems that remittances are an ideal form of “bottom-up” development investment – and perhaps a very suitable and durable alternative to classic forms of developmental aid (ibid.).

### **C) Research Background**

In a study on the causes of Iranians’ immigration and its effects on the national economy, Shokraei (2000) suggests that approximately 3 million Iranians are immigrants in other countries. The findings of this study indicate that, firstly, the primary impetus for immigration has not been economic incentives, although immigrants have obtained much economic benefits after migration. Secondly, stable economic and social position of immigrants abroad attracts their relatives and friends. Thirdly, immigrants have not considered the foreign language and unfamiliarity with this language has not been a barrier to them. Fourthly, first generation Iranian immigrant always follow Iran’s internal issues and male immigrants will return to the country when the necessary social conditions are provided, but female immigrants are less likely to return (Masoud Shokrani, 2000, qtd. in Moshfegh, 2013).

Moshfegh (2013) has conducted a study titled Evaluation of International Migration Statistics in Asia and the Pacific Countries with an emphasis on Iran. The main objective of this study was to determine the number, distribution and dispersal, age and sex composition and some characteristics of Iranian immigrant population abroad based on official statistics (census records). The main source of data for this study was primarily the censuses and recorded data of the destination countries over the period 1990 to 2010. With regard to age, the population of Iranian immigrants abroad is almost old. With regard to sex, in 1990 there were more male immigrants than females but in 2010 this has moved towards a relative balance. Examination and comparison of the characteristics of Iranian immigrants with the indigenous population of the

United States, Canada, and Switzerland shows that Iranian immigrants are more qualified in terms of education and expertise compared to the target population and other immigrants. To be clear, Iranian immigrants are more educated and professional and have higher levels of human capital. This study estimates Iranian immigrants out of the country to be about two million and two hundred thousand. With regard to different estimations it is not clear how much it is true.

Akbari Khonji (2000) conducted a study titled “The factors affecting the process of adaptation of international immigrants (Case study: Iranians living in the United Arab Emirates). The results of this study indicate that despite the relatively high level of compatibility of Iranian immigrants with the cultural components of the United Arab Emirates, they have preserved their Iranian cultural identity and their interest in their homeland. Such psychosocial traits in Iranians living in the United Arab Emirates can be of benefit to Iran in economic, social and cultural domains because their capital can be absorbed and invested in the country.

In general, the results of these studies indicate that, firstly, there are different statistics about Iranian immigrants abroad. Secondly, Iranian immigrants living abroad form a substantial population. Thirdly, they have considerable human, social and economic capital. And, lastly, they have a high potential for investment and economic impact on the country.

### **Methodology**

This research is a documentary study. The related data was collected and analyzed by referring to books, studies, and statistics of international organizations such as the World Bank. Accordingly, the methodology of the study is the documentary approach and is based on secondary analysis of the statistics provided by international organizations and other findings relevant to the subject of the study.

## Findings

The findings of this research are presented as follows: First, a description of the changes in Iran's internal migration pattern is provided to show the importance of foreign emigration. Then, the status of transnational migration in the world and the changes in remittances are presented and compared to those of Iranian emigrants. Finally, the potential of immigrants for the country's development is discussed.

### Changes in Iran's internal migration pattern

A review of demographic data on migration in recent decades shows that the raw figure of the country's migration has increased over the period of 1966-2006. This figure was 5,224,790 in the period 1966-1976; it reached 12,148,148 during the period 1996-2006 and 5,534,666 in the period 2006-2011. The proportion of immigrants to the total population has been shown annually during the period 1966-2011 in Table 1. As observed, for the whole country, the ratio has been 17.8 for the period, 1966-1976, 14.0 for the period 1976-1986, 16.0 for 1986-1996, 18.6 for 1996-2006 and 15.2 for 2006-2011. The fact is that these three decades have been the peak of demographic transformations in the country in which the balance between rural and urban population was disrupted and the urban population increased (Table 1). This pace of migration has continued with a little change in the recent 5-year period (2006-2011).

**Table 1. The total number of migrants in the country and its growth rate in different periods**

| Period    | Total immigrants | The proportion of immigrants to the population** (annually) |
|-----------|------------------|---|
| 1966-76*  | 5224790          | 17.8  |
| 1976-86   | 5820625          | 14.0  |
| 1986-96   | 8718770          | 16.0  |
| 1996-2006 | 12148148         | 18.6  |
| 2006-2011 | 5534666          | 15.2  |

\*\* To calculate this index, the number of immigrants was first divided by the total population of the midperiod multiplied by 1000. Then the result was divided by the duration of the census period in order to obtain the proportion of immigrants to the population on an annual basis.

Source: Moshfegh, 2008\*, Statistical Center of Iran, population and housing censuses of 1966-2011.

According to the data presented in Table 2 for the period 1966-2011, a figure of more than 70% of the total migration in the country has always been migration to urban areas. Migration to urban areas in the period 1966-76 was 81.6 and in 2006-2011 was 77.8 percent. Migration to cities in the periods 1976-86, 1986-96, 1996-2006 and 2006-11 has always had an increasing trend amounting to 72.0, 70.6, 74.0 and 77.8 percent of total migration, respectively. Also, during the four decades from 1966 to 2006, migration to rural areas increased in terms of raw numbers, but in terms of the percentage of total migration in the country, it has had a sinusoidal motion. In the decades from 1976 to 2006 %25 of the total migration has always been to villages, but in the period 2006-2011, both the raw number and percentage of the total migration to rural areas have had a significant decrease.

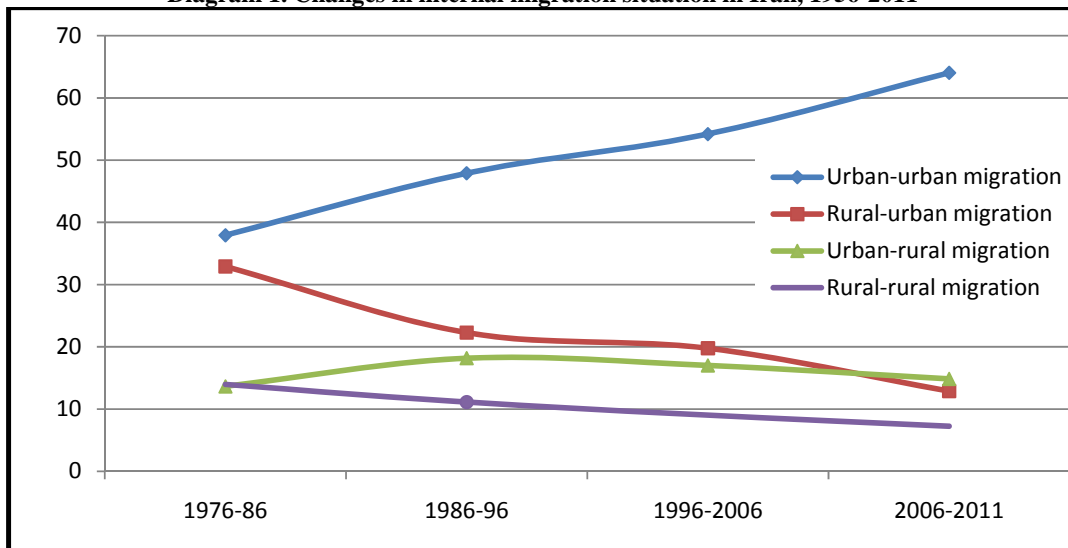
An important point in the nation's migration flows is the reduction of rural-urban migration from 32.9% in the period 1976-86 to 12.9% in 2006-2011. During this period, urban-urban migration has reached 64.04% from 37.9%. But urban-rural migration has gradually decreased from 18.2% in the period 1986-96 to 14.8% in 2006-2011. Also, rural-rural migration has drastically decreased from 14% in the period 1976-86 to 7.2% in 2006-2011.

**Table 2. The number and proportion of migrants in different census periods**

| Type of migration              | 1976-86 |            | 1986-96 |            | 1996-2006 |            | 2006-2011 |            |
|--------------------------------|---------|------------|---------|------------|-----------|------------|-----------|------------|
|                                | Number  | Proportion | Number  | Proportion | Number    | Proportion | Number    | Proportion |
| Total migration                | 5476008 | 100        | 8480439 | 100        | 11783772  | 100        | 5089354   | 100        |
| Urban-urban migration          | 2077213 | 37.9       | 4062171 | 47.9       | 6385665   | 54.2       | 3259040   | 64.03      |
| Rural-urban migration          | 1802782 | 32.9       | 1889905 | 22.3       | 2330054   | 19.8       | 655251    | 12.9       |
| Urban-rural migration          | 747072  | 13.6       | 1540694 | 18.2       | 2004012   | 17.0       | 755546    | 14.8       |
| Rural-rural migration          | 765309  | 14.0       | 943095  | 11.1       | 1064043   | 9.03       | 368708    | 7.2        |
| Total migration to rural areas | 1531410 | 28.0       | 2495478 | 29.4       | 3068054   | 26.0       | 1132040   | 22.2       |
| Total migration to urban areas | 3944598 | 72.0       | 5984961 | 70.6       | 8715718   | 74.0       | 3957314   | 77.8       |

Source: Statistical Center of Iran, calculated on the basis of population and housing censuses of 1966-2011.

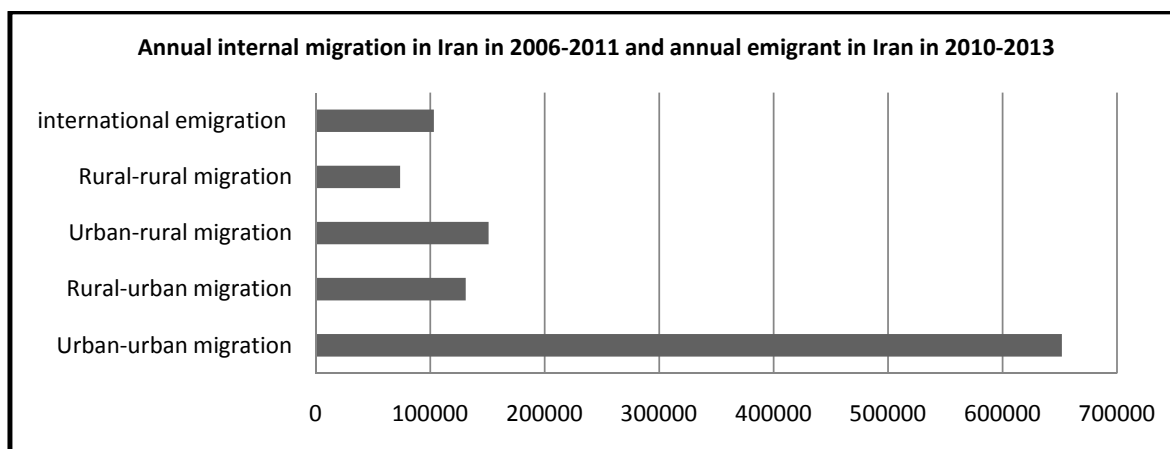
**Diagram 1. Changes in internal migration situation in Iran, 1956-2011**



The above tables and diagram indicate that, firstly, migration to cities has increased in the last three decades (1986-2011) and, secondly, migration to rural areas has declined. Also, a dramatic decline in urban-rural and rural-rural migration can be observed. The migration flows in Iran are gradually moving towards urban-urban migration which, based on 2011 Census, is about two-third of the total migration. It is clear then that with the changes in society as well as population and development structure in Iran, rural-urban migration has gradually faded and is being replaced by urban-urban and international migration.

The importance of international emigration in Iran marks a shift in the migration pattern inside Iran. According to official records, over three years, from 2010 to 2013, 309,577 people have emigrated from Iran, i.e. about 100,000 people have immigrated annually. This is while urban-rural migration in the period 2006-2011 was 755,546 and rural-rural migration was 368,708. That is, each year about 151,000 people have migrated from villages to cities and about 68,000 people have migrated from villages to villages. The statistics shows that international immigration is becoming more than urban-rural and especially rural-rural migration.

**Diagram 2. Annual internal migration in Iran 2006-2011 and annual emigrant in Iran in 2010-2013**



**Transnational immigration in the world and the status of Iranian immigrants**

Migration is an important demographic event which, unlike other demographic events such as mortality and fertility, has critical demographic, social, economic and even political impacts on the origin and destination of immigrants. Immigration might reduce workforce or disturb demographic balances in the origin and destination countries. But this article focuses on the economic impact of immigrants on origin and destination countries.

Table (3) shows the total population and average annual growth in the number of migrants in the world from 1970 to 2013. According to the table, the transnational immigrants in 1970 was about 106 million people that reached about 247 million in 2013. This means that over 43 years the population of migrants has increased by 2.5 times. Statistics also shows that the average annual growth rate of the migrant population in the world is constantly increasing. From 1.3% during 1970-80, it reached 2.6% in the period 2000-2010 and 4.6% during 2010-2013. This indicates that the immigration is increasing in the world and, in search of better work and place of living, people prefer to change their location.

**Table 3. The population and average annual growth in the number of migrants in the world from 1970 to 2013**

| Year                   | 1970      | 1980      | 1990      | 2000      | 2010      | 2013      |
|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| The number of migrants | 105789339 | 120177909 | 141857910 | 167067222 | 215763573 | 247247795 |
| Average annual growth  | 1970-1980 |           | 1980-1990 | 1990-2000 | 2000-2010 | 2010-2013 |
|                        | 1.31      |           | 1.7       | 1.6       | 2.6       | 4.6       |

**Source:** Statistics of the World Bank and the International Organization for Migration.

One can argue that, today, we live in a world that is increasingly moving towards globalization and transnationalization. In this world, people change their living place for various reasons such as earning a living, finding better opportunities, continuing education, finding jobs, etc. Therefore, transnational migration occurs in all countries of the world. However, countries with the largest emigrant population in the world are those with large population and abundant labor force or those involved in conflict and insecurity or those belonging to the advanced industrial and developed countries. It should be noted that emigrants of industrialized and advanced countries often work in specialized and technical fields in other countries.

Table (4) shows the countries with the greatest number of emigrants in the world in 2013. As observed, India, Mexico, Russia, China and Bangladesh with 5.6, 5.3, 4.4, 3.9 and 3.1 percent, respectively, have the larger share of immigrants in the world.



**Table 4. Countries with the greatest number of Emigrants in the world, 2013**

| Country            | Estimates of emigrant | Stocks of total emigrant |
|--------------------|-----------------------|--------------------------|
| India              | 13885099              | 5.6                      |
| Mexico             | 13220345              | 5.3                      |
| Russia             | 10910492              | 4.4                      |
| China              | 9651150               | 3.9                      |
| Bangladesh         | 7572135               | 3.1                      |
| Pakistan           | 6170411               | 2.5                      |
| Philippines        | 6001696               | 2.4                      |
| Afghanistan        | 5632196               | 2.3                      |
| Ukraine            | 5583906               | 2.3                      |
| United Kingdom     | 5151142               | 2.1                      |
| Germany            | 4141435               | 1.7                      |
| Indonesia          | 4116587               | 1.7                      |
| West Bank and Gaza | 4018219               | 1.6                      |
| Syria              | 3971493               | 1.6                      |
| Poland             | 3882994               | 1.6                      |
| Kazakhstan         | 3826984               | 1.5                      |
| Romania            | 3430476               | 1.4                      |
| Egypt              | 3386059               | 1.4                      |
| United States      | 3167905               | 1.3                      |
| Myanmar            | 3139596               | 1.3                      |
| world              | 247247795             | 100                      |

**Source:** Statistics of the World Bank and the International Organization for Migration.

Table (5) shows the host countries with the greatest number of immigrants in the world in 2013. As observed, the US, Saudi Arabia, Germany, Russia, UAE and UK are hosts to 18.7, 5.9, 4.5, 4.5, 3.2 and 3.2 percent of immigrants, respectively. About 40 percent of immigrants in 2013 arrived in these 6 countries.

**Table 5. Host countries with the greatest number of immigrants in the world,**

| Country        | Estimates of immigrant | Stocks of total immigrant |
|----------------|------------------------|---------------------------|
| United States  | 46136362               | 18.7                      |
| Saudi Arabia   | 14600521               | 5.9                       |
| Germany        | 11110943               | 4.5                       |
| Russia         | 11048064               | 4.5                       |
| Emirates       | 8001674                | 3.2                       |
| United Kingdom | 7838837                | 3.2                       |
| France         | 7456145                | 3.0                       |
| Canada         | 7404179                | 3.0                       |
| Spain          | 6618000                | 2.7                       |
| Australia      | 6468640                | 2.6                       |
| Italy          | 5766163                | 2.3                       |
| Ukraine        | 5417737                | 2.2                       |
| India          | 5338486                | 2.2                       |
| Thailand       | 4490941                | 1.8                       |
| Pakistan       | 4080766                | 1.6                       |
| Jordan         | 3592780                | 1.4                       |
| Kazakhstan     | 3476233                | 1.4                       |
| Hong Kong      | 2804753                | 1.1                       |
| South Africa   | 2685233                | 1.1                       |
| Iran           | 2649516                | 1.1                       |
| World          | 247247795              | 100                       |

**Source:** Statistics of the World Bank and the International Organization for Migration.

The host countries are of two types: 1) those with high per capita incomes and demand for labor and ranked high in terms of development, such as the US, Saudi Arabia, Germany, UAE, UK, etc. and 2) countries that have forced immigrants, such as Iran, Russia, Pakistan and Jordan. A look at the flow of international immigrants shows that about a fifth of global immigration is to the US.

### **B) The status of Iranian emigrants in the world**

Iranian emigrant population has reached from %8.6 in 1970-1980 to 2.7 during the period 1980-1990, 3.9 in the period 1990-2000, 2.5 in the period 2000-2010 and to 7.4% in the period 2010-2013. In the 1970-1980 period, Iran had the highest growth in emigrant population. The average annual growth in this period was 8.6%. Recently, in the period 2010-2013, this rate has increased compared to previous periods and reached 7.4%.

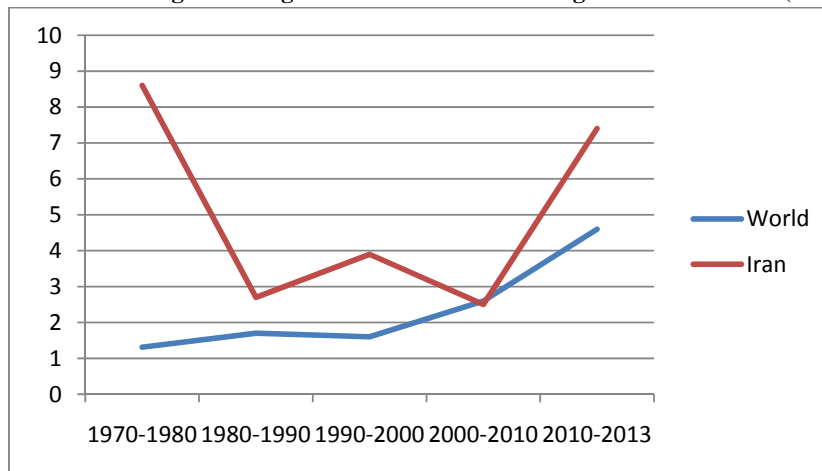
Table (6) shows that both the average annual growth rate and the number of Iranian immigrants abroad have grown in recent decades, this growth is significant especially in recent years. This rate was 2.7% in 1980s and reached 7.4% in the period 2010-2013.

**Table 6. The population and average annual growth rate of Iranian Emigrants in the world (1980-2013)**

| Year                     | 1970      | 1980      | 1990      | 2000      | 2010      | 2013    |
|--------------------------|-----------|-----------|-----------|-----------|-----------|---------|
| The number of immigrants | 232811    | 529305    | 693020    | 1012229   | 1295173   | 1604750 |
| Average annual growth    | 1970-1980 | 1980-1990 | 1990-2000 | 2000-2010 | 2010-2013 |         |
|                          | 8.6       | 2.7       | 3.9       | 2.5       | 7.4       |         |

Source: Statistics of the World Bank and the International Organization for Migration.

**Diagram 3. The average annual growth rate of Iranian Emigrants in the world (1980-2013)**



According to statistics from 2013, the total Iranian emigrants in the world are 1,604,750 people. More than 90% of these immigrants are living in 18 countries (Table 7). In the meantime, 50% of Iranian emigrants are residing in the UAE and the US. Iranian emigrants in Germany, Canada and Sweden are 9.9, 6.8 and 3.6 percent, respectively.

**Table 7. Iranian Emigrants in the world, 2013**

| Country                  | Estimates of Emigrant | Stocks of total Emigrant |
|--------------------------|-----------------------|--------------------------|
| United Arab Emirates     | 412400                | 25.7                     |
| United States of America | 393414                | 24.5                     |
| Germany                  | 158901                | 9.9                      |
| Canada                   | 108632                | 6.8                      |
| Sweden                   | 67211                 | 3.6                      |
| United Kingdom           | 57773                 | 2.9                      |
| Kuwait                   | 46419                 | 2.9                      |
| Australia                | 36090                 | 2.5                      |
| Diameter                 | 30000                 | 1.9                      |
| Netherlands              | 28079                 | 1.7                      |
| France                   | 23065                 | 1.4                      |
| Turkey                   | 19187                 | 1.2                      |
| Norway                   | 15876                 | 1.0                      |
| Iraq                     | 15611                 | 1.0                      |
| Austria                  | 15110                 | 0.9                      |
| Denmark                  | 13727                 | 0.9                      |
| Italy                    | 13115                 | 0.8                      |
| Belgium                  | 7128                  | 0.4                      |
| Other countries          | 143012                | 8.9                      |
| Total Emigrants          | 1604750               | 100                      |

**Source:** Statistics of the World Bank and the International Organization for Migration.

A look at the destinations of Iranian emigrants reveals that they go to two types of countries: 1) developed countries, 2) high-income countries with trade potential with Iran. Developed countries are mostly European countries, the US and Australia. High-income countries with potentials for trade with Iran include the Persian Gulf and neighboring countries such as the UAE, Kuwait, Qatar and Turkey.

Accordingly, the first impression is that Iranians emigrate to European countries to have a better life or they go to neighboring countries to trade, work and earn more money. In all probability, most emigrants to European countries, the USA and Australia have higher levels of education and human capital and emigrants to neighboring countries are with higher economic capital.

### **C) Remittances in the world**

Remittances of international migrants reached from \$1.922 billion in 1970 to \$457.897 billion in 2010 and to \$583.430 billion in 2014. So the international remittances is growing rapidly; it has always had a positive growth in different periods from 1970 to 2014. The average annual growth in remittances from 34% in the period 1970-1980 reached 6.0% in the period 1980-1990, 7.1% in the period 1990-2000, 13.7% in the period 2000-2010, and 6.2% in 2010-2014 period. These statistics show that the growth of remittances has had relative changes, but always on the rise (see table 8.).

This growth shows itself well especially in per capita remittances so that per capita remittances of immigrants from \$18.2 in 1970 reached \$2359.7 in 2014 with a tremendous growth.

**Table 8. The amount, per capita and average annual growth rate of remittances from 1970 to 2014**

| Year  | 1970      | 1980      | 1990      | 2000      | 2010      | 2014    |
|---|-----------|-----------|-----------|-----------|-----------|---------|
| The amount of remittances (million dollars) | 1.922     | 35.814    | 64.034    | 126.750   | 457.897   | 583.430 |
| Per capita remittances (dollars)            | 18.2      | 298       | 451.4     | 758.7     | 2122.2    | 2359.7  |
| The average annual growth of remittances    | 1970-1980 | 1980-1990 | 1990-2000 | 2000-2010 | 2010-2014 |         |
|   | 34.0      | 6.0       | 7.1       | 13.7      | 6.2       |         |

**Source:** Statistics of the World Bank and the International Organization for Migration.

Table (9) shows the countries with the highest amount of remittances received in 2014 worldwide. Twenty countries with the highest level of received remittances in the world in 2014 all received between 7 and 70 billion dollars. Among these, India with \$70.389 billion ranks first and China, Philippines, Mexico and France receiving 64.140, 28.403, 24.866 and 24.760 billion dollars, respectively, follow next on this ranking. Per capita remittances sent home by immigrants of these countries are respectively 5080, 6632, 4733, 1880 and 11344 dollars. The highest per capita remittances are for Vietnam, Nigeria, France, Lebanon and Spain with 21346, 18714, 11344, 11000 and 8927 dollars, respectively.

Among these countries, the share of remittances in GDP for Lebanon, the Philippines, Sri Lanka, Bangladesh and Egypt is 17.7, 9.8, 9.6, 9.2 and 6.6 percent, respectively. In addition, more than 3.7% of India's, 0.6% of China's and 1.8% of Mexico's GDP is dependent on remittances.

**Table 9. Top Remittance-receiving countries, 2014**

| Country     | Remittances (US\$ million) | Remittances as a share of (%) GDP in 2013 | Estimates of Emigrant (2013) | Per capita remittances |
|-------------|----------------------------|---|------------------------------|------------------------|
| India       | 70389                      | 3.7                                       | 13855099                     | 5080                   |
| China       | 64140                      | 0.6                                       | 9651150                      | 6632                   |
| Philippines | 28403                      | 9.8                                       | 6001696                      | 4733                   |
| Mexico      | 24866                      | 1.8                                       | 13220345                     | 1880                   |
| France      | 24760                      | 0.8                                       | 2184539                      | 11344                  |
| Nigeria     | 20921                      | 4.0                                       | 1117901                      | 18714                  |
| Egypt       | 19612                      | 6.6                                       | 3386059                      | 5791                   |
| Pakistan    | 17060                      | 6.3                                       | 6170411                      | 2764                   |
| Germany     | 15802                      | 0.4                                       | 4141435                      | 3820                   |
| Bangladesh  | 14969                      | 9.2                                       | 7572135                      | 1977                   |
| Vietnam     | 12000                      | 6.4                                       | 2592233                      | 4629                   |
| Belgium     | 11322                      | 2.1                                       | 530401                       | 21346                  |
| Spain       | 10990                      | 0.7                                       | 1230969                      | 8928                   |
| Lebanon     | 8899                       | 17.7                                      | 810854                       | 11000                  |
| Indonesia   | 8551                       | 0.9                                       | 4116587                      | 2077                   |
| Italy       | 7715                       | 0.3                                       | 2928772                      | 2634                   |
| Ukraine     | 7587                       | 5.4                                       | 5583906                      | 1359                   |
| Poland      | 7466                       | 1.3                                       | 3882994                      | 1923                   |
| Russia      | 7116                       | 0.3                                       | 10910496                     | 652                    |
| Sri Lanka   | 7036                       | 9.6                                       | 1780110                      | 3953                   |

**Source:** Statistics of the World Bank and the International Organization for Migration.

Countries with the highest amount of remittances sent in 2014 worldwide shows that the US alone sends more than 22.4% of global remittances amounting to \$130.851 billion in 2014. Following the US are Saudi Arabia, UAE, UK and Germany. The remittances sent from these countries are 44.519, 29.253, 25.115 and 23.788 billion dollars, respectively, which is about 4 to 7 percent of global remittances.

All countries that send remittances are either developed countries or developing ones with high income. So we can say that a chain of labor and capital is being formed between countries. Human capital is absorbed by developed and high-income countries and economic capital is deposited into developing countries.

Table (10) shows the first eighteen countries sending remittances to Iran in 2014. More than 93 percent of remittances transferred to Iran is from 18 countries shown in Table 10. More than 60 percent of the total remittances transferred to Iran has been from UAE, the US, and Germany with 26.3, 24.8 and 9.8 percent, respectively. After these countries are Canada, the UK and Sweden with 6.6, 4.5 and 4.1 percent, respectively. The point is, most remittances transferred to Iran are from immigrants in neighboring and the Persian Gulf countries as well as European countries, the US and Australia.

**Table 10. The first eighteen countries sending remittances to Iran, 2014**

| Rank | Country                  | Remittances (US\$ million) | The share of remittances |
|------|--------------------------|----------------------------|--------------------------|
| 1    | United Arab Emirates     | 364                        | 26.3                     |
| 2    | United States            | 343                        | 24.8                     |
| 3    | Germany                  | 135                        | 9.8                      |
| 4    | Canada                   | 91                         | 6.6                      |
| 5    | Sweden                   | 57                         | 4.1                      |
| 6    | United Kingdom           | 62                         | 4.5                      |
| 7    | Kuwait                   | 44                         | 3.2                      |
| 8    | Australia                | 30                         | 2.2                      |
| 9    | Diameter                 | 31                         | 2.2                      |
| 10   | Netherlands              | 24                         | 1.7                      |
| 11   | France                   | 19                         | 1.4                      |
| 12   | Turkey                   | 15                         | 1.1                      |
| 13   | Norway                   | 14                         | 1.0                      |
| 14   | Iraq                     | 12                         | 0.9                      |
| 15   | Austria                  | 13                         | 0.9                      |
| 16   | Denmark                  | 12                         | 0.9                      |
| 17   | Italy                    | 11                         | 0.8                      |
| 18   | Switzerland              | 8                          | 0.6                      |
|      | Other countries          | 97                         | 7.0                      |
|      | <b>Total Remittances</b> | <b>1382</b>                | <b>100</b>               |

**Source:** Statistics of the World Bank and the International Organization for Migration.

Table (11) illustrates the amount of remittances sent from different countries during 1980-2013 (million dollars). As observed, the Iranians' remittances in 1990 was \$1,200 million which decreased and reached \$536 million in 2000. This trend increased and reached \$1181 million in 2010 and \$1382 million in 2013. In all the countries in Table (11) with large emigrant population, the amount of remittances has increased over the period 1980-2013.

**Table 11. The amount of remittances sent from different countries during 1980-2013 (million dollars).**

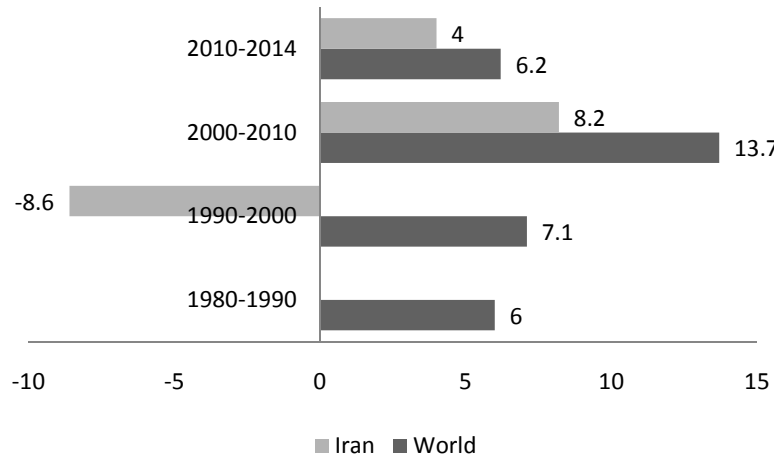
| Year and Country | 1980 | 1990   | 2000   | 2010  | 2014  |
|------------------|------|--------|--------|-------|-------|
| Iran             | -    | * 1200 | 536    | 1181  | 1382  |
| Mexico           | 1039 | 3096   | 7522   | 22080 | 24866 |
| Nepal            | -    | -      | 112    | 3469  | 5875  |
| Bangladesh       | 339  | 779    | 1969   | 11282 | 14969 |
| Egypt            | 2700 | 4280   | 2850   | 12453 | 19612 |
| Lebanon          | -    | -      | 4924** | 6914  | 8899  |
| Pakistan         | 2050 | 2010   | 1080   | 9690  | 17060 |
| Philippines      | 626  | 1462   | 6957   | 21557 | 28403 |
| Vietnam          | -    | -      | 1340   | 8260  | 12000 |
| El Salvador      | 49   | 367    | 1765   | 3472  | 4236  |
| China            | -    | 124    | 758    | 52460 | 64140 |
| Honduras         | 2    | 63     | 484    | 2618  | 3329  |
| France           | 1441 | 4034   | 8610   | 19903 | 24760 |
| Germany          | 2380 | 4878   | 3640   | 12792 | 15802 |
| Haiti            | 106  | -      | 578    | 1474  | 1954  |
| Nigeria          | 22   | 10     | 1390   | 19818 | 20921 |
| India            | 2761 | 2382   | 12845  | 53480 | 70389 |

\* 1991. \*\* Was written in 2005 instead of 2000.

**Source:** Statistics of the World Bank and the International Organization for Migration.

Chart (1) presents the average annual growth in remittances of the countries with the highest immigrant population over the period 1980-2014. A comparison of the average annual growth of remittances in Iran indicates that, compared with 16 countries from around the world, this growth is lower for Iranian emigrants. This average has also been much lower than the global average in different periods. The average annual global growth in the periods 1980-1990, 1990-2000, 2000-2010 and 2010-2014 has been 6, 7.1, 13.7 and 6.2 percent, respectively. While the average annual growth in remittances from Iranian emigrants during the periods 1990-2000, 2000-2010 and 2010-2014 has been -8.6, 8.2 and 4 percent, respectively, which is lower than the average for selected countries and the world average.

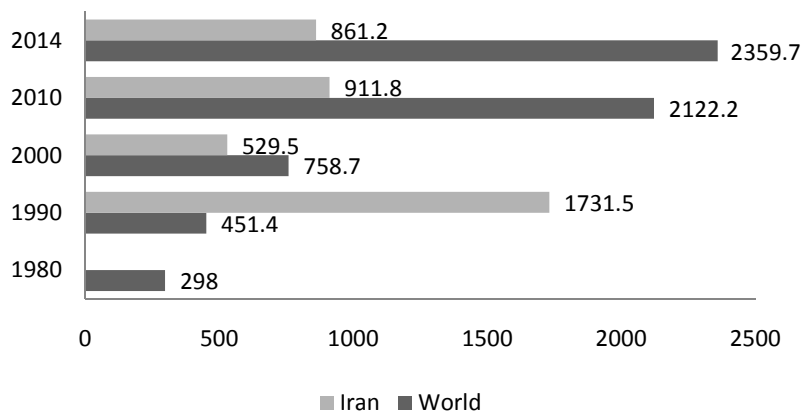
**Chart 1. The average annual growth in remittances of the World and Iran over the period 1980-2014.**



**Source:** Statistics of the World Bank and the International Organization for Migration.

Chart (2) shows per capita remittances during the years 1980-2014. As seen, per capita remittances of Iranian immigrants is lower than that from other countries with the largest number of emigrants in the world. The average per capita remittances in 2010 and 2014 in all countries is higher than 592.5, 911.8 and 861.2 dollars of Iranian emigrants. The average global per capita has been increasingly growing and from \$298 in 1980 reached \$451.4 in 1990, \$758.7 in 2000, \$2122.2 in 2010 and \$2359.7 in 2014 which is about three times larger than the per capita remittances of Iranian emigrants.

**Chart 2. Emigrant per capita remittances during the years 1980-2014 in Iran**



\* The emigrant of 1990 divided on remittances of 1991.

**Source:** Statistics of the World Bank and the International Organization for Migration.

### Summary and Conclusion

The results of this research shows that today, more than ever, the world is moving towards “the world on the move”. International migration is constantly growing. The increase is evident from the average annual growth of global migrants during different periods. In addition, the majority of international migration is towards the North American countries, Australia, Europe, oil-rich countries of the Persian Gulf and developed countries of South East Asia. Also, an important part of international migrants are refugees and forced immigrants who are often from



African countries, the Middle East, Eastern Europe and South East Asia. There are some crises in these countries which lead the refugees into neighboring countries, such as Afghans in Iran and Pakistan.

A movement is also developing in which Southern and developing countries are immigrating to developed high-income Northern countries. Therefore, a chain of labor and capital is forming among different sectors and different countries in the world. It should be noted that capital and labor are not always moving from south to north (as the theorists of dependency and world-systems such as Frank put it). These new interactions have made it possible for capital to move within this chain towards the Southern countries.

The results of the research also indicate that the growth of Iranian emigrants has been constantly high from 1960s to 2013, and today Iran's emigrant population has reached 1,604,750 people according to documented statistics. Iranian emigrants are often in two types of countries: developed countries or countries with high revenues and potentials for trade with Iran. Developed countries are mostly European countries, the US and Australia. High-income countries with potentials for trade with Iran include the Persian Gulf and neighboring countries including the UAE, Kuwait, Qatar and Turkey.

Therefore, the first impression is that Iranians emigrate to Western and European countries to have a better life or they go to neighboring countries to trade, work and earn more money. Most emigrants to European countries, the USA and Australia have almost certainly higher levels of education and human capital and emigrants to neighboring countries are with higher economic capital.

The results of this study also show that remittances in the world is rising sharply. It rose from \$1.922 billion in 1970 to \$538.430 billion in 2014. Also, the per capita remittances rose from \$18.2 in 1970 to \$2359.7 in 2014. This shows that remittances are an important economic factor in many countries. Remittances are not only specific to poor or developing countries; countries with highest received remittances are India, China, the Philippines, Mexico and France. And part of the GDP of these countries is related to these remittances.

The results also indicate that remittances received by Iran in 2014 was \$1.382 billion. More than 93% of remittances received by Iran is from 18 countries. Also, more than 60% of the total remittances has been transferred to Iran from UAE, the US, and Germany with 26.3, 24.8 and 9.8 percent, respectively. After these countries are Canada, the UK and Sweden with 6.6, 4.5 and 4.1 percent, respectively. Most remittances transferred to Iran are from immigrants in neighboring and the Persian Gulf countries as well as European countries, the US and Australia. But the per capita of remittances as well as the annual growth rate of transferred remittances from Iranian emigrants have been lower than the global average and than that in all the studied countries. With regard to the destinations of Iranian emigrants, it is possible that they have high human and economic capital. So we need to find ways to increase remittances sent by Iranian emigrants. In this regard, we can encourage Iranians to invest in their country, form hometown associations, facilitate transport and trade with Iran, etc.

A final point to be mentioned in this study is "problems related to the statistics of transnational emigration" as, in Iran, there is still no clear reference or authority on the issue of international migration. Therefore, lack of precise statistical information as well as specific policies and programs related to Iranian emigrants abroad have made these emigrants not to have an appropriate position in destination countries. Also, in many cases, it has led to a lack of proper and constructive interaction between the emigrants and their home country (Moshfegh, 2013: 8-9).

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