

# **The Impact of Emigration on the Country of Origin: The Case of Iran**

**Amir Mohammad Amiri<sup>1</sup>  
Ali Asghar Moghaddas<sup>2</sup>**

**May 2005**

***Keywords: Emigration, Migrant, Consequences, country of Origin***

## ***Abstract***

*Emigration behavior can strongly influence the country of origin. Understanding this subject is important to state and local policy makers because it can stimulate construction activity, also it influences other infrastructures. In addition, this movement of people is important because it alters an area's potential for economic growth by directly affecting the size and composition of regional labor forces. In general, we can say that migration has the greatest short-run impact on society of any of the three demographic processes. It is a selective process that always requires change and adjustment on the part of the individual migrant. More important, when migration occurs with any appreciable volume, it may have a significant impact on the social, cultural, and economic structure of both donor and host regions. Due to their potential impact, patterns of migration are harbingers of social change in a society.*

*One reason for the significance of emigration lies in its concentration in certain areas where it becomes a key factor in social transformation. On the other hand, in recent years Iran has been one of the main suppliers of labor forces to the developed countries. A fact that deserves attention.*

*This article discusses the impact of emigration on the country of origin at various levels from micro level to macro level. The method of this study is documentary-statistical and theoretical discussion. The required information in this context is the available data published by the statistical center of Iran, the other administrative data and the data gathered from other countries.*

---

1- MA Student of Demography, College of Social sciences, University of Shiraz.

2- Assistant Prof. of Sociology, College of Social sciences, University of Shiraz.

## **Introduction**

A fundamental characteristic of people is their movement from place to place. The right to move was recognized globally over a half century ago with the adoption of the Universal Declaration of Human Rights. The declaration states in Article 13 that “Everyone has the right to freedom of movement and residence within the borders of each state” and “Everyone has the right to leave any country, including his own, and to return to his country.” As noted in the 1994 International Conference on Population and Development, orderly international migration can have positive impacts on both the communities of origin and the communities of destination. Migration also has the potential of facilitating the transfer of skills and contributing to cultural enrichment. Today the number of people residing outside their country of birth is at an all-time high of about 175 million, more than double the number a generation ago. The vast majority of migrants are making meaningful contributions to their host countries. At the same time, however, international migration entails the loss of human resources for many countries of origin and may give rise to political, economic or social tensions in countries of destination. International migration, with its intricate web of demographic, social, economic and political determinants and consequences, is a topic that has moved to the forefront of national and international agenda (International migration report, 2002).

The implementation of national policies to affect levels and patterns of international migration has also intensified, spreading to all regions of the world. Discussions on issues such as sustained low fertility and population ageing, unemployment, brain-drain and brain-gain, worker remittances, human rights, social integration, xenophobia, human trafficking and national security have led to a re-examination of migration policies and the potential benefits and disadvantages accruing to sending, receiving and transit countries. Over the past decades, the number of governments adopting new measures to influence migration has grown rapidly. The many questions and consequences arising from growing concerns about international migration, however, have few clear answers largely because of the lack of accurate and up-to-date information on international migration. This report attempts to address some of these questions by providing an overview of consequences of emigration from Iran to other countries.

Although both advantages and disadvantages to the sending countries are observed, there appears today to be a growing consensus that the disadvantages outweigh the advantages in both areas.

**Definition of terms:**

***Country of origin:*** The country that is a source of migratory flows (legal or illegal).

***Country of destination:*** The country that is a destination for migratory flows (legal or illegal).

***Migrant:*** At the international level, no universally accepted definition of migrant exists. The term migrant is usually understood to cover all cases where the decision to migrate is taken freely by the individual concerned for reasons of “personal convenience” and without intervention of an external compelling factor. This term therefore applies to persons, and family members, moving to another country or region to better their material or social conditions and improve the prospect for themselves or their family.

***Migration:*** A process of moving, either across an international border, or within a State. It is a population movement, encompassing any kind of movement of people, whatever its length, composition and causes; it includes migration of refugees, displaced persons, uprooted people, and economic migrants.

***Emigration:*** The act of departing or exiting from one State with a view to settle in another. International human rights norms provide that all persons should be free to leave any country, including their own, and that only in very limited circumstances may States impose restrictions on the individual’s right to leave its territory.

***Immigration:*** A process by which non-nationals move into a country for the purpose of settlement.

**Justification of study**

Migration as a factor of the socio-economic and political development of the society, attracts the attention of the not only the scientific community but also politicians, the legislative and executive authorities, who are in charge of the decision-making and

implementation of migration policies in their countries. Population migration, being a means of territorial redistribution of the population and labor force, is a determining influence of the society.

Emigration from Iran constitutes one of the major migration streams in the developing countries today. Considerable change in the migration of population and labor resources, which took place in Iran during the last years, lead to the aggravation of migration processes and employment, resulting in a sharp shortage of a qualified specialist in Iran, where as in other regions the excess of migrants caused difficulties in the provision of housing and employment.

### **Objective of the study**

- 1- The general goal of this study is investigating the influence of emigration on the country of origin (in this case, Iran) at different levels.
- 2- The study is aimed of finding out whether emigration in Iran is considered a problem or not.

### **Background of migration in Iran**

The history of Iran shows that Iran is faced by both immigration of other nations and emigration of native population to other countries and regions. This is due to the geographical position of Iran which is located between east and west.

#### **Migration before the 1979 revolution:**

At the beginning of 1960s, the process of modernization was started in Iran, and this process was mostly concentrated in the capital Tehran and provincial capitals. This showed that the socio-economic structure of the Iranian society has been changed too. As a result of this process, a rapid emigration from Iran to European countries, US and countries of Persian Gulf emerged. A lot of Iranians went to European countries and USA for the purpose of higher education. Some of Iranians moved to Persian Gulf countries to seek jobs (lahsaeiezadeh, 2000: 67-70).

#### **Emigration of Iranian before revolution**

Emigration from Iran before the 1979 revolution could be divided into three regions: Europe, the US and Persian Gulf countries. Mainly the cause of migration was two reason; higher education and looking for job. With the expansion of modernization, the Iranian students started

to go to European countries and the US for the purpose of higher educations.

With regard to rapid expansion and growth of the Persian Gulf countries during 1960-1970, the Iranians labor force migrated to these countries. Those people were mostly unprofessional laborers from countryside and small towns of central and southern Iran.

### **Post- revolutionary migration**

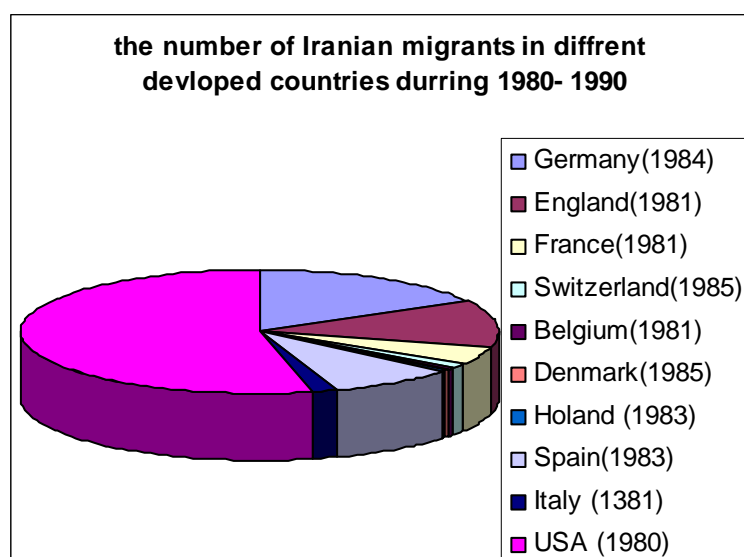
The 1979 revolution and changes in socio-economic conditions have intensified out-migrations. The war between Iran and Iraq affected these out-migration flows too. It is still a continuous process. As a result, the rate of emigration from Iran went up and Iranians migrated to European countries, North America, Asian countries and Australia. These migrations took place within the past 20 years and they were mostly as a result of political, economic, social and cultural factors. Because of the above mentioned reasons, it is estimated that 3 million people emigrated from Iran. Also a high rate of brain drain occurred in Iran after the revolution. Many of them went to the developed countries like US, Australia, New Zealand, Canada, England, France, Germany and so on.

Although there is not an accurate data on Iranian emigrants from Iran, some information from developed countries give us an approximate figure. Table 1 shows the number of Iranian migrants in different developed countries according to their population census from 1980 to 1990s (lahsaeiezadeh, 2000: 67-70).

**Table 1.**

| <b>Name of country</b> | <b>Year of census</b> | <b>No. of Iranian</b> |
|------------------------|-----------------------|-----------------------|
| <b>Germany</b>         | <b>1984</b>           | <b>38432</b>          |
| <b>England</b>         | <b>1981</b>           | <b>28062</b>          |
| <b>France</b>          | <b>1982</b>           | <b>10420</b>          |
| <b>Switzerland</b>     | <b>1985</b>           | <b>2665</b>           |
| <b>Belgium</b>         | <b>1981</b>           | <b>962</b>            |
| <b>Denmark</b>         | <b>1985</b>           | <b>857</b>            |
| <b>Holland</b>         | <b>1983</b>           | <b>682</b>            |
| <b>Spain</b>           | <b>1983</b>           | <b>1400</b>           |
| <b>Italy</b>           | <b>1981</b>           | <b>3917</b>           |
| <b>U.S.A</b>           | <b>1980</b>           | <b>121505</b>         |

Source: Zangani, etal. , 1993: 4.



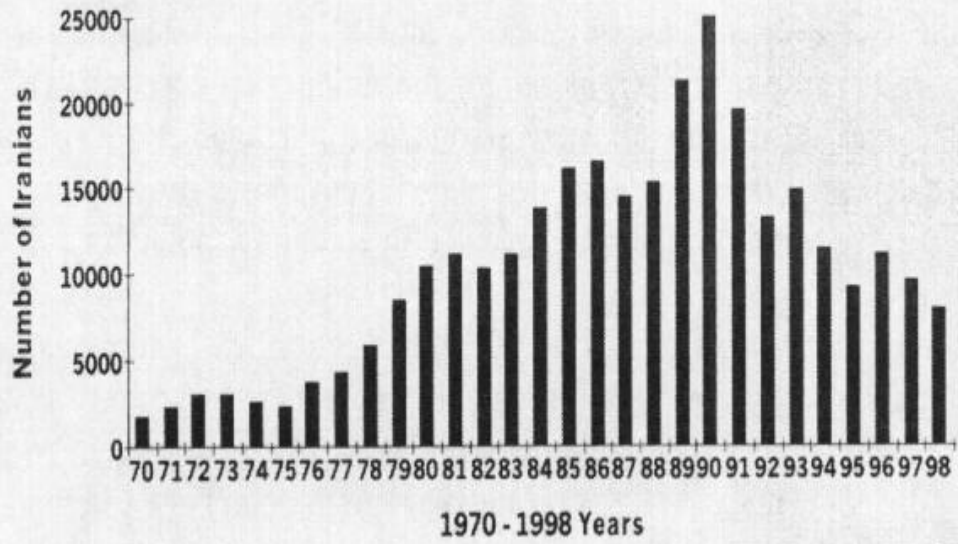
**Table 2**  
Rates of Brain Drain from Iran to the United States

|  | Year 1990 | Percent | 1997      |
|--|-----------|---------|-----------|
| Iranian born population in the US                  | 210,000   | 100%    | 290,000   |
| Iranians 25 years and older                        | 167,000   | 80%     | 232,000*  |
| Iranians 25 years and over with tertiary education | 119,000   | 57%     | 165,000*  |
| Iranians with tertiary education in Iran           | 878,661*  |         | 1,501,000 |
| Rate of Brain Drain to the US                      | 13.5%*    |         | 11%*      |

\* Author estimates

Sources: The US Census Bureau and Statistical Center of Iran.

**Figure 1.**  
**Iranian Immigrants Admitted to the U.S**



**Table 2.** Shows the top 5 countries of origin of foreign students in selected OECD countries in 1998.

### Top 5 Countries of Origin of Foreign Students in Selected OECD Countries, 1998

| Host country | 1st      | %    | 2nd           | %    | 3rd           | %    | 4th       | %   | 5th      | %   |
|--------------|----------|------|---------------|------|---------------|------|-----------|-----|----------|-----|
| Australia    | Malaysia | 14.7 | Singapore     | 13.4 | Hong Kong SAR | 12.2 | Indonesia | 7.2 | UK       | 4.9 |
| Austria      | Italy    | 23.3 | Germany       | 19.1 | Turkey        | 4.0  | Bulgaria  | 3.7 | Iran     | 3.3 |
| Canada       | France   | 10.7 | USA           | 10.0 | Hong Kong SAR | 8.2  | China     | 7.2 | Japan    | 4.0 |
| Denmark      | Norway   | 10.5 | Iceland       | 5.7  | Germany       | 5.3  | Sweden    | 3.9 | Iran     | 3.9 |
| France       | Morocco  | 11.8 | Algeria       | 10.9 | Germany       | 3.5  | Tunisia   | 3.4 | -        | -   |
| Germany      | Turkey   | 15.2 | Iran          | 5.2  | Greece        | 5.0  | Austria   | 4.0 | Italy    | 4.0 |
| Italy        | Greece   | 49.1 | Germany       | 4.4  | -             | -    | -         | -   | -        | -   |
| Japan        | China    | 45.6 | Rep. of Korea | 33.0 | Malaysia      | 3.7  | -         | -   | -        | -   |
| New Zealand  | Malaysia | 32.0 | Japan         | 6.1  | Hong Kong     | 4.9  | USA       | 4.9 | Thailand | 4.8 |
| Spain        | France   | 13.4 | Germany       | 11.0 | Italy         | 10.0 | UK        | 8.1 | Morocco  | 6.8 |
| Switzerland  | Germany  | 22.4 | Italy         | 15.6 | France        | 10.6 | Spain     | 6.0 | -        | -   |
| UK           | Greece   | 12.1 | Malaysia      | 8.2  | Ireland       | 7.8  | Germany   | 6.2 | France   | 6.0 |
| USA          | China    | 9.8  | Japan         | 9.8  | Rep. of Korea | 8.9  | India     | 7.0 | Canada   | 4.6 |

Migration of Iranians to the Persian Gulf countries continued after the 1979 revolution. Most of them migrated for the purpose of work. They were mostly male and unmarried.

In Canada, the statistics of 2002 show shifts in the number of immigrants arriving from the source countries for Canada in which the biggest increase was in Iranian immigrants between 2000 and 2002. According to the citizenship and immigration in Canada—fact and figures 2002, Iran was one of the top 5 source countries of immigrants settling in Canada. For example, the below table shows the increase of the Iranian clearly.

**Table 3.**

| Number of Iranian Immigrants in Canada | Years of 2000 | 2001 | 2002 |
|--|---------------|------|------|
|  | 5608          | 5737 | 7742 |

Source: Canadian Immigration 2002 and beyond: Expectation and Reality



## **Migration fever and its consequences**

In Iran the demand for higher education has mushroomed due to the increase in population of youth as a result of the experience of the baby boom after the war. To cope with the increase in demand, the government has increased the universities' enrolment without increasing the required resources in appropriate proportion. The capacities of the universities are very limited and the number of the faculties is insufficient compared to the huge number of students. At the same time, there are numerous recently graduated youths in Iran who are desperately looking for work but there are not enough investments and entrepreneurs to create jobs. In general, the rate of unemployment in the last three years has been very high, officially in the range of 13%-14%. (Iran statistical yearbook, 1999/2000). Also the immigration of some 2 million afghani and Iraqi refugees into Iran, people who are mostly unskilled labor, have further worsened the unemployment situation in the past few years. In addition, exogenous factors, low oil price in 1998 and early 1999, the US economic sanction, and a severe drought have put more pressure on the economy. Hence, the above mentioned reasons have increased the demand for emigration in the hope of a better life condition including good jobs and educations. The main point is that the government has neither been able to benefit from its unemployed experts at home nor has it been successful in providing those abroad with a good condition.

In consequence, the demand and tendency to emigration in recent years has been increased. So many people have a high tendency to emigration from Iran. This new phenomenon is the result of many causes like widespread the mass media use. Also the rise of advertisement in satellite programs and web pages has increased the demand for goes. The main impact of this new fever is emergence of new job opportunities for some people. This process is known as a *migration industry*, which consists of recruitment organizations, lawyer, agents, smugglers and other people. Such people can be both helpers and exploiters of migrants. For instance, the fee for traveling from Iran to Europe by smugglers was 5000\$ (IOM report, 2001). They are especially active in metropolitans of Iran such as Tehran, Mashhad, Shiraz, Isfahan and Tabriz.

## **Migration and development**

The most important question for countries of origin is whether migration assists or hinders development? Migration may hinder development by:

Siphoning off qualified personnel (the brain drain), removing dynamic young workers and reducing pressure for social changes. Migration often involves a transfer of the most valuable economic resources from a poor country to a rich one. The family, local community and state of the place of origin have borne the costs of upbringing of migration to young adulthood.

Recently Iran as an emigration country has pursued short-term aims like generating jobs for an under-utilized workforce and getting the maximum possible inflow of worker remittances. Therefore, it has set up special departments and agencies to manage labor emigration, such as ministry of labor by enacting the transfer labor force to some countries like Italy. This creates some problems due to the lack of regulation and existence of special department or offices for protection of the nationals while abroad. On the one hand, the large number of irregular immigrants demonstrates that this phenomenon allows exploitative employment and abuse like trafficking of women for prostitution and on the other hand, there are no policies to prevent abuse or exploitation of the citizens while they are abroad.

Human and physical capitals are both vital determinants of economic growth. Empirical research has proven that investment in human capital contributes even more to economic growth than that in physical capital. Iran in recent years has experienced a huge amount of human and financial capital flight. It has been estimated that capital flight from Iran shortly before and after the revolution is in the range of \$30 to \$40 billion (Ansari cited in Torbat, 2002).

These two important factors of economic growth have been drained from the country. The expatriate's skilled manpower is needed to promote economic growth. Iranian emigrants who left Iran to US and other receiving countries mostly brought their families, unlike the other immigrants from other countries, who normally leave their families at home and then send a part of their monthly income for their support that is called remittance. It means that Iran does not receive the remittance of emigrants too much. In general, there is no statistics about the amount of it.

The process of net capital outflow of Iran has been continuous. In addition, the purchase of foreign currency by the emigrants in the free market has inflated the Rial exchange rates. Hence, there is a

tremendous disparity between the free market nominal exchange rates and the real purchasing power of the Rial.

The 8-year war with Iraq severely damaged Iran's infrastructures and the economy was in ruin. After the end of the war in 1988, the Islamic republic began to rebuild its economy. And at this time the country needed the Iranian professionals who had left the country during the War, but most of them stayed abroad and did not participate in rebuilding the country. Of course there were no many examples of policies for supporting return migrants.

Since the Iranians abroad are doubtful to invest in Iran, there is a little hope to absorb capital from foreign investors. The main cause that they refer to is the instability of Middle East region. As a result, Iran usually damaged by this condition.

### **Impact of migration movements on society**

It is difficult to indicate all the manifestations and forms of influence of the dominant migration trends on the functioning of a given society. This difficulty derives from at least three reasons:

a) The complexity of life in society makes it difficult to separate the reasons from the results and to isolate influence and consequences of migratory processes from the set of conditions that released the migratory flows.

b) The assessment of the influence of migrations can differ depending on the level of analysis (the results, which may seem positive on the micro-level, i.e. for individuals, can become negative on the macro-level, i.e. local communities or the whole of society).

c) The majority of the migratory flows, which at present are taking place in Iran, are not registered in any way, and migrants operate in a shadow economy. Thus, the actual scale of the phenomenon is unknown, as are the dimensions of the loss caused by the exclusion of a significant part of GDP from the tax system.

Another factor that complicates the answer to any question on the impact of migration on Iran society is that of the “structural shift” of large migrant groups between the West and the East. This has resulted from a transformation from a typically sending into a sending-receiving country. Iran (regular and irregular) unskilled workers are employed mainly in the secondary labor markets of the EU member states (and the US); at the same time so many immigrants from Iraq and Afghanistan are employed in Iran’s secondary labor market. The demand for (an inexpensive and illegal) migrant labor force in Iran is

high, although the average unemployment ratio has reached the level of 15 percent.

The phenomenon of the double-step shift of significant work forces from the East to the West (from Iran and Middle East to the EU; from the neighbor country such as Afghanistan and Iraq) derives from differences in the average income and exchange rates in the country of origin and the host country. Following the Wallerstein terminology (Wallerstein, 1979) we can say that Iran has been transformed into a “semi-periphery”, which has become attractive for “peripheral” populations as a host country, but it is still vulnerable to the “gravity” pressures of “the centre”.

### **Non-economic effects of migration**

#### **Influence on the demographic structure:**

Mass emigrations cause demographic changes that lead to balancing of localities where it faces over population or lead to depopulation in some other regions. Also, it may cause the break-down of the high rate of unemployment. The case of Iran was a positive impact because this stream helped to reduce the rate of unemployment and overpopulation.

#### **Changes of family structure**

The long term absence of family members forces the redefinition of the role-division in the family. In consequence, usually because of the migration of the male, it is the women who manage the home affairs. The result is an increase in the power and role of women in the family structure. In addition, these trends seriously influence the harmony of marital status.

#### **Corrupting the institutions and reducing social capital**

The operations in the informal sphere (“on the side” of the formal institutions of the host country), so typical for economic migrations, can strengthen models of illicit behavior, characterized by repeated contraventions of the rules, and deformation of the principles. The ultimate effect is to reduce any social capital resources (like mutual trust) left in the host societies. This is especially visible in the phenomenon of tax evasion and corruption.

### **Social marginalization and circular economic migrants**

Circular forms of mobility (as well as migrant networks) slow down the process of integration with the receiving society, while long-lasting temporary migrations lead to the permanent social marginalization of a migrant, both in the sending, and in the receiving countries. Circular economic migrants are often “trapped” by long-term effects of their migration – at the beginning they migrate with the intention of improving the economic situation and raising the living standards of the household – afterwards they have to migrate to earn the money necessary to keep up the already achieved standards (i.e. for the maintenance of a house, which is ‘too expensive’ in relation to the available income in the country of origin).

### **Economic effects of migration**

#### **Remittances**

Remittances brought by migrant workers in legal and illegal situations are a very important factor mitigating the negative effects of the systemic transformation (i.e. structural unemployment) at the level of individual households. The scale of financial flows is significant. Remittances play another important role in economies in which the capital market is not well developed. Money accumulated during temporary economic migrations substitutes for bank loans - allows for the start up of a business. However, many migrants' remittance is sent through unofficial channels and is, therefore, not captured by official statistical sources.

The inflow of remittances sent by Iranian emigrants is, however, reduced by the transfers of the immigrants working in Iran.

#### **Reduction of social tensions**

Migrations can mitigate the costs of transformation. Thanks to migrations, the “surplus of labor force” (e.g. employees of collapsing branches of industry) are “exported” to the markets of the better-developed countries, instead of being unproductive in the origin. However, empirical research shows that migrations and financial flows have a very important influence on socio-economic change. They tend to transfer new ideas and promote modernization strategies (at least in the Iran case).

Thanks to the supply of a cheap migrant labor force, entrepreneurs gain mobile and disciplined workers, something that considerably increases their competitiveness. Simultaneously, certain types of

services (domestic services, baby-sitting, care of the sick and elderly) become accessible to a larger number of households, thereby increasing their standards of living.

### **Know-how transfers**

Emigrations can promote a rising of individual qualifications, and the transfer of know-how and new technologies; they can also facilitate identification of the existing economic niches in a given country. The highly skilled professionals and consultants that flooded in due to the globalization have facilitated the diffusion of cultural patterns (like new management techniques or the capitalist ethos of work that was necessary for the introduction of the capitalist economy and democratic institutions.

The benefits of know-how transfers are reduced by a significant outflow of qualified workers and professionals whose education is financed by the Iranian government, and whose skills are used for the benefit of the Western countries.

## **Conclusion**

In this study, it has been argued that there is an interlinkages between the emigration from Iran to the other countries, especially to the European country and US and its impact on social changes and infrastructures. Emigrations from Iran during recent years contribute to a decline in the number of people that was unsatisfied from status quo. From the social, political and economic point of view this lead to reducing the pressure of social changes in society. Furthermore it was discussed that government and development agencies should carefully consider the role of remittances. In the case of Iran it is necessary to take to account the ways to channel and maximize the benefits of remittances in order to complement “official” financing of development efforts. In addition, in relation to the issue of brain drain it was argued that the rate of brain drain from Iran to the European countries and US was high. For instance, the rate of Brain Drain from Iran to US in 1990 was 15 percent rather other Asian countries that was 9 percent. Hence, the issue of Brain Drain needs to be addressed and strategies to reduce the negative consequences of emigration of skilled workers have to be developed. Exploring the possibilities of turning skilled migration into a brain gain will be important in this context. Finally it must be point out that the in the case of Iran it is very difficult to obtain reliable data and statistics on emigration.

## References

- Castles, S. (2000). *International Migration at the Beginning of the Twenty-first century; Global Trends and Issues*. Oxford; Blackwell.
- Central Bank of the Islamic Republic of Iran. (1991-92). *Annual Review*, P.52.
- George, M. (2002). *Stock data Canadian immigration-Conference of European Statisticians*.
- Jedwab, J. (2002). *Canadian Immigration 2002 and Beyond; Expectation and reality, Citizenship and Immigration in Canada-Fact and Figures (2002) immigration*.
- Lahsaeizadeh, A . (2002). *Migration and Urbanization*. Shiraz: Zar publication.
- OECD(1998). *Trends in International Migration*, Paris : OECD Publications.
- Statistical Center of Iran. (1996). *General census of population and housing 1996*. Tehran
- Statistical Center of Iran.(1999/2000). *Iran statistical yearbook*. p.614.
- Torbat, A. (2002). The Brain drain from Iran to the United States. *The Middle East Journal*. Vol,56. No, 2. Pg. 272.
- U.S Immigration and Naturalization Service. (2000). *Statistical Yearbook of Immigration and Naturalization service*. Washington D.C: U.S. Government Printing Office.
- U.S Immigration and Naturalization service. (1996). Top ten Countries refugees: 1981-96.
- Wallerstein, I. (1979). *The Capitalist World-Economy*, New York: Academic Press.
- Weeks, J. R. (1999). *Population: An Introduction to concepts and Issues*. California, USA: Wadworth publishing company.



Zanjani, H & Z, Alizadeh .(1993). Migration. Tehran: Urban planning and Architecture Research Center of Iran.

International Organization for Migration (IOM). (2004). *Glossary on Migration*. Geneva.

Usher, E . (2005). "The Millennium Development Goals and Migration". *International Organization for Migration (IOM)*.Geneva.