

Influences of emigration on Iran's economy

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Introduction

Emigration from Iran during the last 5 decades has increased drastically. Influences of emigration on Iran's economy and society has brought nothing but loss of human capital and money. Thousands of people are leaving the country every year which we can generally divide them as: emigration of High qualified people (brain drain), Refugees and Students. Top destinations for Iranians are Europe, America and countries in Persian Gulf, and today countries like turkey and Russia are receiving thousands of Iranians. Socio-economic problems were the main reasons of migration from Iran. Openness to the world, Serious and immediate political and social reforms, Providing incentives (for Iranians who live inside and outside of the country) to invest their money in Iran, Immediate educational change, Surveillance system of cash inflow and outflow for better decision making is necessary, and government must consider immediate changes.

Emigration from Iran is divided into three phases as following [3]:

First phase of emigration from 1950 because of:

1. Slow economic recovery
2. Restarting the oil production

Second phase of emigration from 1979-1995:

- Socialists and liberals who left the country at first.
- Men who escaped the Iran-Iraq war.
- Young women because of the gender restrictions such as wearing veil, education limits and etc.
- Many of professionals, professors, academics, entrepreneurs.

Third phase of emigration from 1995 to the present:

- Economic crisis
- Human rights violations
- Lost opportunities
- Discriminations

In 2018, United Nations High Commissioner for Refugees reported that around 10,900 of Iranians were asylum seekers that has increased from the previous years and puts Iran at the third place after Syria and Iraq, moreover in this year more than 35,000 Iranians applied for asylum claims, and more than 87,000 thousand Iranian asylum seekers are waiting the decision. Number of Iranian refugees is reported to be more than 129,000, in this year. During this emigration phase, illegal methods of emigration increased, people were smuggled across the borders, and many of people have used different methods such as changing religion as a tool to apply for asylum by explaining that conversion from Islam is punishable by the Islamic republic of Iran. [7]

Reasons of emigration today (Received by the author during the research)

Reasons of emigration from Iran, for men and women are mostly the same, in our research the following reasons were described as motivation to emigrate: Freedom, Dictatorship, Believe in having a better life in other countries, Corruption, discrimination, unemployment rate,

Compulsory Military services, University examination/ quality of education, Lack of happiness, Infrastructural problems and religious freedom.

Results of emigration

- 150,000-180,000 educated Iranians are leaving the country every year which brings more than 50 billion \$ loss.[2]
- The combined wealth of Iranians or from Iranian descents is estimated to be more than 1.3 trillion \$.
- Iranians businesses in UAE own more than 200 billion \$.
- Between the years 2010-2014, Iranian expatriates have invested more than 400 billion\$ in n the United States, Europe, and China and almost nothing in Iran.
- After surveying Fortune 500 companies researchers at MIT discovered that 50 Iranian-Americans held senior leadership positions at companies with more than \$200 million in asset value.
- Over 500 Iranian-American professors teaching at top-ranked U.S. universities which include MIT, Harvard, Yale, Princeton, Berkeley, UCLA, and Stanford.[6]
- The Small Business Administration (SBA) conducted a study that found Iranian immigrants among the top 20 immigrant groups with the highest rate of business ownership, contributing substantially to the U.S. economy. According to the report, there were 33,570 active and contributing Iranian American business owners in the U.S., with a 21.5% business ownership rate. The study also found that the total net business income generated by Iranian Americans was \$2.56 billion. Almost one in three Iranian-American households have annual incomes of more than \$100,000.[5]
- As of 2011, there were approximately 60,000 Iranians studying or working. They have shares on 2,000 Malaysian businesses and occupy about 15,000 spots in Malaysian universities.[4]
- In September 2019, Iranians bought 3,624 houses/apartments in Turkey. Up to now more than 8000 houses and apartments are bought by Iranians which costs 250,000 dollars in average.[1]

Conclusion

- Openness to the world
- Serious and immediate political and social reforms
- Providing incentives (for Iranians who live inside and outside of the country) to invest their money in Iran
- Immediate educational change
- Surveillance system of cash inflow and outflow for better decision making

Источники и литература

- 1) <https://www.bbc.com/persian/iran-features-50273870> (In Persian)
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- 6) <http://www.iran-daily.com/>
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