



## India: Top Remittance Recipient

**For Prelims:** Remittance Receipt, Economic Survey, India's position at global remittance receipt level, WHO, World Report on the health of refugees and migrants

**For Mains:** Importance of remittances, Negative effects of Migration

### Why in News?

According to a report released recently by the [World Health Organisation](#) titled "World report on the health of refugees and migrants", India received **USD 87 billion in remittances in 2021**.

### What do we know about the Report?

#### ▪ About:

- The report is the first to offer a global review of **health and migration** and calls for urgent and concerted action to **support refugees and migrants** across the world to access [health care services](#) that are sensitive to their needs.

#### ▪ Findings:

##### ◦ Migration:

- It states that **'Globally, about one in eight people** are migrants.'" (Total 1 billion are Migrants)
- From 1990 to 2020:
  - The total number of **international migrants** increased from **153 million to 281 million**.
  - About 48% of international migrants are **women** and some 36 million are **children**.
- As of 2020, Europe and North America hosted the **greatest number** of international migrants, followed by northern Africa and western Asia.
- More than **half of newly recognized refugees** during the first half of 2021 were from five countries:
  - Central African Republic
  - South Sudan
  - Syrian Arab Republic
  - Afghanistan
  - Nigeria

##### ◦ Remittance:

- In 2021 the **top five remittance recipients** (among low- and middle-income countries) **in current US dollars** were:
  - **India:** 83 billion
    - India's remittances **rose by 4.8% in 2021**. (Remittance in 2020 at USD 83 billion)
  - **China:** 53 billion
  - **Mexico:** 53 billion
  - **Philippines:** 36 billion

- **Egypt:** 33 billion
- As a share of **Gross Domestic Product (GDP)**, the top five remittance recipients in 2021 were smaller economies:
  - **Tonga:** 44%
  - **Lebanon:** 35%
  - **Kyrgyzstan:** 30%
  - **Tajikistan:** 28%
  - **Honduras:** 27%
- In most other areas, remittances have also recovered strongly, registering growth of **5-10% in Europe and Central Asia**, the **Middle East and northern Africa**, **Southern Asia and sub-Saharan Africa**.
- But at a slower pace of 1.4% in **Eastern Asia and the Pacific**, excluding China.

## What do we know about the Remittances?

- A remittance is **money sent to another party**, usually one in another country.
- The sender is typically an **immigrant** and the recipient a relative back home.
- Remittances represent **one of the largest sources** of income for people in **low-income and developing nations**.
  - It often exceeds the amount of **direct investment and official development assistance**.
- Remittances help families afford food, healthcare, and basic needs.
- India is the world's biggest recipient of remittances.
  - Remittances bolsters India's **foreign exchange reserves** and helps fund its **current account deficit**.

## What is the Significance of Remittances?

- Remittances **increase or maintain consumer spending** and soften the blow of **economic hardship**, such as during the **Covid-19 pandemic**.
- Remittances account for a large fraction of the **global movement of funds**.
  - Despite predictions that remittances would fall due to the Covid-19 pandemic (in part as a result of travel restrictions and the economic downturn), **remittances proved to be resilient**.
- Remittances are an "important and positive" **economic result of migration** for migrants themselves and for family and friends remaining in their home countries.
- Remittances now stand at more than **threefold above official development assistance** and are **more than 50% higher than foreign direct investment, excluding in China**.

## What are Negative Effects of Migration?

- **Brain Drain:**
  - The movement of skilled labour may result in a so-called **brain drain**, typically, from lower-income countries, and a **brain gain** in higher-income countries in a process known more generically as **brain circulation**.
    - Brain drain may **worsen** the availability of services, such as **health care**, if highly skilled **doctors and nurses leave lower income countries** seeking better economic opportunity.
- **Left-behind Families:**
  - Migration affects not only people who move but also their **family and community members who remain**:
    - An estimated **193 million family members of migrant workers are left behind**.
  - Migration of individuals to high income countries to undertake care jobs for the host population can create a **care deficit for their own families, especially for children and older people**.
- **Discrimination & Xenophobia:**
  - Refugees and migrants may face **hateful treatment or attitudes**.

- **Xenophobia** is the treatment of people as outsiders because of their **language**, culture, appearance or place of birth.
- Xenophobia may expose refugees and migrants in host countries to discrimination, mistreatment or violence, and it has serious public health consequences.
- **People Smuggling & Human Trafficking:**
  - While much migration occurs **without contravening laws or regulations**, a significant yet unmeasurable portion of migrants is **exploited by criminal networks**.
  - Although different in legal terms, **people smuggling and human trafficking** share **many similarities** in how they are carried out, and are sometimes hard to distinguish from each other.

**Source: ET**

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