

# Effect of worker remittances on Poverty Reduction in Asian Countries

by

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## Abstract

**Background:** The globalisation is a concept that has driven diversification but at the same time brought many disparities among the regions. This signifies that remittances sent by migrant workers might have a substantial positive influence on consumption or income and a substantial negative influence on poverty. At the level of household, reliance on remittances leads to productive activities of neglecting families whereas, at a regional and community level, it might also result in an upsurge in inequality among families receiving remittances.

**Aims:** The study aims to investigate the impact of workers' remittances on poverty levels in Asian countries because most of the existing literature is found in the context of European countries or other developed states, and emerging countries have received a lack of concern.

**Method:** The researcher employed a secondary quantitative approach under which data of 12 emerging economies in Asia for the years 2001 to 2020 were collected.

**Results:** Through regression analysis, it was seen that remittances had an important impact on reduction on poverty in countries of Asia. Therefore, it was recommended for the officials to look for ways through which they can attract for foreign remittances such as providing tax reliefs on these remittances.

**Keywords:** *poverty, poverty elimination, remittance, emerging economies of Asia*