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Research Article

Exploring Remittances Impact on Poverty Alleviation and Deepening: Remittances from International Migration

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Abstract

This paper explores whether remittances from international migration alleviate or deepen nation's poverty. The study is relevant due to ongoing concerns about migrants' brain drains and brain gains debate. And inequality among remittances recipient households and remittances non-recipient households. Grounded in Lee's push and pull theory, which considers poverty as a push factor and trigger migration; in return migrants contribute remittances to origin. The paper employs literature review approach also known as a 'meta-study'. The study's findings reveal that remittances are one of a catalyst for economic growth for nation's poverty alleviation. However, this depends on how remittances are spent. Remittances spent on conspicuous consumption instead of investment and developmental projects deepen inequality between remittances recipient households and remittances non-recipient households. Remittances spent on developmental projects expand the economy. This leads to job creation, unemployment reduction, decreases inflation, and improve balance of payment. Further, value-chain employment is created in transport, housing, and services sectors. It enhances economic growth which improves citizens living standard. The paper argues that remittance could alleviate or deepen poverty depends on the manner it is spent. Therefore, the paper recommends massive education to create awareness about remittances spending on developmental projects instead on conspicuous consumption to spur the economy. Since, authorities cannot determine how remittance is spent by the recipients, luxury goods should 'attract' high taxes, which would increase state's revenue and discouraged conspicuous consumption. And less taxes on developmental projects to encourage remittances spending on them to stimulate the economy.

Keywords

Remittances, Poverty Alleviation, Poverty Deepening, International Migration, Economic Growth and Development

1. Introduction

This paper explores whether international migrants' remittances alleviate or deepening nation's poverty. The study is relevant due to ongoing concerns about migrants' brain drains and brain gains debate and inequality among remittances recipient households and remittances non-recipient households [11, 13]. Other researchers consider remittances to alleviate nations poverty to stimulate country of origin's (COO's), economy and improve the balance of payment (BOP) [12]. Grounded in Lee's push and pull theory the paper asks do remittances alleviate or deepen nation's poverty?

Poverty alleviation is believed to occur when about four-fifths of the nation's population living standard improves [33]. This means citizens get easy access to shelter, food, clothing, healthcare and education, whereas poverty deepen-

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ing occurs when majority of citizens cannot afford basic, needs and necessities for a flourishing life [35]. Poverty deepening can result to majorities of people inability to get food, clothing, shelter and access to health services which is likely to trigger migration [35].

Migration is defined as people's movement from one place to another [27]. There are different types of migration namely; forced migration, seasonal migration, internal migration, international migration and circular migration. However, this study is concentrated on international migrants' remittances to COOs. International migration is people's movement across nation borders [23]. For instance, a migrant move from country A to country B for greener pastures. It could be from developing to developed nations, developing to developing nations, developed to developing nations and developed to developed nations [23]. Remittances from the international migrants serve as an injection into the economy, which leads to economic growth and development. Internal migration is defined as people's movement within borders of the country. It involves movement within or across villages, towns, cities and regions of a specific country. Internal migrants' remittances do not have much impact on nation's economic growth and development, since remittances are generated within the country. In the context of this study the paper is concerned about migration from developed to develop nations [24].

Poverty is defined as individual's inability to satisfy basic needs due to inadequate basic income. This means individuals affected by poverty find it difficult to get shelter, clothing, and meet three basic square meals. Statistics on international poverty benchmark set a minimum of less than $1.90 per day as of 2018, and in 2022 $2.15 per day [37]. This is the international standard of assessing poverty per the expenditure of individuals [33]. Poverty could encourage migration to another place for greener pastures. In the olden days, migrants move from poverty areas to the mining, fishing and farming communities due to unbearable economic conditions [27].

Nowadays, migration is triggered by unfavourable climatic conditions such as drought, floods, natural disasters, which results to adverse economic conditions known as push factors. Whereas, the existence of infrastructural development in the developed nations which attract migrants referred as pull factors [28]. However, migrants may move due to both push and pull factors called mixed-bag migration [23]. For instance, a migrant travel from country A to B due to poverty with an aim that on his arrival in country B, he would get employment and earns income to better his living standards. Research reveals that migrants move mostly for economic reasons such as differences in wages and salaries, as well as differences in living standards between nation's citizens [24].

Migrants on arrival in the country of destinations (CODs), get employment and earn income. The income earns by migrants are sent to non-migrants, families and friends in the COOs known as remittances [11]. Remittances are the rewards migrants send to families for up-keeps, investment, and for school fees payments [4]. Remittances could be cash or materials such as clothing, medications and luxury goods. For the sake of this study the paper is concerned about remittances flow in form of cash. Remittances sent to the recipients are invested into the local economy [3]. For instance, remittances received are invested in building projects which create jobs for masons, carpenters, electricians, plumbers, and unskilled labours. This means both skilled and unskilled labours are employed due to remittances. This improves the community members' living standards as a whole and spur the entire economy.

Despite, a surge in remittances globally from 1990 to 2022 ($71.1 billion to $831 billion), with differences of $759.9 billion to COOs, and positive impacts on the economy, researchers argued that remittances lead to higher inflation termed Dutch disease [10]. This results to recipient nation's poverty deepening and inequality gap between the rich and poor. Especially, among remittances recipient households and remittances non-recipient households [11]. The Dutch disease is the economic phenomena where remittances inflow from Western nations affect other sectors of the economy such as food prices and exchange rate.

Research further indicated that remittances make recipients households to be dependent on remitters [11]. In case of unforeseen events to remitter's, poverty is deepened among the remittance's recipient nations. Because the recipient households might not have skills to seek employment and earn incomes for up-keeps, and contribute to the nation's development. They become dependent on the nation for social services benefits. The paper aims to contribute to the ongoing debates to establish whether remittances alleviate or deepen recipient nations poverty in either way? The paper argues that remittances could alleviate or deepen poverty depends on the manner it is spent. The paper is structured as follows, theoretical framework, then literature review and methodology. The rest are findings, conclusion and recommendations. The next section presents the theoretical framework of the study.

2. Theoretical Framework

The study is grounded in Lee's push and pull theory to explain the internal and international migration; migrants' arrival in CODs remit families through remittances to the COOs. From Figure 1 below, there is an existence of two different cities or countries apart (the South and the North). This implies, the COO is troubled with problems of poverty, unemployment, unfavourable climatic conditions and less productivity (push factors) [32]. The COD is purported to have better job opportunities and freedom of expression (pull factors). Research revealed migrants consider the COD's streets to be constructed with gold [26]. The unfavourable economic conditions (poverty) in the COOs push citizens away to the CODs [39]. And the CODs attract citizens from the COOs with availability of purported jobs and infrastructural development known as pull factors [23, 32].

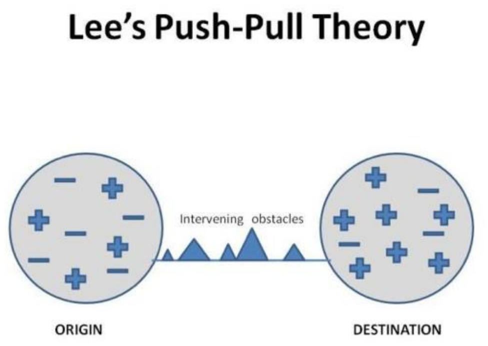

Figure 1. *Lee's push and pull theory. Source: [23].*

Migration decision is taken if the positives (favourable conditions), in CODs are more than positives in the COOs. In other words, less positives in COOs than the CODs migration is undertaken. However, more plusses in the COOs than the CODs migration idea is dropped. This implies less negatives in the COOs than the CODs migration idea is curtailed [32]. From the Figure 1 the migration theory considers human being as rational. The cost-benefit analysis is done between the country's labour market, social capitals, policies and institutions before decision to migrate or not is taken [24].

Another migration determinant is the physical barriers (obstacles) that looks like 'mountain' in figure 1. To migrate through authorised routes, the obstacles such as ticket costs and documents processing (passports and visa acquisition), increase or decrease migration between two countries [32]. The countries far apart attract less migrants because of huge migration costs [41]. However, countries that are closed to each other citizens are purported to cross border with less costs, or even at no cost [26]. Again, desire for migrants to arrive at prefer CODs with inability to payment for migration costs, lead to unauthorised routes adoption such as the English Channel and the Mediterranean Sea.

The foregoing explains the reasons countries in the same sub-regional or blocks for instance Southern Africa Development Community (SADC), and Economic Community of West African States (ECOWAS), migrants are more than countries far from one another [26]. A case in point is the large number of Zimbabweans 1.8 million out of 3.5 million migrants in South Africa [9]. However, it must be noted that rules and regulations such as restriction or relaxation of visa acquisition, and the processes of border control expand or contract migration to the CODs [31]. Migrants on arrival in COD are employed and they remit COOs. Do remittances alleviate or deepen nation's poverty? The paper aims to explore remittances impact on the nation's economic growth and sustainable development to establish whether remittances contribute to poverty alleviation or deepening in COOs.

3. Literature Review

Due to COVID-19 pandemic which resulted to global economic meltdown, there is deepening poverty and increase unemployment, especially among the developing nations citizens even after the pandemic. This resulted to a surge in both internal and international migration. Research estimated number of internal migrants globally as of 2022 was 763 million [21]. China and India are nations with most internal migrants. Chinese internal migration is termed as ''floating migrants'' [30]. As of 2020 statistics indicated that about 376 million Chinese lives elsewhere within the country other than birth place. International migrant's data indicates that 280.6 million international migrants lives worldwide, and it represents 3.6 percent of the world population and two-thirds live in developing nations [21]. The surge in internal and international migration lead to an increase in remittances flow to the COOs. Do the remittance alleviate or deepen recipient nations poverty? The positive and negative impacts of international migrants' remittances to the recipient nations in the literature is discussed below:

3.1. Remittances and Human Development in COOs

Annual panel data analysis from 2005 to 2012 among 99 developing nations about remittances impact on human development revealed that remittances have positive effects on human development among recipient nations [3; 17]. Research on remittance confirmed that it has changed human development in a number of developing nations [3]. Study revealed that remittances are more important than other foreign inflows such as exports, foreign direct investment (FDI), and overseas direct investment (ODI). This implies that international migrants' remittances assist to stimulate recipient developing nations economy than FDI and proceeds from exports.

3.2. Remittances Impact on Education and Health

Research among the Kosovo international migrants' remittances to the non-migrants indicated that through remittances, remittances recipient households were able to have access to good education, and healthcare [20]. This implies that recipient household's standard of living increased through remittances availability. Further, research among Tonga and Fiji remittance recipients revealed that due to remittances availability to the household's poverty decreased [33]. However, it was established that remittances deepened poverty through inequality between recipient households and non-recipient households [7]. Again, research conducted through observation from 1960 to 2007 on direct growth effect of remittances revealed that in the long-run international migrants remittances have no effects. However, in the short-run remittances might influence economic growth and sustainable development [15].

A study analysed the importance of international migrants' remittances in Ecuador through cross-sectional data, derived from living standard measurement statistics asserted that migrants' remittances have significant impact on citizens health [34]. The research explained that availability of remittance assists recipient households to access healthcare during emergencies, and payment for medical expenses when family members are sick. This turns to save lives in remittances recipient households, whereas it does not exist in non-recipient remittances households. Death rate are high among non-recipient remittances households than the recipient remittances households. Research in support identified that remittances serve as an effective tool for nations economic growth and development aid, especially in the developing nations [37]. Research analysed panel data from 1970 to 2009 indicated that through international remittances developing nations invested in ailing economy which leads to economic growth and development. [37].

3.3. Remittances on Economic Growth and Development

Research explored the international migrants' remittances relevance on the development of Nigeria economy from 2000 to 2010 indicated positive impact on the economy [1]. Research further identified that remittances inflow into Nigeria spurs expenditure on consumptions and investment projects. Recipient remittances households with large cash inflow undertook productive projects in agricultural farming, livestock rearing, and non-agricultural activities such as packing industry, oil mills, and woodwork. This created job for both skilled and unskilled workers in the economy. And it boosts the level of economy. Research indicated that about 75 percent of the recipient nations remittances are spent on food consumption, whereas the rest 25 percent is spent on investment and other purposes [37]. The basic need consumptions include expenditure on education, healthcare, and clothing. These expenditures on basic goods stimulate the remittances recipient nations for economic growth and development.

Research extended the remittances impact on education, and economic growth and development between group of nations [5]. Data was collected from 1990 to 2006 among nations with the largest remittances' recipient in GDP percentage, and nations with the largest remittances' recipient in amount. The findings revealed that nations with the largest remittances recipient in GDP percentage have (in)direct impact on education and economic growth and development. This means there is positive correlation but the outcome was insignificant, whereas nations with the largest remittances' recipient amount finding indicated no effects [5].

Further, research in Kyrgyzstan identified that remittances have positive impact on nutritional value on girls whose relatives are in abroad to stay in schools [5]. However, girls whose relations are not in abroad relied on family members for their basic needs [5]. Remittances positive impact on girls remain in school for a number of years reduce teenage pregnancy in the recipient nations. Reduction in teenage pregnancy helps to boost Kyrgyzstan's human resources, spurred the economy in the long-run. On the other hand, research on boys revealed that, despite Kyrgyzstan is male dominated economy where drop-out rate among boys is high to engage in economic activities at an early age, international migrants' remittances inflow keeps them (boys) in school [18]. This implies through remittances the drop-out rate among boys in Kyrgyzstan decreased. It was significant for economic growth and development in the long-run through manpower contribution to the economy [5]. It implies that without international migrants' remittances drop-out rate among the boys could have been high. And in the long-run they (boys) would become dependent on the government [35].

3.4. Remittances Impact on Standards of Living

Analysed data in Albanian from 1992 to 2012 about international migrants' remittances impact on citizens standards of living identified that Albanians used remittances on basic needs and services which improved their living standard [8]. Decrease in the remittances flow into the country affected citizens quality of life. The study continued that both increased and decreased in remittances flow into the country affected the gross domestic products (GDP). This implies more remittances inflow lead to expansion in the level of economy. This created job opportunities, decreased unemployment rate, and decrease in prices of goods and services. International migrants' remittances flow also created value-chain in the economy where demand for transport, housing among others increased. However, decrease in the level of remittances lead to contraction in the economy which affects the productivity, and the economy contraction [8]. This leads to high level of unemployment due to decrease in employment rate, and increase in prices of goods and services, which negatively affected citizens living standards.

In another study, research carried out in Haiti to determine the impact of international migrants' remittances on education in three communities; the Atlantic coast in Haiti's North-Western education department, Jacmel in Haiti's Southwest education department, and community found in Southwest of Haiti education department identified that there is importance of remittances, which keep the poor recipient households' learners in school [6]. The study revealed that learners were able to concentrate on their studies, performances improved, and absenteeism reduced. This is explained that learners do not absent to go for fishing or farming or do part-time works to earn income before they go to school. Moreover, learners eat breakfast from the house before going to school. This enhances their level of concentration, as compared to the non-recipient remittances' children who arrive at school with empty stomach [6]. However, internal and international migration resulted to negative impact identified as increase in lack of parental role models, and duties of the children increased.

3.5. Remittances Impact on Welfare Status of Recipient Households

Research was undertaken on the international migrants' remittances impact on the welfare status of households in Turkey [18]. Data was collected between 1964 to 1996 from 2000 Turkish International Migration Survey [34]. The research findings revealed that 12 percent of recipient remittances households use it (remittances) on savings and investment into developmental projects, whereas over 80 percent used remittances on consumption of basic goods and services. This enhanced the living standards of the remittances recipient families than the remittances non-recipient families [25]. Recipient remittances' households used international migrants' remittances mostly on education, nutrition and healthcare purposes. Despite, significance of remittances explained from the foregoing discussion, other researches indicated that remittances deepen poverty rather than alleviating poverty. Below is the discussion about negative impact of remittances identified by the researchers in the recipient nations.

3.6. Remittances Usage Deepen Poverty

Research asserts that remittances are usually spent on conspicuous consumption such as luxury goods and vehicles rather than investment and developmental projects (education, health and building projects). These expenditures do not trickle the remittances benefit to the non-recipient remittances households [13]. This means poverty is widely deepened between the rich and the poor (especially between the recipient remittances households and non-recipient remittances households), as a result of remittances flow. Whereas, remittances spend on developmental projects have multiplier effects nation's economic growth and development. The multiplier effects are the situation where demand for one products or services trigger demand for another goods and services. For instance, spending remittances on developmental projects like building investments could create jobs for producers to produce more building materials, services of builders, carpenters, and unskilled labours. This will spur the economy to expand. The conspicuous consumption affects level of economy for only remittances recipient households and neglected remittances non-recipient households (majority of community or citizens), which deepens poverty rather than alleviating it.

3.7. Difficulty for Poor Households to Migrate and Remit Family Members

According to a study international migration is usually undertaken by the rich households due to the costs involve and requirements by the consulates before visa is granted [23;27]. The condition a research called ''intervening obstacles'' [23]. To recall from the theoretical framework the intervention obstacles are (visa, passports, and immunization cards). This affects the poor households to meet requirements to engage in authorised migration. Hence, they engage in unauthorised routes (the English Channel, the Mediterranean Sea, and deserts), are used to reach the CODs. Most migrants from poor family backgrounds die on the unauthorised routes and only few arrive at destinations.

The above explanation implies that most migrants living in the developed nations are from wealthy homes [27, 40]. This type of migration is referred as south-north migration. Research indicated that in case poor household's family members migrate, they migrate within their continent referred as south-south migration [27]. This is confirmed by research that out of 280.6 million international migrants globally, majority represents 3.6 percent of the world population, two-thirds lives in the developing nations [21]. Statistics indicated that, out of 4 million Ghanaian international migrants most of them live in neighbouring countries in the West African sub-region [2]. In Southern African international migration out of about 4 million migrants in South Africa, Zimbabwean migrants are 1.8 million [9]. This explains intervening obstacles, and the proximity concept in migration [23]. The poor family members migrate to neighbouring countries to earn greener pastures where the per capita income (remuneration), is low compared to the western nations.

From inductive analysis it implies, migrants from poor household family remit family members with less remittances compared to western countries migrant's family's with high remittances to household members. In spite both rich and poor family members are remitted, there would be inequality in the long-run. Since, remittances inflow to both households differ in quantity. Moreover, the rate of remittances inflow may not be the same. Rich migrants reside in the western nations with high per capita are likely and frequently send remittances than poor migrants with low per capita income in the developing nations. This turns to deepen inequality between the rich and poor due to difference remittances receive by the migrants' households in the COOs.

4. Material and Methods

The study employs a literature review (LR), which involves data collection and gathering of previous research information considered to be ideal and relevant to explore whether remittances alleviate or deepen recipient nation's poverty [16]. Research defines LR as "the process of accessing secondary data" [38]. The definition indicates two different features. This means the LR employs only published secondary information rather than the primary data information. Express in different way, the study was not undertaken on the field to access first-hand information. The published is generally used and consists of peer-reviewed, journals, books, indexes in many databases, articles, and organisational and non-organisational reports [22].

Several keywords including 'remittances impact', 'poverty alleviation', 'poverty deepening', 'internal migration', and 'international migration', were used to search potential resources from EBSCOhost, Google Scholar, Web of Science, migration journals and websites such as, International Organization for Migration (IOM), and Journal for International Migration and Integration. The literature search strings related to the topic generated 999 hits. After screening for the relevance of the articles and English version by reading through the title, abstract and full text, 947 articles were excluded and 42 articles included through eligibility assessment; a) publication concentrates on either or both remittances poverty deepening or poverty alleviation; b) publication focuses on remittances poverty alleviation and poverty deepening; c) publication in English [29].

Research identifies six steps in exploring LR namely: a) identifying primary research objectives and questions; b) assessing the important articles; c) making inclusions for relevant articles; d) exploring the articles' quality and their content; e) extracting information, and f) analysing data [29]. All articles considered unnecessary were excluded. After an eligibility check, the writer proceeded to data extraction and analysis stage. Data extraction deals with coding important articles related to remittances alleviation or deepening recipient nation's poverty. The writer adopted 'framework analysis', which deals with methodological processes and procedure. The writer, then analysed and extracted the necessary literature. The guiding process which facilitate both analysing and extraction important data is described as "sifting, charting and sorting materials according to key themes and issues" [39]. Simply, familiarization is done to have real understanding of articles' importance. Thereafter, the writer identified the thematic framework focuses on theories and concepts that emerged from reading remittances alleviation or deepening recipient nation's poverty. Indexing is done through sifting information related to particular themes; charting the information is conducted to sort-out relevant headings and sub-headings during thematic framework stage [29]. These were the processes that the writer followed. Mapping and interpretation—which involves assembling and analysing all criteria features of dataset—and a synthesis of data were done.

Several articles selected for the study used a range of qualitative and quantitative methodologies. Meta-analysis for the quantitative articles were ignored because this research method was different. This implies that this research did not share common methods with a quantitative methodology. Textual information was coded and presented accordingly by adopting a framework-analysis approach. The concepts and LR employed here present a broad picture, one that forms baseline data, and helps in understanding of existing literature remittances alleviation or deepening recipient nation's poverty [29]. The LR on remittances alleviation or deepening recipient nation's poverty has helped to avoid the duplication of previous works by other researchers. However, there are limitations to this method. For instance, since not all academic search engines were adopted, there could be some existing literature that was left out. The next section presents findings of this study.

5. Results

Do Remittances Alleviate or Deepen Recipient Nations Poverty? To answer the question, the study's finding is presented in two folds; remittances poverty alleviation and remittances poverty deepening.

5.1. Remittances Poverty Alleviation Findings

The study's findings reveal that remittances alleviate recipient nations poverty, and improve the living standards of citizens [33]. This is done through international migration remittances, which are sent by the migrants from CODs to families and communities in COOs to spend on food consumption and execution of projects [25]. Internal migration generates remittances within the country. However, it is difficult to determine the precise amount since trusted friends and family members are used (unauthorised routes) to remit recipient households. The internal remittances stimulate local economy and reduces poverty at the community level. Remittances flow from CODs to the COOs [11]. Majority 75 percent of remittances are spent on food consumption such as school fees payment, medical bills, clothing, and basic needs in the households. However, the rest 25 percent is spent on investments in buildings, undertake businesses, electrification projects and water-born projects. Remittances spend on developmental projects create multiplier effects in the economy, and stimulate the local economy [12].

The finding identified that remittances spent on investment projects rather than conspicuous consumption stimulate the local economy and improve the living standard of citizens in the COOs [11]. This stimulates the recipient remittances nations economic growth and development and trickle into the remittances non-recipient households. It results in poverty alleviation through the means of job creations and reduction of unemployment [36]. Remittances benefit the recipient households to create employment for themselves, employ non-recipient remittances households, which stimulate the economy through income and salary earn. The incomes and salaries earn create demand for goods and services. This leads to value-chain employment in the transport sector, security sector, and housing sector (rental from landlords for business premises and rooms), contribute to the economic growth and development in the origins [28]. Poverty alleviation occurs if about four-fifths of the population in the nation's living standard improves, whereas poverty deepening exists when the masses cannot afford basic food, healthcare and education [35].

5.2. Remittances Poverty Deepening Findings

The study's finding reveals that remittances is a catalyst to stimulate inflation (Dutch disease) which deepens the existing inequality between the rich and poor. Cost of living becomes unbearable for the poor households or remittances non-recipient households since food price increases [11]. This stimulates social ills such as prostitution, crime, and increases level of migration through authorised and unauthorised routes [27]. In addition, migrants demographic background determines the amount of remittances to COOs. This is explained that poor household members migrants migrate to the neighbouring nations due to high travel costs (intervening obstacle) may remit less. Because, their per capita income is low compared to the rich household migrants who resides in the developed nations and earn high income. This means remittances frequency and volumes is dominated by international migrants who might originate from the rich families [4]. This deepens the level of poverty between the rich and the poor especially (remittances recipient households and remittances non-recipient households) in the COOs. Further, the finding indicates that remittances to the rich family household are spent on luxury goods rather that undertaking developmental projects that would boost the economy [4]. Spending remittances on conspicuous consumption (luxury goods), further deepen the existing inequality between the rich households and poor households' [35].

From the foregoing findings about international migrants' remittances impact on poverty alleviation and deepening on the recipient nations economic growth and development, building on the data and information presented; the paper argues that remittances impact on economic growth and development of COOs, improve citizens living standard rather than deepening poverty. This is explained about how remittances form one of the core contributors to economic growth and sustainable development rather than FDI, ODI, and proceeds from the exports. Remittances is therefore, considered as the major catalysts for economic growth and development. The paper argues that remittances alleviating or deepening poverty depends on how they are spent in the economy; it implies remittances spend on conspicuous consumption such as luxury goods deepen poverty, whereas remittances spend on investment and developmental projects alleviate poverty.

Overall, the findings reveal that international migrants' remittances is one of a catalyst to alleviate poverty from both internal and international migration. However, this depends on remittances usage which would either stimulate the economy and create jobs or create inequality and inflation. Therefore, the paper establishes that despite international migrants' remittances might cause inflation and inequality in the recipient nations, the stimulation of the economy, which creates job opportunities in economic counter-weight the negatives (Dutch disease and inequality). This means international migrants' remittances lead to poverty alleviation as some nations called on Diaspora citizens to remit the families during and after the COVID-19 pandemic, which (remittances) served as an injection into the economy.

6. Conclusion and Recommendations

The paper explored whether remittances from the internal and international migration alleviate or deepen poverty. The findings reveal that international migrants' remittances form one of the 'backbones' of economic growth and development in the COOs to alleviate poverty. However, this depends on the spending of the remittances. In the situation where remittances are spent on conspicuous consumption; luxury goods instead of investment and development projects such as building constructions and education, remittances deepen existing inequality between the remittances' recipient households and remittances non-recipient households. In instances, remittances inflow without investment in developmental projects, creates inequality and inflation. This means remittance can alleviate poverty if it is used to undertake developmental projects to expand the economy. This would result to job creation, reduction in unemployment, decrease in inflation, improvement in BOP. Moreover, value-chain employments are created in the transport, housing, and services sector such as security services. Improvement in the COO's economy trickles in citizens living standard to afford basic needs and services such as clothing, basic food, and easy access to education and healthcare, hence poverty alleviation. Therefore, the paper recommends that:

The is need for massive education to create awareness about remittances spending on developmental projects instead on conspicuous consumption to spur the COO's economy.

High taxes should be imposed on luxury goods to discourage remittances spending on conspicuous consumption.

Taxes should be reduced on developmental project equipment to encourage remittances spending on them to stimulate the economy.

Abbreviations

COO	Country of Origin
BOP	Balance of Payment
COD	Country of Destination
GDP	Gross Domestic Products
FDI	Foreign Direct Investment
ODI	Overseas Direct Investment

Author Contributions

Lawrence Vorvornator is the sole author. The author read and approved the final manuscript.

Conflicts of Interest

The author declares that there are no competing interest.

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Research Field

Lawrence Vorvornator: Global South Migration, Immigrant Entrepreneurship, Migration Studies, Tourism, Sustainable Entrepreneurship.