

ABSTRACT

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This paper aims to analyze the relationship between remittances and governmental policies. I investigate whether governmental policies in emigrants' home countries increase the amount of remittances sent back. I utilize data on dual citizenship policy, extraterritorial voting policy, and emigrant agency presence for 30 semi-periphery countries, collected using a random-stratified sampling design. I also collected qualitative data on six case studies to demonstrate how historical, political and social differences among countries affect the amount of remittances received. Quantitatively, results of OLS regression demonstrate that a relationship between policies and remittances exists, but only for dual citizenship. My case studies demonstrate that additional factors such as political instability and national culture might be more influential in driving remitting behavior.

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State Promotion of Labor Migration: The Relationship between Policies and Remittances

by
Amanda Dawn Wyant

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APPROVED BY:

Martha Crowley

Kim Ebert

Sarah Bowen, Chair

BIOGRAPHY

Amanda Wyant grew up in Parma, Ohio. She graduated from Baldwin-Wallace College in Berea, Ohio in 2010, with a bachelor's of arts in Sociology and International Studies. Currently, her studies focus on migration, work, and global sociology.

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INTRODUCTION

Many individual households and countries rely on remittances, the money migrant family members send home. This is particularly true in semi-peripheral countries, which generate more labor migrants than core and peripheral countries (Adams and Page 2003; Sanderson and Kentor 2009). Remittances serve as an important source of foreign capital, greater than bilateral and multilateral aid combined (Eckstein 2002). In fact, without remittances, many countries would face economic collapse (Robinson 2003; Wise 2006). Not surprisingly, then, governments and policymakers see remittances as critical to sustained economic development (Skeldon 2008), and many governments view remittances as a key component of their national finance plans (Castles and Miller 2009; Hernandez and Coutin 2006; Orozco 2002).

Previous research has identified several important policies employed by governments to increase remittances. Gammage (2006) found that the Salvadorian government attempted to increase remittances by providing support to emigrants through the development of websites and agencies in home countries for emigrants experiencing difficulties abroad. Levitt and de la Dehesa (2003) found that Latin American governments implemented dual citizenship and voting policies, established federal agencies, and provided state services abroad in order to increase remittances. Goldring (2002) provided a case study detailing how the Mexican government utilized dual citizenship and extraterritorial voting to encourage flows of money for community development projects.

Although existing studies have theorized how governments implement policies to maintain or increase remittances, no research has formally tested the effectiveness of particular policies. This study sets out to determine whether countries with policies that aim to strengthen ties to emigrants and encourage remittances (i.e., dual citizenship, extraterritorial voting, and a government agency dedicated to emigrants) yield more remittances than countries without these policies. To test whether policies matter in terms of remittances, I use a mixed method approach with an OLS regression and in-depth qualitative analysis.

EXAMINING MICRO AND MACRO PREDICTORS OF REMITTANCES

Globalization connects countries, economies and people around the world, compressing time and space (Vertovec 2004a). Globalization has increased the number of people who cross the border, and it also jump-starts the flow of economic capital moving from developed countries to less developed countries (Robinson 2003). Although national borders remain important, globalization has made people more mobile (Smith 2005), and increased migration has in turn generated larger quantities of remittances (Robinson 2003). Technology and infrastructure make traveling and low-cost communication possible, connecting communities across space (Mahler 2001; Safa 2002; Smith 2005; Vertovec 2004b).

Many researchers have attempted to identify the factors that influence remittance flows. Individual and family characteristics and country-level conditions all affect remitting behavior. On the individual level, the emigrants most likely to remit are female and employed, as well as less educated and wealthier than their non-remitting counterparts (Abrego 2009; Blue 2004; Waldinger 2008). Importantly, emigrants' financial well-being is typically embedded within the prosperity of the family unit as a whole, which helps explain remittances. Lucas and Stark (1985) developed and tested the New Economics of Labor Migration (NELM) framework. They examined 1) if remittances were purely altruistic and promoted well-being of family members at home; 2) if savings occurred due to motives of self-interest (e.g., financing the purchase of durable goods, financial assets, homes); or 3) if remittances resulted from a mutually beneficial arrangement between the migrant and his or her family in the home country. Looking at emigrants of Botswana, Lucas and Stark (1985) found that remitting behavior is a strategy implemented by families to diversify economic risk. Families may pool resources to financially enable one family member to emigrate, creating the implicit agreement that the emigrant will remit resources back home. This strategy establishes a relatively stable income and alleviates periods of economic distress in the home county, such as those linked to failed crops. Sana and Massey (2005) found support for the NELM framework by demonstrating that Mexican families also use emigration to diversify economic risks.

Researchers have also identified the importance of country-level factors in home and host countries on remittance flows. Two studies found that high inflation in the host country

increased the flow of remittances back home (El-Sakka and McNabb 1999; Higgins, Hysenbegasi, and Pozo 2004). Another identified features of the home country that led to more remittances, including economic crisis and increased interest rates (Adams 2007). In contrast, the presence of strong social safety nets, rapid fluctuations in exchange rates and inflation of the home country leads to fewer remittances (Duany 2010; Higgins, Hysenbegasi, and Pozo 2004). Surprisingly, Buch and Kuckulenz (2010) found that economic growth, level of economic development and rate of return on financial assets did not significant alter the flow of remittances.

Governments value emigrants' abilities to remit, and they implement policies to establish and continue relationships with those who emigrate (Baker-Cristales 2008; Brinkerhoff 2012; Goldring 2002; Mahler 2000; Smith and Guarnizo 1998; Solomon 2009). Governments create policies that allow their diaspora to retain social status, political influence and legitimacy in their homeland because they view them as potential remitters (Brinkerhoff 2012). Governments also attempt to maintain relationships with their emigrants by providing resources (e.g., job placement agencies) for them in the home country, and by lobbying host countries to pass policies that would allow for the maintenance of emigrant ties (Baker-Cristales 2008; Goldring 2002; Mahler 2000; Smith and Guarnizo 1998; Solomon 2009).

Researchers have focused on three policies that governments use to encourage remittances: dual citizenship policies, extraterritorial voting policies, and migrant-dedicated agencies. *Dual citizenship* refers to individuals holding citizenship in both the home and host

countries simultaneously, which eases transportation between the host and home country (Portes 2010). *Extraterritorial voting* is a policy that allows emigrants to vote in the home country while residing in another country. *Agencies dedicated to migrants* are governmental entities designed to assist emigrants leaving and those already living abroad. Previous researchers have theorized that governments implement these policies to increase remittances by encouraging emigrants to remain invested in their home country through visits, political participation and governmental support (Bloemraad, Korteweg, and Yurdakul 2008; Hallett and Baker-Cristales 2010; Levitt and Glick Schiller 2004; Solomon 2009). However, scholars have yet to test whether countries instituting any or all of these policies receive significantly higher remittances.

This paper builds upon past research by providing an empirical analysis of the relationship between dual citizenship policies, extraterritorial voting policies, migrant-dedicated agencies and amount of remittances in a group of randomly-selected semi-peripheral countries.

I test the following hypotheses. Hypothesis 1: Countries that permit dual citizenship will receive more remittances from emigrants compared to countries that do not permit dual citizenship. Hypothesis 2: Countries which extend extraterritorial voting will receive more remittances from emigrants compared to countries that do not extend voting. Hypothesis 3: Countries with agencies dedicated to migrants will receive more remittances from emigrants compared to countries that do not have agencies.

DATA AND METHOD

Data

To test my hypotheses, I developed a dataset by collecting data on governmental policies and information available from the World Bank's World Development Indicators. I gathered information on policies by searching governmental websites, communicating with government officials, and conducting secondary research to determine which of the following policies existed in 2011: dual citizenship, extraterritorial voting and whether or not the country had an agency dedicated to emigrants.

I conducted a stratified random sample of 30 semi-periphery countries, taken from the 78 potential nation-states classified as semi peripheral by Kick et al.'s (2011) categorization of regional blocks. I stratified my sample to reflect the various regions in the world (Eastern European Block, Southeast Asia/Middle East Block, Former Soviet Block, Middle East Block, and South American Block) (see Kick et al. 2011). I focus my analysis on semi-periphery countries because previous research establishes that countries with middle-income GDPs per capita produce larger amounts of migrants (Adams and Page 2003).

For my case study analysis, I used a purposive sample in order to determine six countries that received remittances both alike and divergent to those sharing the same number of policies. I chose countries that reflected typical, atypical and outlier cases based on the number of policies they had implemented. Additionally I selected two anomalies

worth investigating, the Philippines and Mexico, since they receive substantially more remittances than the other countries in my study. My case studies allow me to further explore the way that a country's political, economic, social, and cultural context interacts with government policies to facilitate or impede remitting behavior.

Dependent Variable

The dependent variable in my analysis is annual remittances for the year 2010, which I obtained from the World Bank Database. The World Bank defines annual remittances as the amount of money received in United States dollars (USD) from workers, although it is not limited to remittances from the United States. They collect the information from official remittance flows, such as banks and money transfer companies, into each country. I use total dollar amounts remitted rather than percentage of GDP in order to demonstrate the direct monetary correlation between policies and remittances obtained.

Independent Variables

The three independent variables I examined – dual citizenship, extraterritorial voting, and emigrant agencies – are the most prevalent within previous research about extending rights to migrants in order to facilitate remittances. For the policies on *dual citizenship* and *extraterritorial voting*, I employed a code of 0 if a country did not have the policy, .5 if the country had the policy but only in special circumstances (i.e., only for students or diplomats),

and 1 if the country had the policy and it applied to all emigrants. I coded the *emigrant agency* variable as 0 if a country did not have an agency dedicated to migrants and 1 if it did. I also created a policy index, which I refer to as the Government-Policy Index, where I combined the three variables. The index ranges from 0-3, with 0 reflecting a country with no policies, and 3 indicating that a country has all three policies.

[Insert Figure 1 here]

Control Variables

I also include several control variables, including population, gross domestic product (GDP) and foreign direct investment (FDI)¹. My control variables come from the World Bank's World Development Indicators from the year 2010. I included population as a control variable to understand how the policy-remittance relationship varies according to a country's population size. By holding GDP constant, I was able to examine how the relationship varies based on the size of a country's economy. Finally, I included FDI because it was previously theorized that penetration of capital from outside countries leads to individuals moving to urban centers or other countries (Massey, Arango, Hugo, Kouaouci, and Pellegrino 1993;

¹ The World Bank operationalizes FDI as the sum of equity capital, reinvestment earnings, long-term capital, short-term capital from foreign investments reflected in the balance of payments.

Sanderson and Kentor 2009). Countries with more individuals moving to other countries to find employment would potentially result in more remittances.

ANALYSIS

Regression

I use ordinary least squares (OLS) regression analysis to estimate the relationship between my dependent variable of remittances, and my independent variables of policies. OLS is appropriate since the dependent variable is continuous. First, I look at each of my policies individually, determining how they relate to remittances. Next, I examine policies as an index of my three policies of interest. Finally, I look at the same model removing the two outliers, Mexico and the Philippines.

Case Studies

I completed six case studies of countries that I selected based on the amount of remittances and policies used: Guatemala, Bolivia, Malaysia, Myanmar, the Philippines and Mexico. I used previous research and the Migration Policy Institute website to obtain case-specific information on major historical events, previous migration patterns, government policies, employment opportunities, income disparities and international trade policies for each country. I analyzed and compared my cases to develop interpretations as to why the

relationship between governmental policies and remittances did not follow theoretical predictions in certain countries.

[Insert Table 1]

FINDINGS

Descriptive statistics

My dependent variable, remittances, ranges from \$1.2 billion to \$220.4 billion with a mean of \$30.6 billion and a standard deviation of \$52.9 billion. Mexico and the Philippines were considered outliers because they have remittances which were at least two standard deviations above the mean. Sixteen out of 30 countries allowed *dual citizenship*, and 6 countries allowed it under certain circumstances. 21 countries allowed *extraterritorial voting* and 3 allowed it under special conditions. 19 countries provided an *agency* for their emigrants. My index ranged from 0-3, with 2 countries having 0 policies and 7 countries having all 3 potential policies. The modal score for the index was 2 policies (See Table 1).

[Insert Table 2]

Regression

I include and interpret three tables which demonstrate my significant findings. Table 3 shows the effect of dual citizenship on remittances remains significant, even when controlling for population, GDP, and FDI. Table 4 demonstrates the relationship between the Government Policy Index and remittances, which is significant only when controlling for population. Table 5 displays the relationship between the Government Policy Index and remittances is only significant when controlling for population and when outliers have been removed.

My analysis in Table 3 partly supported Hypothesis 1, that countries permitting dual citizenship received more remittances from emigrants. I found support for Hypothesis 1 only when I removed the two outliers (see Table 3). Permitting dual citizenship within a country led to an increase of approximately \$19 million dollars in remittances, controlling for all other variables.

[Insert Table 3 here]

I did not find support for my other hypotheses, whether I included the outliers or not. The analyses were insignificant with a bivariate model and also when including my control variables. Thus, I conclude that allowing extraterritorial voting (Hypothesis 2) or forming an agency dedicated to emigrants (Hypothesis 3) did not have significant effect on a country's remittances.

The relationship between the Government Policy Index and remittances was significant, even after controlling for population (see Table 4). In Model 2 of Table 4, the results indicate that for each additional policy a country had, they received \$25.5 billion more (US) dollars in remittances, controlling for population. Interestingly, however, when I introduced the control variables GDP and FDI in Model 4 of Table 4, the relationship became insignificant, suggesting a potentially spurious relationship between the Government-Policy Index and remittances. This may indicate the relationship between policy and remittances occurs only when controlling for the effect of GDP and FDI on both variables. The significant relationship between the Government Policy Index and remittances persisted when excluding outliers, when controlling for population (see Model 2 in Table 5). In Model 2 of Table 5, we see that for each additional policy, countries obtained approximately 7.5 billion dollars in remittances. This suggests that population is a suppressor variable when removing the outliers.

[Insert table 4]

[Insert Table 5]

Case Studies

My quantitative findings suggest that there is not a significant relationship between the most of the pro-emigrant policies I specify and remittances. Therefore, my case studies

aim to provide an in-depth-qualitative explanation of historical events and social conditions that were not captured by my quantitative analysis. My six case studies provide examples of countries that received remittances similar and dissimilar to those sharing a Government Policy Index score. First, I explore Malaysia, which has one policy and Myanmar, which has no policies, because both remit on a similar level to comparable countries on the index, determined by their close proximity to the expected amount of remittances. Second, I examine Philippines and Mexico because I want to understand why their remittances are so much greater than other countries that hold the same number of policies. Also, I chose Guatemala, which has one policy and has more remittances than expected and Bolivia, which has fewer remittances than expected. By examining additional factors, I can explain differences in remittances among countries with similar Government Policy Index scores.

Malaysia -Malaysia is located in South East Asia and has approximately 28 million people (World Data Bank 2011). The country received approximately \$1.3 billion in remittances in 2010 (World Data Bank 2011). Although Malaysia has a conditional policy for some individuals to obtain extraterritorial voting, they also have policies attempting to reverse emigrant flows, specifically to encourage return of skilled and education Malaysians (Ho and Tyson 2012). This may help explain why the country received the expected amount of remittances.

Malaysia's policies do not provide much support to emigrants who wish to leave to find employment opportunities in other countries. Malaysia extends extraterritorial voting to

diplomats and students abroad but does not permit dual citizenship or offer an agency to assist with emigrants (Ellis, Navarro, Morales, Gratschew, and Braun 2007; Sejersen 2008). On the Government Policy Index scale, the country has a .5 because the right is not extended to all Malaysians. I speculate that governments provide the opportunities for individuals to gain skills from studying in other countries, but in the end hope that the students return to work in Malaysia.

The groups of people who leave Malaysia to work elsewhere are highly skilled and qualified (Hugo 2011), which may explain the moderate amount of remittances Malaysia received in 2010. Unlike many other countries, the Malaysian government does not appear to view remittances in a positive light. Malaysia wants to keep its skilled labor force, so they do not condone policies sending them away. Malaysia also has policies that attempt to pull back in the skilled labor force (Ho and Tyson 2011). The lack of pro-emigrant policies demonstrates the government values maintaining its citizens over the potential financial gain reflected in the amount of remittances they receive.

Myanmar-Myanmar is in Southeast Asia and has roughly 48 million people (World Data Bank 2011). Myanmar received approximately \$132 million in remittances in 2010 (World Data Bank 2011). Myanmar lacks all of the policies that I examined. Myanmar does not permit dual citizenship (Sejersen 2008), extraterritorial voting (Ellis et al. 2007) or have an emigrant agency, and as such, Myanmar received a 0 on the Government-Policy Index. Myanmar is known for having economic problems (especially inflation), political instability

and repressive policies, including human rights violations (Mon 2010). As of 2011, Myanmar was reported as having 94,000 refugees within Malaysia (Idris 2012). In addition to Malaysia, emigrants also relocate to Thailand (Mon 2010). All of the mentioned conditions suggest a poor relationship between the government and both citizens and emigrants.

Although Myanmar has alternative safeguards for its emigrants, it appears that the underlying problem between Myanmar and its emigrants starts with the treatment of citizens. Many people leave the country because of repressive policies and human rights violations, which causes emigrants to sever their ties with the country as a whole, even if family members remain. This suggests that the over repressive nature of the government, not a lack of policies, drives the relationship. A law exists to safeguard employment and rights of those abroad in addition to requiring emigrants to remit between 30% and 50% of their wages depending on the location of their employment (Mon 2010); this reflects the oppressive nature of the government.

Philippines- The Philippines is in Southeast Asia and has approximately 93 million people (World Data Bank 2011). The Philippines relies heavily on remittances as a form of income for their country. In 2010, the Philippines received \$21 billion in remittances (World Data Bank 2011). The Philippines is a country with numerous emigrant supports and a high level of remittances.

The Philippines has all three policies that I examined in my analysis. The Philippines allows for dual citizenship, permits extraterritorial voting and has agencies to support

emigrants (Ruiz 2007; Solomon 2009). The emigrant agency, the Philippines Overseas Employment Administration (POEA) monitors the exit of workers provides license and supervision of recruitment agencies, updates list of available jobs, provides recruiting agencies to contact and informs of vacancies in job placements (Parreñas 2001; Solomon 2009). Within the POEA, the Department of Labor Employment (DOLE) attempts to provide protection to overseas contract workers who have placements monitored through official contract (Parreñas 2001). Another service, the Overseas Workers Welfare Administration (OWWA), assists migrants with pre-departure orientation seminars, public assistance programs, on-site services abroad, and an identification system (Solomon 2009).

The government established patterns of migration which can be easily perpetuated. High remittances may be partially linked to the oil shock of 1973 which led to the original policies promoting Filipinos to move elsewhere in order to bring foreign currency into the economy (Solomon 2009). Emigration keeps the rate of unemployment low (Castles and Miller 2009) and also provides the economy with its second largest source of foreign currency (Parreñas 2001). Not only do the Philippines have all the potential policies, they also have a history of emigration.

Mexico-Mexico is located in North America and has approximately 114 million people (World Data Bank 2011). In 2010, Mexico received \$22 billion dollars in remittances (World Data Bank 2011). Mexico, which has all the policies included in my study and was

considered an outlier in my sample it receives because the amount of remittances it receives is over two standard deviations above the mean.

Mexico allows for dual citizenship, permits extraterritorial voting and has agencies to support emigrants (Escobar 2007; Figueroa-Aramoni 1999; Fitzgerald 2006), and thus, received a 3 on my Government Policy Index. In addition to the policies, Mexico also has a history that promotes and sustains migration. Mexico has a longstanding history of migration to the United States. The geographical proximity to the United States also plays an important part of why migration out of Mexico remains high (Figueroa-Aramoni 1999). The Bracero program promoted temporary migration from Mexico to the United States (Fitzgerald 2006), which continued after the end of the program. The Mexican government promotes relationships with emigrants abroad because of emigrants' ability to lobby on behalf of Mexico within the United States. This occurred when Mexico wanted to become a member of NAFTA and encouraged emigrants to lobby (Goldring 2002; Lafleur 2011). NAFTA in itself created changes within the migration patterns (Wise 2006). Individuals within Mexico faced problems with maintaining a living wage after NAFTA began due to the flow of cheap crops which led to an increase in unemployment (Fitting 2006). As a result, Mexicans – especially males – began to migrate to the United States to help make up for the lost income (Fitting 2006). The history, proximity to the United States and the passage of NAFTA all help to explain why remittances are so high.

Guatemala-Guatemala, located in Central America, has a population of approximately 14 million people and received approximately \$42.3 billion dollars in remittances in 2010, a relatively large amount (World Data Bank 2011). Guatemala reflects an anomaly, demonstrating how a country with few policies can receive many remittances. Guatemala ranked fifth among my cases in terms of remittances received. About one third of Guatemalan individuals receive remittances (Smith 2006). On average, each household received remittances of about \$306 dollars per month (Smith 2006). The remittances account for more than exports or tourism (Smith 2006).

Guatemala established dual citizenship in 1999, but does not allow extraterritorial voting (Escobar 2007). Although Guatemala does not have a dedicated emigrant agency, it does have several policies and non-government supported groups that assist emigrants (Ionescu ; Popkin 2003). In light of the large amount of remittances, the non-governmental organizations may be facilitating remittances in a way that is not captured in my quantitative analysis.

In addition, there are several contextual factors that may have encouraged migration (and in turn facilitated remittances). These include political instability, natural disasters and limited economic opportunities. Guatemala also has a long history of labor migration, originally to Mexico and now to both United States and Mexico (Smith 2006). Guatemala experienced increases in emigration as a result of the reconstruction following their civil war. The war ended in 1996, which limited the amount of macroeconomic policies available to assist workers, especially those in rural areas (Popkin 2003; Smith 2006). This may have

facilitated the out-migration of many people seeking to assist their families, who send back remittances as a risk diversification strategy.

Bolivia-Bolivia is located in South America and has approximately 10 million people as of 2010 (World Data Bank 2011). Bolivia received approximately \$10.9 billion in remittances in 2010 (World Data Bank 2011) which is a moderate amount compared to my other cases. One in five Bolivians live abroad (Jones and de la Torre 2011) and emigrants from Bolivia come from the upper end of the income distribution, which is somewhat unusual (Acosta, Calderon, Fajnzylber, and Lopez 2006). Bolivia relies on remittances as a source for trade balance and gross domestic product (Jones and de La Torre 2011).

Bolivia is also uncharacteristic because the country receives few remittances but has enacted several policies. Bolivia has two of the policies that I examined. Bolivia established dual citizenship and extraterritorial voting in 2004 but they do not have an agency dedicated to emigrants (Escobar 2004). Bolivia's characteristics and history may help to explain why they have two policies but receive a small amount of remittances. Bolivia incorporated dual citizenship because the government felt pressure from the migrant community and from other countries in the region implementing similar legislation (Escobar 2007). The fact that the government did not implement the plan on its own might demonstrate why remittances are low, indicating some ideological divergences between the government and its emigrants. Bolivia has the one the lowest GDPs in South America and the remittances make up a large portion of the GDP in comparison to other countries. Although the level of remittances is

relatively low, it has a greater impact due to the low per capita incomes of Bolivians (Jones 2010).

DISCUSSION AND CONCLUSION

Based on the results of my regression analysis and my comparison of six cases in more detail, I conclude that I cannot support my hypotheses. The regression analysis indicates that a positive and significant relationship exists between dual citizenship and remittances. However, based on the knowledge gained from my case studies, I conclude that dual citizenship may not drive the relationship. Instead, there are likely other cultural and political factors, including proximity to the host country, historical legacies, and economic opportunity that are more important in driving variation in remittances between countries.

I identified three factors from my case studies that help explain the differences in remittances among countries. First, proximity to a host country facilitates emigration and helps perpetuate the cyclical process. This seems to be true for Guatemala, Bolivia and Mexico, all of which remitted more than other countries with the same score on the Government Policy Index. Second, a strong historical foundation of pro-emigration sentiment, as transmitted through policy support and cultural acceptances, also coincides with high remitting behavior. This is seen in Mexico and the Philippines. Finally, depending on the availability of alternative economic opportunities, governments may support or not support emigration. For example, Malaysia needs qualified workers, so they do not

encourage migration and in return receive fewer remittances, especially considering the skilled class of workers emigrating.

My findings generate empirical implications. My research demonstrates that the three policies I examine, dual citizenship, extraterritorial voting, and emigrant agency, may not explain remittances well. This is important to consider, for both academics and policymakers because many governments implement policies to garner remittances from abroad, and this study gives a better understanding of what works on a larger scale. It is important to study remittances because they represent a form of inequality that perpetuates both between and within nation-states.

My quantitative findings suggest that a relationship does not exist between remittances and a higher score on the Government Policy Index.

After introducing control variables, the relationship between the index and remittances disappears. This suggests a need for a more complicated theoretical model to explain remitting behavior. Although government policies are not disassociated with remittances, in absence of additional historical factors, social conditions and economic climate, we neglect to capture the whole picture. As a result, future models should incorporate more of the contextual factors that may be contributing to the remitting trends.

I suggest several ways to extend this study to provide a stronger argument. Although the number of cases included in this study is small, my comparison generated interesting findings that the relationship between government policies and remittances does not hold when considering other explanations. This suggests that further investigation with additional

cases would yield more conclusive results concerning the relationship between policies and remittances. It is also important to include additional semi-periphery nation-states as well as a wider range of other nation-states in the world system to see if there is variation between core, semi-periphery and periphery and how the variation displays itself. Additional control variables that could yield important findings include geographical proximity to the host country, the amount of estimated emigrants, and unemployment rate of the country. I also hope to explore this topic using other longitudinal analysis. A longitudinal study may create a better understanding of the impacts of policy implementation by its ability to examining the amount of remittances before and after policies began. This would also provide causal order within my analysis for understanding if policies are driving remittances rather than the other way around. It would allow me to examine remittances before and after a policy implementation to see if there is a statistical difference.

After completing this study, several questions arise for future research. I would like to further understand policymakers' intentions when incorporating or removing policies that have connections with remittances. Previous research indicates that policymakers want to increase remittances, but no one explicitly asked policymakers what motivations they have. I would also like to examine if policies contribute to emigrants' consciousness of belonging while abroad and as a result facilitate remittances. This is another mechanism that previous research points to, but no one has examined if it is true.

The relationship between policy actions on remittances is complex, because although there may be a relationship between policies and remittances, it is also a function of the

broader context of each country. My work is relevant given the fact that many governments implement policies to garner remittances from abroad; this study complements previous case studies to give a better understanding of what works on a larger scale. Future research should examine how policies and contextual factors interact to facilitate or encourage remittances.

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APPENDICES

Appendix A

Figure 1: Independent Variables Conceptualization

Policy	Definition	Examples
Dual-Citizenship	Migrants can hold citizenship in both their home and host country.	Mexico, Philippines, El Salvador, Dominican Republic
Extraterritorial Voting	Migrants who live in a host country can vote in elections in their home country	Mexico, Philippines
Agency	A government agency within the home country assists migrants by creating migrant-friendly legislation, promoting migration, assisting in the process or educating migrants on the migrant experience or their connection to their home country.	Mexico- Agency focuses on areas of community organization, education, culture, sports, health, business contacts, information, and fundraising (Figueroa-Aramoni 1999)

Table 1: Dependent and Independent Variables of Case Studies

Country	Dual	Voting	Agency	Remittances (in billions)
Myanmar	0	0	0	1.33
Bolivia	1	1	0	10.88
Malaysia	0	.5	0	13.01
Guatemala	1	0	0	42.93
Philippines	1	1	1	214.23
Mexico	1	1	1	220.48

Table 2: Descriptive Statistics

Dependent Variable	Min	Max	Mean	Standard Deviation
<i>Remittances (divided by 1 billion)</i>	1.23	220.48	30.67	52.98
Independent Variables				
Government-Policy Index (Dual Citizenship, Extraterritorial Voting, Agency)	0	3	2.01	.82
<i>Dual Citizenship</i>	0	1	.63	.43
<i>Extraterritorial Voting</i>	0	1	.73	.41
<i>Agency</i>	0	1	.63	.49
Control Variables				
<i>Population (logged)</i>	6.67	18.77	15.80	2.36
<i>GDP (divided by 1 million)</i>	1577.88	1479819	150331.1	319668.8
<i>FDI (divided by 1 million)</i>	570.06	1479819	143625.6	321700.2

Table 3: The Effect of Dual Citizenship on Remittances Excluding Outliers

	Model 1	Model 2	Model 3	Model 4
Remittances				
Dual	21.16**	21.45***	19.00**	19.01**
Population		2.315*	1.548	1.252
GDP			0.0000162	0.000153
FDI				-0.000136
_cons	4.489	-31.83	-20.25	-16.77
<i>N</i>	28	28	28	28

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 4: OLS Regression on Remittances and the Government Policy Index

	Model 1	Model 2	Model 3	Model 4
Remittances				
GP Index	26.14*	25.50*	18.97	19.06
Population		8.314*	5.474	5.433
GDP			0.0000489	0.0000724
FDI				-0.0000234
_cons	-22.04	-152.1*	-101.4	-101.1
<i>N</i>	30	30	30	30

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 5: OLS Regression on Remittances and Government-Policy Index without Outliers

	Model 1	Model 2	Model 3	Model 4
GP Index	6.942	7.501 [*]	5.461	5.953
Population		2.429 [*]	1.504	1.200
GDP			0.0000186	0.000176
FDI				-0.000157
_cons	3.824	-35.18	-18.94	-16.40
<i>N</i>	28	28	28	28

^{*} $p < 0.05$, ^{**} $p < 0.01$, ^{***} $p < 0.001$