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Introduction

According to United Nations' estimates, there were nearly 272 million international migrants worldwide in 2019, representing 3.4 percent of the world's total population (United Nations 2019; International Organization for Migration 2020). This total had increased by 56 percent since 2000 and by 78 percent since 1990, when the number of migrants was 153 million. Human history has witnessed many waves of migration that have transformed the social and political landscape of regions and countries across the globe; but the current patterns present a number of distinctive traits. The most recent prior wave of mass migration, during the second half of the nineteenth century and the first decades of the twentieth century, saw mostly Europeans—perhaps as many as 55 million—leave their countries for the Americas and other territories under colonial control (Hatton and Williamson 1998; McKeown 2004).[1] Advances in transport and communications technology not only facilitate movements of people over long distances, but also provide better access to information about opportunities in other countries for those aspiring to emigrate, which helps to explain the large volume of migrants and its steady growth over the past few decades.

Most importantly, "the primary destinations of inflow and outflow are different" (Freeman 2006, 148). Today's migration patterns mostly entail migrants from the Global South trying to reach the Global North, particularly the relatively high-income countries in North America, Western Europe, and Australia. In 2019, high-income countries, mostly advanced democracies, hosted more than two-thirds of international migrants (United Nations 2019). As Czaika and de Haas (2014, 315) observe, over time "migrants from an increasingly diverse array of non-European-origin countries have been concentrating in a shrinking pool of prime destination countries." The prevalence of internal violence, poor governance, and poverty makes exit an attractive if not predominant survival strategy for many people in the Global South. But while migration brings with it enormous potential to transform sending societies (as this book shows), a narrative focusing on the negative consequences of immigration in host countries dominates academic studies and policy debates.

The key questions this book aims at answering are: Can migration foster democracy? And if so, where? And through which mechanisms? Many on the receiving end of migration streams would swiftly answer "No" to the first of these questions, since they have come to see increasing immigration as a challenge to democracy in host countries. Academics, commentators, and politicians in the West point to several potential mechanisms to suggest that migration weakens democracy (IDEA 2017). One view, often expressed in facile, even derogatory, language by politicians, emphasizes a lack of cultural fit between migrants from the Global South and citizens of countries in the Global North. Ex-US president Donald Trump, for example, reportedly once asked, "Why are we having all these people from shithole countries come here?"[2] The values and behaviors that migrants from some specific, supposedly dysfunctional, and problematic backgrounds would, according to this view, threaten the norms, culture, and security of host democratic communities (Dawsey 2018). Many voters, not only in the USA but also in Europe, share this sentiment with regard to migrants from Muslim countries. A more thoughtful version of the same argument suggests that migration erodes shared social values and identities, which in turn undermines trust in political institutions, hinders cooperation among citizens, and diminishes public support for social welfare provision (Sniderman and Hagendoorn 2007; Dancygier 2010; Collier 2013). According to this line of reasoning, migration, in the most extreme case, could even breed violent internal conflict.

A second view suggests that the greatest threat to democracy may not stem from migration itself, but rather from the political backlash it might trigger. Increasingly, politicians exploit and even foster anti-immigrant sentiment—as well as animosity towards other minority groups—which has altered the political landscape of many Western democracies, where public support for radical-right populist parties has grown (Inglehart and Norris 2017; Judis 2018). At the time of writing, populist anti-immigrant parties—some even openly sympathetic to racist platforms and neo-Nazi ideologies—control governments in Brazil, Hungary, and Poland; and similar parties have until recently held key positions in governing coalitions in Italy and Austria. Even where right-wing anti-immigrant parties have failed to win power—in

Germany, France, Spain, and Sweden, for example—their electoral support in national and subnational elections has steadily increased in the past decade and may continue to do so in the coming years. In the USA, even with Donald Trump's electoral defeat in 2020, nativism is unlikely to recede as a motivating force in the Republican Party.

The emergence and growth of right-wing, anti-immigrant political parties is not only a direct threat to democracy; it may also shape public opinion and thus political support for policies that undermine democratic norms, institutions, and government respect for human rights. Even some mainstream, traditional parties in government attempt to halt the rise of radical groups by embracing their political rhetoric and policies that chip away at the foundations of democracy. For example, President Trump's decision to build a wall at the US–Mexico border led to a government shutdown in the late 2018, and subsequently to Trump declaring the so-called "invasion" a national emergency and assuming additional executive powers allowing him to bypass the usual political process (Baker 2019). Earlier in 2018, the Trump administration implemented a policy of separating migrant parents from their children, prompting UN condemnation: this policy contravened both domestic and international law, constituting a government violation of human rights. More than prior US presidents, Trump deployed executive orders and proclamations to make and enforce immigration policy, "circumventing Congress and even members of his own administration" (Waslin 2020, 54).

In Europe, Italy's anti-immigrant interior minister Matteo Salvini dismantled migrant camps and reception centers, and refused humanitarian rescue ships entry to Italian ports. Under pressure from Salvini, the Italian parliament passed a law in 2018 to abolish humanitarian protection for those who are not eligible for refugee status but cannot be returned to their place of origin. A law of 2019 then set out to punish any citizen who used a boat to rescue refugees from the sea. When some of his policies were challenged in court, Salvini responded with threats against judges and called for a reform of the judicial system. In Spain, meanwhile, a decree passed by the Popular Party government in 2012 had denied undocumented immigrants access to the public healthcare system. In 2014, at least fifteen people died trying to reach Tarajal beach, which separates Spain and Morocco, when Spanish Guardia Civil officers fired rubber bullets to stop migrants from attempting to swim into Spanish territory. Hungary, under Viktor Orbán's government, closed its border with Croatia to all refugees in 2015, and in 2018 its parliament passed a law criminalizing "good-Samaritan" aid to immigrants and asylum seekers. Similar worrisome trends have crept into European Union policy. For example, European Commission President Ursula von der Leyen announced in September 2019 that Europe's migration policy would become the responsibility of a so-called "vice-president for protecting our European way of life," raising concerns that the EU will undermine its own commitment to the free movement of people.

In efforts to curb migration, some governments in the Global North undermine democracy and human rights not only within their own borders, but also in third countries, via their foreign policies, most notably migration management partnerships. Migration to rich democracies has prompted their governments to outsource migration policy enforcement to sending and transit countries, a process whereby democratic governments pay autocratic ones to repress migrants' rights in order to prevent them from reaching their borders. This migration management aid, in turn, funds *government* budgets in sending countries, thereby entrenching government power and weakening states' respect for human rights in these countries (Oette and Babiker 2017). For example, the EU created a partnership with Libya to strengthen its coastguard's ability to intercept migrants in the Mediterranean. These people were later detained in inhumane conditions in Libya and have been victims of racist attacks. The EU also pays millions of euros to Niger in exchange for increased military control of its northern borders, to combat smugglers and to reduce migrant flows to Libya (Penney 2018).

Moreover, in pursuit of this goal, other foreign policies, some officially aimed at fostering economic development, are being reshaped. For example, European foreign aid and other bilateral development assistance increasingly flow into border-control budgets, to contain migration and enforce readmission. Likewise, under the Trump administration, the US government used trade policy to force sending and conduit countries to detain and repress migrants hoping to reach the States. Democratic governments may see this as the most viable method of preventing the rise of nativist populist parties: as one observer notes, "If Mr. Trump's experience is anything like Europe's, he may find that persuading Mexico or Guatemala to detain refugees on the United States' behalf will drastically worsen conditions for refugees, but alleviate much of the backlash from Americans" (Fisher and Taub 2019b). This worrisome phenomenon may result in less migration to wealthy countries, but also entails a reduction in democracy and human rights in sending countries, insofar as democratic governments in the Global North provide economic benefits directly to non-democratic governments, rather than to the citizens who live in those countries.

Despite these costly efforts to protect and even militarize borders, international migration will likely continue to grow. The income gap between poor and rich countries has been widening for decades if not centuries, providing people with powerful incentives to seek a better standard of living by moving to another country (Pritchett 1997). And even in countries, such as China, where rapid economic growth over the past three decades has closed the average income gap with rich countries, much of the wealth produced by this growth has been captured by elites, leaving hundreds of millions of their citizens still much poorer than the average citizen in OECD countries (Milanovic 2016). As income disparities persist and even grow, the attractiveness of leaving one's own country increases, especially when poverty is accompanied by conflict, violence, gender inequality, and autocratic government. Furthermore, native-born population levels in Europe, the Americas, and wealthy countries in East Asia are stagnating, if not already starting to decline; and global warming will likely prompt mass population movements, as some areas become increasingly uninhabitable. Thus, despite the economic growth in some low- and middle-income countries during the wave of globalization over the past three decades, the incentives for migration from the Global South to the Global North are growing stronger.

Discussion of migration policy focuses almost exclusively on how immigration influences democracy, security, and social cohesion *in rich host countries*. Yet, this narrow view neglects the reality of circular migration and the power of migrants to shape outcomes in their home countries. Public debate over migration and its consequences has not only intensified but also polarized in the recent years, and a migration debate focused on host countries is often simplistic and, worse, prone to manipulation by opportunistic leaders. This makes it all the more important for researchers to examine carefully and empirically the many claims about the social, economic, and political consequences of migration. One element that tends to be lost in the debate is any reflection on and analysis of how emigration influences politics and democracy in migrant-sending countries. *Both* ends of the migration stream deserve attention. This book focuses on the sending end and, in particular, on the political effects of the money migrants send back home: that is, of remittances.

Technological changes not only facilitate the movement of people and information, but also increase migrants' capacity to send money back home. Indeed, the recent rise in migration has been accompanied by an even larger increase in the money migrants send to the relatives and friends they have left behind. In 2017, migrants totaling nearly one-quarter of a billion sent via formal transfer mechanisms over $600 billion in remittances back to their families, friends, and communities in their home countries, with over 75 percent of this money flowing to low- and middle-income countries (World Bank 2019a). According to most recent estimates, the equivalent figure neared $700 billion in 2018.[3]

This remitted income is vital for the survival and economic well-being of millions of households across the globe. For some, such inflows make it possible to escape poverty and weather domestic economic downturns and other shocks to family incomes. For others, remittances boost consumption of basic goods (such as food or clothes), durable goods (such as housing), and services (such as clean water), and allow them to make long-term investments in education, health, and businesses. Furthermore, many recipients pool these resources from abroad to fund the provision of local public goods, such as infrastructure, social services, and agricultural projects that benefit a wider community. The potential economic benefits of these private money transfers are so large that the United Nations considers them a vital pathway for reaching its Sustainable Development Goals. With the aim of boosting remittances' size and global impact, UN members set a target (Goal 10, target 10.c) to reduce remittance transaction costs to less than 3 percent, in doing so eliminating remittance corridors with costs higher than 5 percent, by 2030. Indeed, in 2018, the UN General Assembly proclaimed 16 June the International Day of Family Remittances to raise awareness of the importance of this type of cross-border flow.

The consequences of migration and the attendant remittances are not exclusively economic, however. As this book demonstrates, this massive inflow of money also directly transforms the balance of political power in recipient countries. Indeed, most of this income accrues to middle- and low-income societies, many of which are—or historically have been—governed by non-democratic governments. This book aims to reshape the debate about migration by demonstrating how emigration fosters democracy in the Global South. We advance a theory of democratic migration that focuses on the foreign monetary resources, namely worker remittances, which flow directly to the agents of democratic change in autocracies, that is, citizens. Our research shows that remitted income in recipient autocracies increases political opposition resources and decreases government-dependence, two mechanisms that undermine dictatorships and foster democratic transitions. Our investigation thus turns the debate about global migration on its head, focusing on the democratizing potential of emigration for developing countries.

While we explain how remittances enable citizens in the Global South to challenge their governments, the consequences of migration and remittances have larger political and economic implications. As Paul Collier points out, "[a]lthough migrants themselves do well from migration, it can only be truly significant in addressing hardcore global poverty if it accelerates transformation in countries of origin. In turn, that transformation is at base a political and social, rather than economic, process. So the potential for migration to affect the political process for those left behind really matters" (Collier 2013, 187). Our story of the power of migration to foster democracy in origin countries therefore has profound implications for human development in the Global South. If remittances sent from rich countries to poor ones help transform politics and institutions in the latter, the second-order effect of migration on global poverty—via democratic change in migrant-sending countries—is likely to be large. As ample research shows, open societies with democratic governments underpin sustained economic development (North et al. 2009; Acemoglu et al. 2019).

1.1. Globalization, Migration, and Political Change

Globalization entails reducing barriers to economic, cultural, and political exchanges resulting from rapid innovations in transport and communication technologies, and migration is one dimension of the accelerating transnational exchange and interconnection that characterizes globalization. It is in fact the most human aspect of globalization; but it is debate over the economic aspects of globalization that remains predominant. Many, focusing on international trade and financial flows, argue that economic globalization promotes democracy. Economic globalization entails not only cross-border exchanges of goods and services (i.e., international trade), but also the global movement of the two key factors of production, namely capital and labor. Most of the faith in the democratic benefits of economic globalization stems from the belief that financial liberalization and increased trade improve overall well-being and help create open, democratic societies. Because many policymakers believed in the economic and political benefits of globally integrated capital markets, most developed countries have liberalized their capital accounts, and in turn put pressure on developing countries to do the same (Williamson 1993). While capital and goods and services are increasingly mobile, free to move from one country to another, labor is not (Freeman 2006). On the contrary, as the migration policy developments highlighted above indicate, governments in Europe and North America seem to be tightening restrictions on the cross-border movement of people.

Advocates of financial globalization claim that free-flowing private capital not only enhances economic growth via investment and technology spillovers, but also that it catalyzes liberalizing political reforms. This optimistic view—embodied in the Washington Consensus—contends that foreign private investment undermines non-democratic states' control over the economy, spurs economic modernization, and empowers domestic and foreign private actors, which in turn alters the internal balance of power (Maxfield 1998; Spar 1998; Kwok and Tadesse 2006; Malesky 2009; Arriola 2013a). However, it is not possible to be so sanguine in light of the cross-national evidence for economic integration improving democracy (Rudra 2005; Eichengreen and Leblang 2008; Li and Reuveny 2009). Such optimism is unwarranted, in part it seems because non-democratic governments so often divert, control, and hence benefit from, foreign capital inflows. As Dillman (2002, 64) stresses, non-democratic governments, "by preserving their states as the necessary intermediary between international and domestic economic actors [. . .] construct and reshape patronage networks in such a manner as to maintain, if not reinforce, their own economic and political power." Financial reforms and foreign direct investement (FDI) inflows create opportunities for strengthening state-controlled sectors, rent-extraction, and the distribution of targeted benefits to regime insiders and other politically relevant groups. Indeed, recent comparative research demonstrates that both international trade and, especially, foreign capital flows are in fact associated with increased autocratic durability, thereby harming the prospects of democratization (Quinn 2002; Roberto and Rodrik 2005; Li and Reuveny 2009; Bak and Moon 2016; DiGiuseppe and Shea 2016; Powell and Chacha 2016; Escribà-Folch 2017).

This book contributes to the debate about globalization by arguing that human migration (i.e., labor) and the remittances that flow from it are global factors of production that, unlike capital flows (or trade), move across borders in ways that shift the balance of power towards citizens and away from governments in migrant-sending countries. This creates opportunities for bottom-up democratization. Despite tight restrictions upon, and even repression of, cross-border labor movement, migration continues apace. Developing countries received $706 billion in FDI in 2018, while remittances were projected to surpass $550 billion in 2019 (UNCTAD 2019; Ratha et al. 2019). For the least developed countries, remittances remain substantially higher than FDI.

And while the global pandemic of 2020 stopped migration in its tracks, the underlying forces that motivate it are unlikely to dissipate.

While commentators and policymakers often emphasize the benefits of foreign investment for promoting political change, debates in comparative political economy largely overlook migration and the political consequences of remittances. Social scientists have only recently begun to ask questions about how out-migration influences political change (Eckstein and Najam 2010; Kapur 2010; Moses 2011; Kapur 2014; Mosley and Singer 2015), but this key dimension of globalization deserves more scholarly attention (Collier 2013). By demonstrating the positive political consequences of migration, we aim to alter the narrative of migrants as mere input to multinational production chains or as threats to some nativist-tinged 'way of life' in rich countries. Instead, we argue, migrants are agents of political change. Debates about migration policy in high-income countries should thus reflect the democratizing potential of migration as a powerful foreign policy tool for democracy promotion and human development.

1.1.1. Existing Theories: Migration and Democracy

How does emigration shape politics in home countries? Before outlining the mechanisms that we claim make emigration a net positive for political change in home countries, we discuss the main contending arguments proposed so far.[4]

The migration literature articulates several theories suggesting that *emigration* either negatively or positively shapes the prospects for democracy and political development. Perhaps the best known argument—building on the "exit, voice, and loyalty" framework developed by Hirschman (1970)—posits that when citizens "exit" (emigrate from) a polity, they necessarily forgo using "voice" to change the status quo. If exit and voice are mutually exclusive strategies for channeling political discontent, then emigration should undermine the politics of contention and citizen mobilization that demand and foster democratic political change. Emigration of the young and unemployed, according to this logic, constitutes an economic "safety valve," which, because young men may be the most likely to protest, translates into a political safety valve as well.[5] In other words, an economic brain drain can also be a political brain drain, whereby those most interested in political change and most capable of pursuing it, and who at the same time may be the most frustrated and aggrieved, leave instead of organizing for change at home (Pfaff

2006). When voice is costly because it entails the risk of repression, as is often the case in countries ruled by autocratic governments, the lower-cost stategy exit may prove much more attractive (Bratton 2008). Thus, emigration can relieve domestic pressure, in the form of social discontent and civil unrest. This opens the door to the strategic use of foreign movement policies by incumbent autocrats facing domestic discontent, as they have an incentive to encourage political dissenters to exit the country rather than voice their dissent at home.[6] An emigrant interviewed in a recent study of remittances and politics in Mexico describes this "safety valve" logic: "If money was not coming in from the United States, maybe, I don't know, people would have to find a way [to survive]. Do like they did in the past: start another revolution. This is why the government wants us to migrate. You look for a way to survive. It is between killing each other or leaving. And this is what people are doing, leaving the country" (Germano 2018, 55).

There are also significant arguments suggesting the opposite: that emigration fosters democracy in sending countries. One mechanism, drawing on the work of Tiebout (1956) and implications of the Hirschman model, contends that a credible pathway to emigration raises the outside options available to local residents, boosting the relative bargaining power of citizens and potential emigrant groups vis-à-vis incumbent elites. Similar to the exit and loyalty argument, the exit option, according to Tiebout's logic, need not be exercised; this option only needs to be credible to force incumbents to adopt policies preferred by the potential emigrants. As Hirschman (1970, 93) emphasizes, "the effectiveness of the voice mechanism is strengthened by the possibility of exit." Accordingly, Moses (2011, 50) argues that emigration amplifies voice: "individual residents are able to exert more influence over political authority because the threat to exit provides them with an effective tool for voicing dissatisfaction." Under such circumstances, citizens can better express their demands and preferences. At the same time, elites—especially those dependent on labor cooperation for tax revenue—have an incentive to respond to demands for political change by granting political concessions; if elites do not concede, constituents may simply decide to vote with their feet and leave for better (and foreign) states that meet their expectations.[7] This logic might also help explain why some dictatorships impose severe restrictions on foreign movement, to impede citizens' en-masse exit. North Korea's regime, for example, imposes perhaps the tightest controls on population movement and considers unauthorized emigrants to be traitors. Similarly, emigration in East Germany was criminalized, thousands of people being charged with attempted unlawful emigration (Horz and Marbach 2020).

A second mechanism directly linking emigration and democracy emphasizes so-called social or political remittances: migrants and migrant returnees, according to this argument, transmit ideas, norms, and beliefs acquired or learned in the host country about the value and practice of democracy, via transnational networks and long-distance interactions or face-to-face exchanges. “Social remittances,” a term coined by sociologist Peggy Levitt, comprise “the ideas, behaviors, identities, and social capital that flow from receiving- to sending-country communities” (Levitt 1998, 927). Krawatzek and Müller-Funk (2020, 1,004) consider political remittances to be a subset of social remittances, defining the former as “the act of transferring political principles, vocabulary and practices between two or more places, which migrants and their descendants share a connection with.” According to this logic, both emigrants and returning migrants transform the views, values, and even political practices of those who remain at home. The argument thus focuses on a non-material form of cross-border flow that results from migration. This, in turn, shapes political change by altering (political) preferences and enhancing recipients’ political efficacy. Migrants, according to these theories, act as agents of democratic diffusion via the inter-personal and transnational transmission of new democratic values and attitudes (Pérez-Armendáriz and Crow 2010). This argument assumes that migrants settle in democratic host countries, acquire new values and learn new practices, and then communicate with people at home, (re-)socializing them.[8]

Another pathway links emigration to political development indirectly, via economic development. If emigration increases average incomes in sending countries, and if, as modernization theory claims, economic development breeds democracy, then emigration should advance democracy (Bearce and Park 2019). Emigration may raise incomes via two, related, mechanisms. First, as we discuss below, monetary remittances from emigrant labor increase family incomes for those left behind. Second, emigration can boost incomes in sending countries by making labor more scarce. Especially if emigrants are relatively low-skilled workers, this factor–price equalization mechanism may reshape the internal balance of power in favor of relatively low-income workers. That is, emigration should foster convergence of low-skilled real wages between sending and host countries, leading to rising incomes for the poor in sending countries (Hatton and Williamson 1998). Rising incomes, according to this logic, then set in motion internal economic transformations—a growing industrial sector, technological advances, a rising middle class—that, some posit, favor the emergence of democracy.

The evidence available for these theories is scarce due to the limitations of migration data; yet some studies suggest a positive relationship between migration and democracy in migrants' countries of origin. Alemán and Woods (2014), for example, find that freedom of movement is correlated with civil rights protection and democracy in a global sample of autocracies; and Miller and Peters (2020) qualify this finding to show that autocracies adopt freer emigration policies if citizens want to leave for economic reasons, but restrict exit if emigrants mostly move to democratic countries. Lending some support to the idea of a social remittance mechanism, Spilimbergo (2009) reports evidence that foreign education in democratic countries fosters citizens who promote democracy in their home countries; and a more general test of emigration, in Docquier et al. (2016), finds that total emigration is associated with better civil and political rights in developing countries. This study emphasizes, however, that the "result is fully driven by emigration to rich, highly democratic countries, suggesting that the effect of emigration on home-country institutional outcomes is destination-specific" (Docquier et al. 2016, 222). Finally, focusing on the state competition argument, Moses (2011) also shows a positive relationship between emigration and political development.

We propose a third mechanism linking emigration to democracy in home countries: namely, financial remittances. Existing approaches tend to view financial remittances as only *indirectly* shaping democracy. Since emigrants remit both money (financial remittances) and ideas (social remittances), one view interprets the latter as simply being the political parallel of the former. As a result, many assume that only social remittances can directly transform politics in home countries, while monetary transfers only impact local economic conditions (Moses 2011, 46–47). In this framework, remittances are merely one of many potential side-effects of emigration, alongside wage equalization and increased labor strength, that indirectly influence democratic political change via economic development. This argument thus connects monetary remittances to modernization theory to suggest that money transfers boost economic development, which, in turn, breeds the conditions necessary for democratic change. Money transfers, accordingly, not only increase the family incomes but also raise local wages through a multiplier effect on local economies and by funding the private provision of services and local public goods. Nonetheless, while remittances do appear to reduce poverty levels, there is no consensus about their effect on long-term economic growth

(Pradhan et al. 2008; Barajas et al. 2009; Catrinescu et al. 2009; Clemens and McKenzie 2018). One could also argue that remittances in themselves have no real causal effect in terms of democracy—or that they in fact stabilize nondemocratic regimes by decreasing social discontent—because they simply reflect higher emigration levels, the key factor driving democracy.

Contrary to these arguments, we posit that money transfers from migrant workers also have powerful democratizing effects on the migrants' countries of origin, even after accounting for net migration and economic development. We claim, that is, that remittances have a *direct* effect on the political dynamics in migration-sending, developing countries. As we discuss in the next chapter, additional private income from remittance inflows both weaken ruling parties' ability to mobilize electoral support and strengthen the organizational capacity of opposition groups. Before previewing our theory, however, we first outline how remittances differ in important ways from other types of foreign income—namely foreign aid, oil revenue, and foreign investment—to which they have been often compared.

1.1.2. Foreign Income Inflows and Autocratic Rule

Our theory focuses on the direct political consequences of monetary remittances, which are money transfers from migrant workers to individuals—typically relatives and friends—and groups in their home countries. We argue that these flows transform the political landscape of migration-sending countries and, therefore, reshape the balance of power in remittance-receiving authoritarian countries. This transformative potential, as well as the arguments we articulate below, hinge on two key characteristics of global remittances that make them distinct from other foreign financial flows.

First, remittances are not only growing in volume but also remain relatively stable from year to year.[9] Although there is substantial cross-national variation, over the past two decades remittances have rapidly become the main source of foreign income for many developing countries. Inflows have steadily increased for decades (prior to the 2020 global pandemic), with their growth accelerating in the last two: in 2018, for example, remittances grew by nearly 10 percent relative to the prior year. Remittance inflows are now more than three times larger than official development assistance (ODA) flows from DAC (Development Assistance Committee) members. Put differently, migrants send substantially more money to their relatives back home than Western democracies send in aid to promote economic and political development.

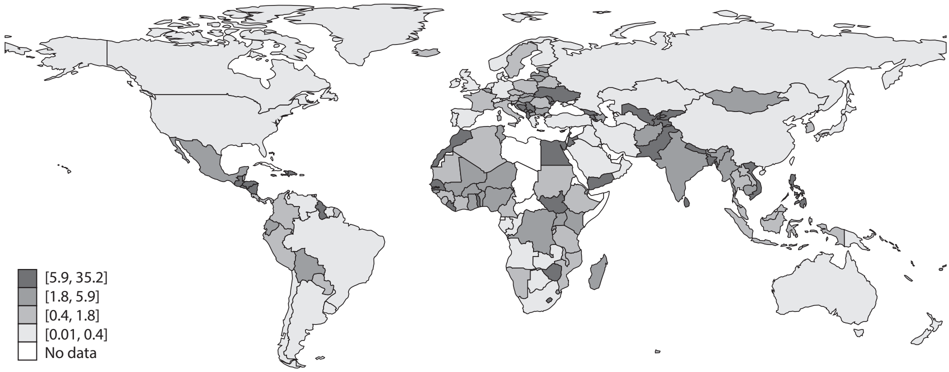

FIGURE 1.1. Global remittances, 2010–18

And although capital inflows (i.e., FDI plus portfolio investment) to developing countries remain larger in the aggregate, these resources are highly concentrated in a relatively small number of countries, mostly in Asia (UNCTAD 2019, 12).[10] In other words, more money flows to poor economies as a result of migrants wishing to help those left behind than as a result of foreign companies seeking to benefit from locational advantages.

Figure 1.1 illustrates the importance of remittances for many developing countries; the map shows the average remittances received as a percentage of GDP over the period 2010–18. For several countries located close to rich or emerging economies or in major migration corridors, remittances represent a substantial part of their economies, upon which many families depend. For example, between 2010 and 2018, remittances represented on average 35.2 percent of Tajikistan's GDP; 29.5 percent of Kyrgyzstan's; 25 percent of Haiti's; 18.2 percent of Lesotho's; 16.5 percent of Liberia's, 13.2 percent of Jordan's; and 11.9 percent of The Gambia's.

Along with their increasing volume, remittance inflows also display a great degree of stability over time, which further differentiates them from other, more volatile, forms of capital inflows such as FDI, portfolio investment, foreign aid, and oil revenue, the last of which tends to rise and fall with world oil prices (Ratha 2003; IMF 2005). And just as foreign aid, oil rents, and foreign investment have important economic as well as political consequences for recipient societies, remittances are also likely to influence politics in developing countries. The direction of that influence, especially compared to other inflows, is shaped by the second crucial feature of migrants' money transfers.

This second critical feature of remittances that distinguishes them from other foreign financial flows is the nature of the senders and the recipients: both are private citizens, not governments or firms. While remitted income comes from outside the receiving country and is thus an "external" or "foreign" source of income like oil revenue, foreign aid, and international investment, it does *not* flow directly to government coffers or state-aligned or state-owned firms. Rather, remittances flow to millions of individuals and families. The fact that remittances are indeed a foreign source of income has led some scholars to liken them to other revenue windfalls, such as foreign aid and oil rents, which, as substantial evidence shows, make autocracies more resilient.[11]

Theories linking foreign income to autocratic stability—and the dearth of democracy—presume that these foreign inflows accrue, directly or indirectly, totally or in part, to incumbent non-democratic governments and are diverted to their political allies. If governments generate substantial non-tax revenue from these external flows, they may forgo taxation and use the additional income to purchase political support and build up their repressive forces to suppress dissent. Foreign aid most often flows directly to governments in developing countries in the form of budget support, making it largely fungible; and when aid funds specific development projects, it may simply substitute for spending that recipient governments might have undertaken anyway, freeing up additional funds for purchasing support and improving security. Since the wave of oil and other natural-resource firm nationalizations in the 1970s, revenue from these resources has largely flowed to the state either directly or indirectly via state-owned firms. Finally, governments often play a key mediating role in agreements that bring in foreign investment, giving rulers ample room to capture part of these funds. For example, autocratic governments may require multinational corporations (MNCs) to make substantial payments—including bribes—to obtain licenses and permits, or may force foreign firms into joint ventures with local partners—often state-owned, parastatal, or politically aligned private firms. Thus, while most products of international financial flows accrue (directly or indirectly) to recipient governments, remittances differ inasmuch as they bypass governments and instead flow to individual citizens.

The nature of the sender's role is a significant feature of this relationship as well. In all cases of foreign income, the sender or donor is external to the recipient; that is, the sender is located outside the recipient country. Official government agencies in developed countries send bilateral aid and provide most of the funds that multilateral donors, such as the World Bank and the

United Nations, disburse.[12] Oil payments in the form of kickbacks and royalties are made by multinational oil companies and accrue to governments in the form of non-tax revenue, some of which is not captured in official revenue statistics. Fossil-fuel energy dependence and a strong interest in stabilizing oil markets has led many democracies and other international actors to prioritize keeping governments in oil exporting countries as cooperative allies. Even cash-crop export revenue often ends up in the hands of the government, via regulatory policies (Bates 1984).[13] Finally, FDI decisions are mostly in the hands of MNCs, whose main interest lies in accessing emerging markets to exploit locational advantages; as such they often prioritize policies that produce stable and favorable business environments in foreign countries, even when that conflicts with respect for human rights (Youngs 2004; Payne and Pereira 2016).[14]

Such incentives are absent in the case of remittances. First, remittances are private transfers made by individuals living and working abroad; migrants, not foreign governments or companies, are the senders, so the conflict typical of other types of donor, between their idealistic goals in terms of advancing democracy and other, more "realistic" foreign policy interests they might wish to pursue, is barely relevant. Migrants' primary motivation is to improve the living conditions of those left behind; indeed migration decisions are often central to families' strategies to smooth over income shocks and diversify income sources (Lucas and Stark 1985; Agarwal and Horowitz 2002; Azizi 2017). But remittances are also often involved in improving local institutions as well as providing local public goods and services (Chaudhry 1989; Adida and Girod 2011; Aparicio and Meseguer 2012; Mosley and Singer 2015). Further, an abundance of case studies shows that emigrants engage in the politics of their home countries via a wide array of transnational activities (Guarnizo et al. 2003; Østergaard-Nielsen 2003a; Fox 2007; Eckstein and Najam 2010; Kapur 2010; Danielson 2018). As importantly, remittance transfers, unlike natural-resource or cash-crop revenue, fungible aid, or even FDI, do not accrue to governments but instead flow directly to individuals, households, and even local civil society groups and organizations in migrant-sending countries. This boost to private income has great potential to transform remittance recipients' incentives and capacities for political action and to narrow the resource gap between the regime and the opposition. These differences between remittance inflows and other types of foreign income have crucial implications for the prospects of democracy, which we explore in this book.

1.1.3. Remittances in the Global South

We focus on individual remittances, but also consider activities that are frequently financed by diaspora (collective) remittances. Individual remittances are private transfers from emigrants to their families and friends, while collective financial remittances are money raised by diaspora organizations. Evidence from various regions of the world shows that individual remittances are overwhelmingly devoted to financing recipient households' current consumption, alleviating poverty (Adams and Page 2005; World Bank 2006b,d; Adams 2007; Fajnzylber and López 2007; Chami et al. 2008). In countries as diverse as Guatemala, Kosovo, and Botswana, these resources are a lifeline for recipients as they cover basic needs and provide insurance against risks (Yang and Choi 2007). Frequently, remittances allow families to invest in their childrens' education, or pay for health coverage, utilities, appliances, or transportation. Remittances help improve housing and sanitation, can ease credit constraints, and help recipients start small businesses. Sometimes recipients choose to exit the job market as their reservation wage increases with remittance inflows (World Bank 2006d; Fajnzylber and López 2007; Posso 2012).

In addition to funding household consumption and investment that raise recipients' living standards, financial remittances allow migrants to invest privately in local public goods (Adida and Girod 2011). Among their other activities, diaspora organizations such as migrant clubs often fund development projects in their communities of origin (Iskander 2010; Aparicio and Meseguer 2012; Burgess 2012; Duquette-Rury 2019). Further, recipients' individual consumption and investments have multiplier effects, making an impact at the community level. Remittances often buy time and education, allowing recipients to engage in formal and informal political activities. Perhaps disenchanted with party politics, recipients turn instead to non-electoral political activities as a way to contribute to their communities.

Diaspora remittances also help strengthen local social capital. In comparison to the volume of individual remittances, remittances raised by migrant organizations represent a minor proportion,[15] but their importance should not be underestimated: collective remittances may represent sizable percentages of many communities' budgets in migrant-sending countries (Goldring 2002; Iskander 2010; Burgess 2012; Ambrosius 2019; Duquette-Rury 2019). For this reason, collective remittances are highly coveted resources. Alone or in partnership with local governments, migrant clubs finance the construction of public infrastructure such as schools, hospitals, electrification, paving projects, or recreation areas. As with individual remittances, the benefits of these partnerships are not only developmental: collective remittances empower emigrants and stayers in their dealings with local politicians. Migrant organizations often exercise close oversight of how their resources are spent, demanding greater accountability from local government and helping to curb corruption (Burgess 2012; Duquette-Rury 2019). Because co-production investments often require the existence of local groups that shadow migrants' organizations, as well as some transborder collective action, collective remittances are a factor that often contributes to strengthening local civil society vis-à-vis local government. As we show later, individual and diaspora remittances contribute to transferring social and organization capital that facilitates collective action and strengthens civil society (Burgess 2012; Germano 2018; Duquette-Rury 2019; Pérez-Armendáriz and Duquette-Rury 2021).

1.2. Previewing the Argument

How do remittances undermine autocratic rule and help promote democracy? We articulate theoretically how remittances change citizens' political behavior and think through the ways remittance flows shape macro-political outcomes in countries governed by non-democratic regimes. Figure 1.2 summarizes the logic of our argument. The starting point, using Hirschman's (1970) framework, is citizens' physical *exit* from their home country, that is, emigration. By Hirschman's account, such exit should stabilize sending societies, because exit constitutes a political safety-valve (Hirschman 1978).[16] According to this logic, potential dissidents who might mobilize against the government instead renounce their voice in favor of exit when they seek better opportunities abroad (Sellars 2019). However, modern migration often unleashes several transformative forces. Most importantly for our theory, exit in the form of emigration frequently results in migrants sending money back to their families and communities, that is, in monetary remittance flows. In contrast to some reformulations of Hirschman's model that focus on migrants as transnational political actors who directly exercise voice and loyalty from abroad after exit (Hoffmann 2010; Burgess 2012), we theorize how the remittances migrants send back after exit influence their family members' decisions about voice and loyalty. We agree with Hoffmann (2010, 68) that "it becomes necessary to rethink the meaning of the categories of exit, voice,

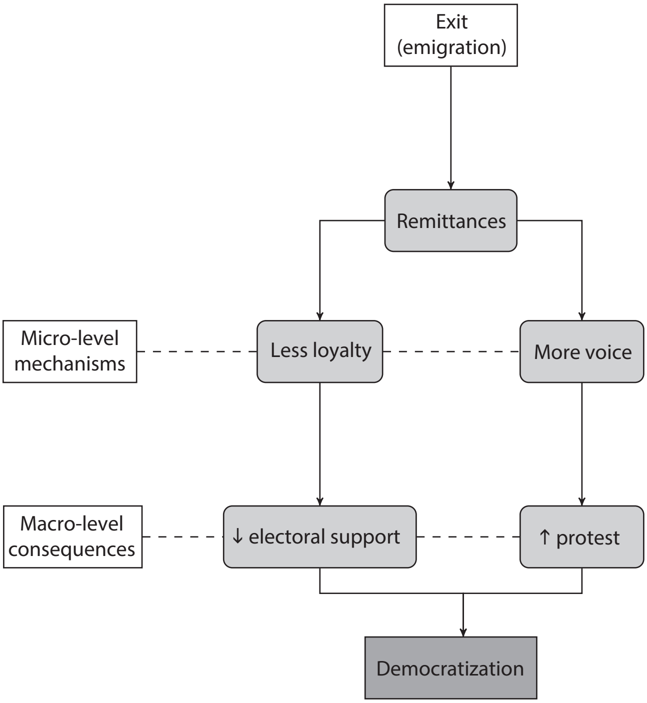

FIGURE 1.2. Remittances and democratization

and loyalty." We therefore build a theory that focuses on remittance recipients' behavior. Sending remittances, we posit, is simply a form of transnational activity through which migrants transform—either intentionally or unintentionally—the political dynamics of their home countries.

Let us first define and clarify the concepts we apply to those receiving remitted income. We focus on the political behavioral consequences of financial remittances in autocratic home countries of migrants, not the political behavior of migrants who remain abroad. That is to say, our theory does *not* speak to how migrants choose loyalty or exercise voice from abroad, aside from sending remittances home (often with political intentions). We simply take the large inflow of private income in the form of remittances as a starting point for theorizing about the impact of these upon the political dynamics of migrant-sending countries, given the ample empirical evidence that suggests remittances rank among the largest sources of foreign income in dictatorships.

The next step is to examine how these resources shape the political behavior of remittance recipients who, we posit, are the most likely agents of democratic change. Participation in almost any form of dissent—whether protesting in the streets, attending an opposition leader's rally, voting against the ruling party, or even expressing political grievances to friends and family—is potentially costly to individuals who pursue such activities; and these costs tend to be greater in autocratic contexts. Because remittances flow to individuals, families, and even organizations, we argue that this additional private income has the potential to help offset these costs.

As importantly, most autocracies now hold regular multiparty elections and are also increasingly vulnerable to anti-regime protests—patterns we document in the next chapter. Understanding how remittances influence autocratic elections, mass protest, opposition organizations' strength, and ultimately transitions from autocracy to democracy requires paying attention to the specific micro-mechanisms linking remittance receipt to individual-level behavior. We contend that remittances turn recipients into agents of democratic political change by altering their capacities and incentives for engaging in distinct forms of dissenting political behavior: specifically, protesting and voting.

This approach is especially useful for establishing a theoretical and empirical connection between macro-structural processes—such as globalization, migration, and remittance flows—and domestic political outcomes—namely, transitions to democracy. As Schwartzman (1998, 161) correctly notes, "The principal intellectual challenge is to link global processes with domestic ones and then to show how those domestic processes influence the daily experiences of both those who rule and those who are ruled." Because remittances largely flow to citizens and not to governments, as we show below, they do little to alter the behavior of those who rule; but, we propose, they do transform the resources, capacities, and incentives available to those who are ruled by non-democratic governments. Our task is therefore to establish a theoretical and empirical connection between individual-level political behaviors, such as protest and voting, that arise as a result of remittances and macro-political change, in the form of democratic political transitions.

The first mechanism linking remittances to macro-political change is *voice*. We argue that migrant remittances increase the ability of those left behind to raise their voice, a form of political dissent that is conceptually and empirically distinct from transnational political "voice" on the part of migrants themselves. Political participation is costly to individuals, especially in dictatorships where repression breeds fear and where opponents have a clear resource disadvantage. Drawing on the resource model of participation, we posit that remittances are a private income windfall that helps some recipients overcome resource constraints that prevent dissenting political action. Remitted money not only enhances individual—or household-level—resources that enable citizens to engage in contentious activities such as protest; diasporas also use these resources to finance directly opposition parties, groups, and civil society organizations. This should result in higher mobilizing and organizational capacity, especially among those opposing the regime who have fewer resources. A more autonomous partisan opposition and a more vibrant civil society emerge as a result. Remittances therefore *increase voice*.

The second mechanism linking remittances to democracy is *loyalty*. When households and communities receive remittances, their economic autonomy vis-à-vis the state increases by reducing their dependence on state-delivered transfers, goods, and services. Clientelistic exchanges targeting specific social groups are a crucial strategy upon which ruling parties rely to mobilize electoral support, made possible by the ruling party's monopoly on state resources: access to state-provided benefits, including gifts, local public goods and services, and even jobs, is conditional on showing up at the polls. Additional family income from remittances allows individuals, households, and even entire communities to acquire and provide for themselves a wide array of goods and services that substitute for those provided by ruling regimes. Ideological or material commitment to the ruling party erodes as a result; and individuals lacking a strong attachment might thus opt not to show support for the incumbents at election time. Remittances thus *weaken loyalty* to the regime, especially among poor and mild supporters in targeted districts—those whose electoral support for the rulers is most likely to be bought by the regime. If additional private income from remittances undermines clientelistic exchanges with ruling parties, entire social sectors or local communities may cease to vote for the ruling party at election time.

As importantly, increased voice and weaker loyalty that result from additional remitted income are more likely to apply to some groups of people than others. Hence, such micro-mechanisms are not mutually exclusive within a given national context. For some individuals and groups, remittances are likely to increase voice, thus mobilizing citizens; while for others, they are more likely to weaken loyalty and demobilize them. Crucially, both processes undermine authoritarian rule. Furthermore, these two mechanisms also have implications at the meso-level. The agents of political change include not only individuals whose behavior may be influenced by remittance receipts, but also opposition parties, grassroots associations, and civil society organizations that mobilize citizens, monitor governments, and demand democratic change. An extension of the two micro-mechanisms above has clear implications for organizations: diasporas can fund them from afar (Shain 1999; Østergaard-Nielsen 2003b; Lyons 2012; Betts and Jones 2016), thereby increasing their resources for mobilization as well as their autonomy vis-à-vis the regime. Remittances therefore make opposition groups and civil society organizations stronger.

We document these mechanisms using individual-level survey data from numerous dictatorships in Africa. The individual-level effects of remittances—namely increased voice and decreased loyalty—should, in turn, lead to observable aggregate macro-political change. That is to say, at the country-level, we expect remittances to increase anti-regime protests and also to reduce electoral support for autocratic incumbents. Our main contention is thus that remittances alter the balance of power between incumbent rulers and opposition groups, which in the context of non-democratic politics increases the possibility of democratization. Remittances do so by eroding both ends of the regime resource advantage and its strategic use aimed at punishing opponents and rewarding supporters. First, governments cannot capture remittance income, so these inflows do not increase the regime's resources; they accrue to individuals and organizations instead. Second, remittances provide those traditionally excluded, repressed, and deprived of economic and organizational resources with additional resources to overcome such constraints and increase their mobilizing capacity. Finally, remittances reduce the effectiveness of the vast resources the regime spends in rewarding and mobilizing support.

As Figure 1.2 (above) indicates, these challenges undermine autocratic rule, thus increasing the opportunity for democratic transitions to occur. Anti-government protest campaigns can weaken dictatorships, especially when security forces refuse to employ violent repression against them. Growing threats from a larger, better-organized opposition can force elites to make institutional concessions paving the way for democratic reforms. While it may be easily imagined, moreover, how opposition mobilization weakens dictatorships, we also show how political *de*mobilization can do likewise. Shrinking electoral support for incumbent authoritarian parties often leads to electoral defeat, bringing non-democratic regimes to an end; and even when ruling parties remain undefeated at the polls, decreasing electoral support pierces the image of regime invincibility, spurring elites to defect and opponents to invest more heavily. Finally, when ruling parties lose at the polls and either resort to fraud to alter the results or refuse to step down, this intransigence itself often mobilizes mass protests that then bring down the regime.

More broadly, our theory and evidence suggest that globalization can advance democracy in the Global South, but not necessarily through international trade or cross-border capital movements. Instead, we posit that cross-border movement of people and the booming transnational flow of money it generates provide resources to citizens as agents of political change to undermine dictatorships and further democracy.

1.3. Plan of the Book

In what follows, chapter 2 first of all presents our theoretical argument. We document how dictatorships fall, and explain how this process has changed in the last few decades to favor citizens as agents of democratic political change: coups are no longer the predominant way whereby dictatorships end; instead, elections and protest mobilization—the two mechanisms we posit to be closely linked to remittances—have become the most common ways for dictators to leave power. We then discuss the international dimensions of democratization, showing that most theories of democratization that posit an international cause focus on elite behavior. Our explanation, by contrast, points to *citizens* as the agents of democratic change, whereby *private* international financial flows in the form of remittances spur the individual-level behaviors that ultimately undermine dictatorship. We then articulate our theory in detail, documenting how and where we expect remittances to shape voice (i.e., protest) and loyalty (i.e., voting).

Nearly all arguments suggesting that remittances harm democracy and help sustain autocratic rule hinge on the assumption that autocratic governments capture some of the revenue from private remittance inflows and alter their spending behavior accordingly. In chapter 3 we therefore examine this assumption empirically by looking at how remittances influence government revenue collection. We then discuss how remittances, even if not captured directly by governments as revenue, might still allow autocratic governments to substitute one type of spending for another, freeing up their resources to buy additional political support or repress citizens. We examine how remittances in fact shape government spending practices and repressive behavior, finding that there is simply no empirical evidence in the relevant global data patterns consistent with the contention that remittances increase government revenue, alter government spending behavior, or increase political repression.

In chapter 4, we examine how remittances shape voice: that is, political protest. We posit that remittances increase the resources available to political opponents for mobilizing dissent against autocratic governments in two ways. First, additional private income from remittances eases material constraints upon political action. Second, remittances directly fund opposition parties and civil society organizations, making opposition protest more likely. Our argument therefore contrasts not only with the idea that emigration of unemployed young men should reduce protest, but also with claims that remittances reduce economic grievances towards, and therefore mobilization against, the government. We show that remittance recipients are more likely to protest than are citizens whose income is not supplemented by this external resource. Consistent with the theory positing that remittances fund political opponents, we demonstrate that remittances mobilize resistance in opposition areas but not in regime-stronghold regions. At a global level, meanwhile, we provide evidence that remittances boost anti-government protest mobilization in non-democracies.

Chapter 5 examines how remittances influence loyalty: that is, electoral outcomes. Worker remittances undermine autocratic ruling regimes, we argue, by reducing citizens' dependence on government transfers and public goods. By giving individuals and households an option to exit from government patronage networks, remittances sever the clientelistic links between voters and incumbent dictators, causing defections from their support coalition. Further, by increasing their resources, remittances boost the capacity of opposition parties to challenge the regime in elections. At the macro-level, we show that remittances are associated with lower voter turnout in elections and fewer votes for incumbent ruling parties. At the micro-level, we document precisely how remittances lower turnout: incumbents focus their turnout-buying strategies on poor voters in swing districts and thus it is among these voters in particular that we find evidence that remittance receipt reduces the likelihood of turning out to vote. By lowering turnout among those whose support is most easily purchased by incumbent ruling parties, remittances undermine electoral authoritarianism.

Chapter 6 brings together the various pieces of our story. We start with a discussion of two illustrative cases, Senegal and Cambodia, to show how the mechanisms we have described brought about political instability in both non-democratic countries. We then show that remittances have a meso-level impact. Particularly, they shape civil society organizations and enhance the strength of opposition parties by increasing their resources and autonomy.

These two intervening mechanisms, we posit, further contribute to linking the micro-level behavioral effects of remittances to the macro-outcome we ultimately care about: the prospects for democratic transition. Our tests reveal that remittances have a positive and significant effect on the likelihood of democratization.

In chapter 7, we examine the relationship between monetary and social remittances. Our theory posits that *financial* remittances alter the balance of power between citizens and governments in dictatorships by providing political opponents with additional resources and weakening loyalty among nominal supporters. However, whether using either aggregate measures of national-level remittance inflows or individual-level accounts of remittance receipt to test our theory, we cannot rule out the possibility that the social, rather than the financial or monetary, dimension of remittance transfers is the causal factor that shapes the individual behavior and macro-political outcomes of interest. The chapter therefore proposes several tests to allow us to adjudicate between these two competing mechanisms, social and monetary remittances.

The concluding chapter places our argument in context. We first discuss how our theory and evidence might simply be interpreted as an account of how migrant remittances finance anti-incumbent behavior. In autocratic contexts, anti-incumbent behavior undermines authoritarian rule and opens up the possibility of democratization. In other contexts, however, anti-incumbent behavior need not necessarily translate into democratic political change. Indeed there is a growing number of cases in which migration and consequent remittances may have fueled the rise of opposition parties that are not particularly democratic in a normative sense, but rather may seek to undermine democracy once in power. We then articulate the implications of our argument for several important political and economic debates: the merits of globalization, with an eye towards understanding how our theory might apply to future waves of globalization; the appropriateness of migration restrictions and border control policies; and finally, the understanding of migration as a tool for the promotion of democracy.

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Note: page number followed by t indicates a table; page number in *italics* indicates a figure.