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Conflict-Induced Migration and Remittances: Exploring Conceptual Frameworks

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Abstract

Remittances – the money that migrants send home – are a key element in the socio-economic reality of many conflict-affected and post-conflict countries. However, conceptual frameworks for explaining the dynamics of remittances in conflict-affected settings are lagging behind emerging empirical evidence. This paper first explores relevant conceptual models from the literature on labour migration, and outlines some of their limitations. Second, it focuses on aspects of conflict-induced migration – specifically, the causation of migration, the situation of family left behind and the post-migration situation of refugees – that may have implications for the remittance behaviour of those affected.

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1 Introduction

It is well-known that refugees remit funds to conflict-affected countries. Many of those countries where remittances are most significant have, or have had in the recent past, problems with conflict that in part explain their now large diasporas. For example, official remittances are 10 per cent or more of GDP in Bosnia and Herzegovina, El Salvador, Haiti, Lebanon, Nicaragua, Serbia and Montenegro (World Bank 2006). Given the frequent flourishing of informal financial mechanisms in contexts of societal upheaval, it is likely that the official figures considerably underestimate remittances received by conflict-affected countries. It is clear that understanding remittance dynamics is part of understanding the socio-economic reality of many conflict and post-conflict settings.

Remittance flows to conflict-affected countries have come into the policy spotlight most recently in a rather specific way. In the drive to govern global financial flows following 9/11, methods of transferring money internationally, and particularly to conflict-affected countries, have been subjected to renewed scrutiny by law enforcers. But as time goes on, researchers are developing a social scientific understanding of these flows that goes beyond forensic accounting and police priorities and can contribute to building effective conflict and post-conflict analysis and policy.

In this, understanding the dynamics of these flows is crucial. But remittance behaviour (i.e. the likelihood of people remitting and the amounts sent, as distinct from the effects of remittances, although of course the two are inter-related) has largely been studied in labour migration settings.¹ There is a growing number of recent empirical studies that shed light on refugees' remittance behaviour,² but as yet relatively limited conceptual discussion as to how and in what respects it might differ – or not – from that of other migrants.

This paper argues that conflict-induced migration differs significantly in ways that are likely to have implications for remittance behaviour. First, the paper explores relevant conceptual models emerging from research in labour migration settings, and outlines some of their limitations. Second, it explores the issues encountered by conflict-induced migrants (i.e. people forced to migrate because of violent conflict in their country of origin)³ that may have implications for their remittance behaviour, focusing on three aspects: 1) the process of conflict-induced migration, 2) the situation of family left behind,⁴ and 3) the post-migration situation of refugees. The final section summarises the key observations and outlines some directions for future research.

¹ For example: Brown and Poirine 2005; DeSipio 2000; Lucas and Stark 1985; Marcelli and Lowell 2005; Menjívar *et al.* 1998; Poirine 1997; Posel 2001; Stark and Bloom 1985; Stark and Lucas 1988; Taylor 2000.

² For example: Ali-Ali, Black and Koser 2001; Briant 2006; Díaz-Briquets and Pérez-López 1997; European Stability Institute 2006; Hammond 2007, Horst 2006, La 2004; Lindley 2007 a, b and forthcoming; Riak Akuei 2005; Savage and Harvey 2007; Smith and Stares 2007; Van Hear 2002.

³ The term 'refugee' is used in this paper to refer to conflict-induced migrants, regardless of the legal status accorded to them in their country of residence.

⁴ While refugees do remit funds to friends and other entities, family remittances are by far the most important form of transfer and form the focus of this paper.

2 Labour Migration and Remittances

Neoclassical theory of migration, focusing on wage differentials, and structuralist perspectives, focusing on the extension of capitalist production to the global periphery and resulting upheavals in those countries, had relatively little to say about remittance behaviour. In the 1980s, however, the 'New Economics of Labour Migration' (NELM), put remittances centre-stage in the theory of migration. In NELM, migration is understood as a household strategy to diversify the household's income sources in response to risk or local constraints in credit, insurance or other markets (Taylor 1999). The decision that a member of the household should migrate is based on the calculation of the costs of migration (e.g. foregone family agricultural labour, travel expenses, helping the migrant during periods of unemployment) and benefits of migration (e.g. regular remittances, investment in local income generation, anticipated assistance during times of particular hardship). Thus, anticipated remittances are part of the migration decision, part of an implicit contract between the migrant and the remaining family (Stark and Lucas 1988).

Researchers working with this framework advanced four hypotheses regarding this implicit contract (elaborated in Lucas and Stark 1985; Stark and Bloom 1985; Stark and Lucas 1988; Poirine 1997):

1. Migrants are motivated by altruism to remit, deriving utility, or satisfaction, from improving the consumption level of the members of their home country household. A migrant acting out of altruism would be expected to remit increasing amounts of money to the origin household as his or her income rises, although there may be a threshold beyond which they will stop sending more money. Given the close-knit nature of relations between migrants and their families, some suggest that this type of remitting might better be described as 'tempered altruism' and 'enlightened self-interest'.
2. Migrants are motivated by self-interest to remit, in the anticipation of reciprocal assistance from the origin household, e.g. inheritance, gifts, maintaining assets, maintaining the migrants' standing in the home community. Migrants remitting out of self-interest might act in different ways, depending on their precise motive. For example, a migrant remitting to secure inheritance might be expected to remit more, other things being equal, as the income of the origin household rises.
3. Migrants and non-migrant household members enter into a co-insurance arrangement, whereby the original household, relying on sources of income that entail risks (e.g. crop failure, livestock diseases, price fluctuations, land tenancy insecurity), allocates one member to work abroad to diversify their income sources. As long as the risks faced by the migrant in the host country labour market and those faced by the household are not positively correlated, they are able to insure each other.
4. Migrants remit to repay implicit or explicit loans, often investments in their own human capital (e.g. schooling, cost of migration) received from their household.

Where the loan repayment motivation is uppermost, one might expect that remittances a) are not to be used for capital investment, b) are more regular payments and c) the amount depends on the magnitude of the 'loan'.

In addition, some macro-economic studies of the determinants of remittance behaviour distinguish between remittances 'required' by NELM household relationships and 'desired remittances' resulting from the migrants' decisions to move money to their country of origin, based on their portfolio of savings, assets and investments and relative rates of return (Elbadawi and Rocha 1992; Glystos 2001).

NELM provides the only systematic and detailed attempt to theorise remittance behaviour, guiding the bulk of empirical research on remittances in stable settings, which is mainly done by economists. The concept of remittances as part of an integrated, transnational household economic strategy permeates contemporary understandings of migration and remitting, including the more inter-disciplinary work emerging on remittances in conflict and crisis settings. However, the approach has certain limitations.

First, while NELM differs from neoclassical theory in its focus on the diversification rather than maximisation of income, it shares the basic premise of rational choice (Aragno 2000). The central assumption of microeconomic theory as applied in this field – that individuals act to maximise income allowing for risk - has been much criticised by other social scientists arguing that economic action is embedded in social relations (Polanyi 1957; Granovetter 1985; Sahlin 2004). Even the micro-economic literature reviewed above hints at eminently social aspects of remittance motivations such as sociability, status and power. The notions of co-insurance and loan repayment can feel like post-hoc rationalisations of observable events - Lianos (1997) asks whether a child going to school can really be entering into a meaningful informal loan agreement? The notion of migration and remitting as 'strategies', carries the connotation of trying to reach predefined goals through rational and planned action, which sits uneasily beside the sometimes highly constrained circumstances in which migration occurs – and not only in conflict settings. In many situations there is a more unsettled relationship between migration and remitting than that envisaged by NELM: some people do not migrate to remit but do (such as students, and as we shall see, refugees), and others migrate with the expectation of sending money home but for various reasons do not do so.

Second, while placing the household rather than the individual or social structures as the key unit of analysis, NELM offers a functionalist understanding of it, neglecting affective and power relations. There is a risk of reifying the household and sidelining analysis of individualistic strategies and the role of extra-household family and community relations (Lianos 1997; de Haas 2006). The remittance process is also viewed primarily from perspective of the country of origin, with little attention paid to the migrants' perspective (Lindley 2007). Indeed, migrants are largely seen as satellites of the original household, with remittances demonstrating that their principal affiliation and commitment is towards that unit (a notion that best fits contexts of labour migration): ceasing to remit implies their detachment from that household (Caces, Arnold et al. 1985). However, recent research into migrants' transnationalism (see below) contradicts the notion of linear detachment from the country of origin and assimilation into the host country.

Finally, related to the points above, NELM has been criticised for its limited applicability – relying on a body research evidence focusing mainly on temporary migration from rural Mexican villages: ‘Its versatility vis-à-vis other, less established migration contexts – especially those that involved considerable degrees of societal disorganisation, not to speak of life-threatening circumstances – looks uncertain at best.’ (Aragno 2000: 288). Sana and Massey’s (2005) comparison of remittance behaviour among Mexicans and Dominicans in the US demonstrates this. They find that an NELM-based model of household diversification and investment explains migration and remittances in patriarchal rural communities in Mexico, where the traditional pattern of migration involves temporary male migrants working in the US, remitting to wives and children for subsistence and investments in local livelihoods, with a view to eventual return. By contrast, they find that in the Dominican Republic, where the political and economic situation is much poorer, ‘migration [is] a more dramatic, less carefully planned move, with the purpose of ensuring family subsistence in the absence of viable opportunities in the home country’ (Sana and Massey 2005: 512). In the Dominican case, more migrants become permanent US residents, remittances are sent to a greater variety of relatives (i.e. are not just configured around a strong ‘origin household’), and continue even after the migrant settles permanently in US.

Transnationalism and livelihoods approaches offer alternative perspectives on migration and remittances (de Haas 2008). In the 1990s, migration literature, having moved from the individual (neoclassical) to the household (NELM) began to focus on the role of social networks in encouraging migration and reducing the uncertainty and costs involved. It became clear that migrants and their home communities were linked by increasingly intense flows of information, people, money and ideas, made possible by technological advances, and underlining relations of interdependence and reciprocity along family, kinship, clan, ethnic or community lines (for example, Boyd 1989; Basch, Glick Schiller et al. 1994; Smith and Guarnizo 1998; Bryceson and Vuorela 2002; Vertovec 2003). Some sociologists and anthropologists suggest these sometimes intense, dense and frequent flows imply the existence of truly ‘transnational communities’. The critical contribution of the transnational approach to understanding remittance behaviour was in deconstructing the household (by exploring social dynamics within transnational families), and in challenging the earlier assumption that long-term migration involved a linear process of detachment from one country and assimilation in another (by demonstrating that many migrants in fact maintain strong connections with family members despite living abroad for many years). Some of the recent studies of remittances in conflict-affected settings have emerged from research on refugee transnationalism.

Livelihoods approaches, initially used in rural development contexts, offer a conceptual framework for exploring how people achieve a means of living, and the place of migration and remittances in this. As de Haas (2008) points out, livelihood approaches have some similarities with NELM. When the approach was initially developed in the 1990s it provided a lens on social reality that built on various influences in development thinking – from 1980s household studies, entitlement theory and participatory research – that sought to get beyond political economy approaches emphasising social structure at the expense of people’s agency and neoclassical economics emphasising rational choice and accounting little for structural constraints. The focus is on the resources people possess

and how they mobilise them, mediated by the structural environment, to formulate livelihood strategies - including migration - with various outcomes (Chambers and Conway 1992; DFID 1999). Analysis has also considered when and how migration is used as a livelihood strategy and the outcomes of this, particularly the ways that migration and remittances interact with other livelihood strategies such as agricultural intensification, extensification or livelihood diversification (McDowell and de Haan 1997; de Haan 1999). While NELM was oriented to situations of temporary labour migration, livelihoods studies have helped unravel many kinds of movement – including nomadic mobility, urbanisation, and refugees. Some of the recent studies of remittances in conflict-affected settings have emerged from livelihoods research.

With all this in mind, conceptualising remitting in contexts of conflict in the country of origin raises a particular set of issues. The rest of this paper considers the possible implications of conflict for remittance behaviour, focusing in turn on the causation of migration, the situation of family left behind, and the post-migration situation of refugees.

3 The Nature of Conflict-Induced Migration

What implications does conflict have for migration and remittance behaviour? Let us first consider, for the sake of argument, the case of an ‘ideal-type’ conflict-induced migrant, characterised by the absence of original positive intent to move (Kunz 1981) and flight in response to on-going violent conflict which threatens the migrant’s life and livelihood. These characteristics might be expected to have several implications with regards to remitting. Clearly, there is a more unsettled relationship between migration and remitting than that envisaged by NELM. In the act of migration, there is no intent to remit – people migrate not to diversify their family’s income but to save their lives. But although they may not have planned to send money home when fleeing, nevertheless, many such refugees do remit. It is post-hoc strategy developed after migration – or as Riak Akuei (2005) has put it, an ‘unforeseen burden’. Migration not undertaken in order to diversifying income may nevertheless have that effect.

There is no implicit contract with their family in the rather specific way described by NELM. But considered through a wider lens, as aspects of how individuals and families act towards each other, clearly all four remittance motivations outlined in the labour migration literature might still have some explanatory value. First, regarding altruism / enlightened self-interest, while some family bonds may be broken as a result of the conflict through death and separation, others will remain strong despite separation: conflict-induced migrants can still derive satisfaction from improving the welfare of their family members. Second, migration and remitting may well be seen as form of insurance for people living in crisis-ridden settings. Conflict is in itself an insurance event – a time of trouble – when families pull together. Over the course of a protracted insecurity in the country of origin, conflict-induced migrants may respond to particular crises with (extra) assistance. Third, refugees, like labour migrants, may also feel the obligation to repay parental or others’ investment in their human capital, and may even be more likely to owe

people money for financing their emigration, particularly as their migration is often precipitous and unplanned, which can require them to borrow rather than save up the money to meet the costs. Finally, self-interest is perhaps the least convincing motivation for remitting to conflict-affected settings. Given the uncertainty of return and the conditions in the country of origin, it seems less likely that the migrant will anticipate inheritance or wish relatives to act as stewards of investments in the country of origin. They may, however, have assets that they wish to preserve or retain control of and send their relatives money to do this.

While these observations hold true for the ideal-type conflict-induced migrant outlined above, there is in reality considerable variation in migration from conflict-affected countries, with implications for remittance behaviour. There has been an understandable tendency, amidst the human devastation provoked by violent mass conflict, towards accepting macro-level explanations of the causes of forced migration – anyone leaving a conflict-affected area might be presumed to be leaving because of the conflict. Hayden (2006) points out that while it is difficult to determine intentions and volition of refugees, whether for legal, practical or social scientific purposes, it is easier to identify social conditions that people believe reliably indicate that those involved could not have done otherwise but flee.⁵ But one criticism of forced migration research is its sometimes uncritical adoption of categories or labels constructed through institutional and normative responses to the movement of people, rather than through social scientific analysis (Zetter 1991; Black 2001; Turton 2003)

It is increasingly recognised that while we have tended to think about migration in terms of strong dichotomies, of force-choice, politics-economics and conflict-peace, in many cases the reality is rather blurred. In most migrations there are elements of both force and choice. At the macro-level, the political and economic elements of instability are closely interwoven and at the micro-level threats to lives and livelihoods are closely related. The well-worn dichotomy between conflict and peace is also disrupted by what we see around the world, with boundaries between conflict and peace blurred in terms of time, physical space and social space. Thinking about the causation of migration in conflict-affected countries requires models that do not either try to reduce it all to economics or apply macro-level political explanations, but acknowledge the complex causation of migration in these contexts – including underlying structural factors, proximate causes, precipitating factors and intervening factors (Richmond 1994; Van Hear 1998).

This clearly has implications for remittance behaviour. It means that there can be mixed considerations at the point of origin and, in particular, mixed considerations in onward movement after initial displacement. People are seeking a generally better future in holistic terms - to use rather macro concepts, wanting to minimize their human security risks and maximise their human development prospects. In doing so, they make trade-offs between short-term survival, medium and longer term livelihood prospects, political status, family unity and other issues, trying to maximise their welfare within the opportunities presented by immigration and refugee regimes. In this mix, the emigration of a relative can still be seen, in broad terms, as an investment for the family. As time goes

⁵ For example people arriving in large numbers in countries of first asylum from conflict-affected countries are often designated as *prima facie* refugees.

on, in places affected by protracted conflict, the economic rationale for migration, including the possibility of supporting family members back home, may become an increasingly salient factor in people's decisions to leave. Migration and remitting can then gain a similar kind of internal momentum to that envisaged in NELM.

It also seems likely that both the situation of conflict-affected family members left behind (demand side), as well as the post-migration situation of refugees (supply side) will also have implications for remittance behaviour: the next two sections deal with each area in turn.

4 Situation of Conflict-Affected Family Left Behind

Taking conflict in the country of origin as our starting point has potential implications for the situation of family members 'left behind' that can affect the demand for assistance. First, there may be fewer candidates for assistance 'left behind' in conflict-affected settings. Refugees may well be more likely than other migrants to have no immediate family members in their country of origin, due to death, emigration and family reunion opportunities for recognised refugees. At first sight, one might assume that refugees are therefore less likely to remit. However it is important to remember that often people's family members are displaced within the wider region and live in difficult conditions, therefore may need help from refugees in better situations (Lindley 2007).

Second, the level of need of family members who do remain in conflict-affected settings may be a particularly important determinant of remittance dynamics in such settings. Sana and Massey's (2005) comparative study cited above suggests that variation in the situation in the country of origin shapes the remittance process, even when violent conflict is not a factor. Crudely, compared with migrants from peaceful countries of origin, refugees' relatives are more likely to be in poverty, displacement and danger (Jacobsen 2005). Refugees might be more likely than other migrants to remit out of altruism to meet material needs of family members, compared with any of the other implicit contract models. Because the ideal-type conflict-induced migrant does not migrate to remit, their families may have lower expectations of remittances than labour migrants, and it may be necessary for a particular crisis to trigger remitting. But as seeking asylum and family reunion in rich countries increasingly requires resources that eliminate poorer refugees, it may be that higher value remittances are directed to less needy households in the country of origin.

Third, there is the issue of income disparities. Economic anthropology suggests that:

The greater the wealth gap... the greater the demonstrable assistance from rich to poor that is necessary just to maintain a degree of sociability... the inclination toward generalised exchange deepens where the economic gap amounts to oversupply and undersupply of customary requirements and, especially, of urgent stuff (Sahlins 2004: 211).

It seems likely that larger income disparities between the migrant and their family members will foster remittances, by making remitting relatively more affordable. This may also prolong remitting and make it harder to justify subsequently withdrawing that support (see, for example, Riak Akuei 2005, Lindley 2007). This is particularly relevant to conflict-induced migrants because the resettlement and asylum system has given a subset from poorer countries the opportunity to migrate across huge income disparities to much richer countries.

Finally, the purpose or use of remittances may differ from more peaceful settings. Although labour migrants may also have to repay brokers or smugglers, it might be argued that refugees, because of the urgency and frequent disarray of their departure, are less likely to have the money upfront and more likely to have borrowed from relatives or the smuggler. This may mean that they are more likely to send money to repay relatives for the favour or loan. Given the on-going insecurity of the country of origin, people may also be:

- more likely to remit large amounts for families to pay smugglers to help members emigrate (or make payments directly to the smuggler directly without remitting money)
- more likely to send money to meet family members' basic needs rather than other purposes
- less likely to send money to invest in business (either to build livelihoods for family / 'desired' remittances for personal investments)
- more likely to focus on reconstruction and replenishing assets rather than developing asset base – i.e. sustaining rather than transforming recipients lives' and their local communities (Van Hear 2002)

5 Post-Migration Situation of Refugees

It is also important to explore factors relating to the supply of remittances, i.e. the post-migration situation of refugees. As highlighted by Al-Ali, Black and Koser (2001), a range of economic, social and political factors related to the host country (as well as the home country) can shape both the capacity and desire of refugees to maintain transnational connections. NELM-based analyses of remittance determinants from surveys of migrants suggest that several factors have a bearing on the likelihood and amount of money remitted. A few studies have tested the determinants of the likelihood and level of remitting using survey data collected from labour migrants (for example Menjivar, DaVanzo et al. 1998; DeSipio 2000; Taylor 2000; Posel 2001; Brown and Poirine 2005; Marcelli and Lowell 2005). Findings vary considerably depending on the context and model specification but overall the strongest determinants of remittance behaviour appear to be family situation and location, disposable income of the migrant and length of stay abroad. This section considers the implications of the post-migration situation of refugees for each of these sets of factors.

First, there are family factors. What are the competing claims on the migrant's income in the host country? Someone with no children in the host country might be expected to act rather differently from someone who is bringing up a family. Here it is important to explore the implications of conflict in the country of origin for migration patterns - depending on the nature of the conflict, refugees with families might be more likely to emigrate as a family - where possible - than labour migrants. However, at the same time, this may be more difficult to achieve. It is also important to consider the implications of refugee regimes for families. For example, if family reunion provisions allow for the relocation of families overseas, this can mean more claims in refugees' income in the host country, and fewer candidates for assistance in the country of origin, implying a negative impact on remittance likelihood and size.

There is also the issue of to what extent remittance responsibilities are shared with other migrants. One might expect that where there are more family members in richer countries, each individual migrant remits less (as Gubert 2002 suggests may be the case with labour migrants). This may be a particularly significant issue for conflict-affected families, which due to the nature of their migration and opportunities presented to them, are likely to be more widely dispersed than labour migrants: in many families in poor countries affected by conflict, some members remain in the country of origin, while others live in the wider region or move further afield (Van Hear 2004).

Second, economic factors come into play. As with labour migrants, disposable income would appear to be the single most important factor limiting the capacity of refugees to remit. Given the diversity of situations around the world in which refugees and other migrants find themselves, it is very hard to generalise about the differences between their post-migration situations. Indeed, there are many shared labour market barriers including xenophobia and racism, employers' unfamiliarity with migrants' documents, establishing validity of training, and language / accent (Bloch 2002; Bloch 2004).

However, there are some labour market barriers more specific to refugees. Some are related to the unplanned nature of migration and settlement: people have limited choice of destination and consequent lack of ability to match skills, language, experience and qualifications with job opportunities. People may also have mental and physical health issues as a result of the experience of conflict and displacement (Bloch 2002). In addition, there are structural barriers, including withholding permission for asylum-seekers or *prima facie* refugees to work. Long-term periods of enforced unemployment can have negative consequences for eventual employment prospects. At the same time, however, some would argue that it is easier for refugees than many other migrants to access state welfare support and special assistance in gaining employment.

A related point is that where there is high demand for assistance, it may be likely that remitting can damage to the migrant's prospects in the host country. Several studies have highlighted the sometimes extreme pressure on refugees to help family members and the potentially negative effects on their prospects for economic advancement in the host country (for example Al-Ali *et al.* 2001; Lindley 2007; Riak Akeui 2005).

Third, the degree of permanence of life in the host country may also have implications for remittance behaviour. Three aspects of permanence are explored below: length of stay, status and ability to stay longer, and ability to return home.

First, regarding the length of stay abroad, the NELM-derived remittance decay hypothesis assumes that over time, if they do not return home, migrants' ties with the origin household may weaken and they face competing claims on their earnings in the host country, reducing or stopping remittances (Lucas and Stark 1985). Some of the points developed above suggest that refugees might be more likely to curtail remitting, some that they might be more likely to prolong remitting. An intervening factor here can be the nature of separation. Obtaining basic information about relatives and accessing lines of communication and channels through which money can be sent can be complicated by conflict in the country of origin. But while some suggest that refugees are less likely to have social networks in the host country (Bloch 2002) it is also important to note that over time such networks and 'refugee communities' do develop in similar ways to other migrant groups, and may foster a range of transnational activities, including encouraging remittances (Al-Ali *et al.* 2001).

Second, the permanence of *status* acquired in the host country may also shape remittance behaviour. Where someone has uncertain or impermanent legal status, they may have a greater desire to maintain connections with people back homes (in part for their own insurance reasons). Thus host country refugee regimes can shape remittances. Less permanent status might be associated with a greater desire but lower economic capacity to remit. But also refugee family union options can relocate candidates for assistance – and in the other direction, secure status in the West can be a pathway to experimental return to countries still affected by insecurity (Hansen 2006).

A third aspect of permanence is the question of the migrants' ability to return home. NELM is built around the idea that migration is not a permanent economic strategy but one adopted for a specific period of time (based on assumption that if it is, people will eventually stop remitting). Thus, Heinemeijer *et al.* (1977, cited in de Haas 2006) interpreted migration from the Moroccan countryside to Europe as a way to *partir pour rester* ('going away in order to stay'). The uncertainty of return for conflict-induced migrants might cut both ways – it may prolong remittance behaviour (combined with the lack of original intent to migrate and the factors cited in relation to the situation of the family left behind) or it limit it (leading migrants to give up maintaining connections) (Díaz-Briquets and Pérez-López 1997). The myth of return can impede socio-economic investment in the host country with an impact on the economic capacity to remit – although research with labour migrants suggest that transnationalism and integration is not a zero-sum game (Bloch 2004; Marcelli and Lowell 2005).

6 Conclusions

With the effects of remittances in conflict-affected communities increasingly attracting interest for a variety of reasons, this paper has focused on the under-studied and under-theorised dynamics of remittances in these settings. The paper began by exploring existing conceptual frameworks used to analyse labour migration and remittances. The main model explaining remittance behaviour, the micro-economic ‘new economics of labour migration’, conceptualises migration as a way to diversify household income sources in response to local constraints, with remittances a central part of the process. While this remains the most systematic theoretical framework available for analysing remittance behaviour, NELM has some important limitations on its own terms that also hinder its application in conflict-affected settings. Meanwhile, livelihood approaches and transnational perspectives offer relevant conceptual advances and may be more appropriate for application in conflict-affected settings.

The paper moved on to grapple with a rather specific conceptual puzzle: how the remittance behaviour of conflict-induced migrants may or may not differ from that of other migrants. The discussion reached some preliminary conclusions that might be tested in future research. First, the causation of migration in conflict-affected contexts may imply a more unsettled relationship between migrating and remitting, which means that to explain remitting requires broad understanding of socio-cultural relations under stress. Migration nevertheless can be seen as an investment, indeed in some situations remittances still anticipated.

Second, regarding the situation of family left behind, which determines the demand for assistance, conflict has implications for the number of candidates for assistance and their location which can shape remittances. Where there is greater material need and economic disparities, this can foster remitting. In these settings, people may be more likely to send remittances for particular purposes.

Third, the post-migration situation of refugees, which shapes the supply of remittances, is perhaps the hardest aspect to generalise differences between conflict-induced and other forms of migration. Disposable income would still seem to be the over-riding factor in capacity to remit. But length of stay, permanence of status, nature of separation and return options, mediated by refugee regimes in the host country, have important implications for conflict-induced migrants and their relationship with family members ‘left behind’ that may also shape their remittance behaviour in important ways.

Given the important effects of remittances in many conflict-affected countries, it is important to advance our understanding of the dynamics of these flows. This paper has highlighted several recent empirical studies that provide interesting evidence on remittances in conflict-affected settings, but with as yet rather limited conceptual discussion. A clear way forward for future research is to build on this by designing studies that test systematically developed hypotheses about what shapes the remittance behaviour of refugees, as well as examining the effects from the country of origin perspective.

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