

**RESEARCH CONSORTIUM ON REMITTANCES TO
COUNTRIES IN CRISIS:**

**FOCUS, PRIORITIES, ACTIONS
AND
RESEARCH AGENDA**

By

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The Research Consortium on Remittances in Conflict and Crisis (RCRCC) comprises researchers from several countries and institutions with individual and collective expertise on remittances in conflict and crisis settings. The Consortium encompasses the fields of economics, anthropology, sociology, law, political economy, migration studies, refugee studies, development studies, and peace and conflict studies, among others. Its members have experience working with difficult-to-access populations from diverse cultures, and have obtained reliable data in places where relevant information about remittances is not systematically maintained or produced. This brief paper sets out what we see as the main research gaps in this area, how these gaps in knowledge might be filled, and how the Consortium can contribute to this process.

1. Identifying Gaps in Research on Remittances in Conflict and Crisis Settings, Peace Building and Post-Conflict Recovery

The tools for research on patterns of remittances include information reported from financial institutions and transfer agencies, standard surveys administered to remittance senders and recipients, household surveys in targeted locations, and targeted in-depth interviews with senders and recipients. Related techniques for tracking migration patterns, diaspora organizations, macro-economic indicators and financial regulatory systems are also key methodological approaches. Reporting and analysis in connection with monetary flows from migrants in developed countries to their families and communities in less developed countries has become increasingly comprehensive and reliable. The state of knowledge about remittances and migrant contributions outside of these parameters, however, is considerably weaker. By all accounts, reliable data are difficult to obtain in the following related circumstances:

- Where patterns of remittances are South-South and intra-regional;
- Where transactions are in-kind rather than monetary, or in the form of services;
- When transfers are made informally, including through personal deliveries, hence not recorded;
- Where remittances are believed to be contributing to criminal or terrorist acts;
- In settings of violent conflict, acute crisis or emergency

These research challenges derive in large part from the difficulties of using survey techniques with certain categories of senders and recipients, and of obtaining accurate financial information when there are no systematic paper trails. For example:

- When senders and/or recipients are highly mobile;
- Where senders and/or recipients live in countries with weak financial and legal institutions;
- When governments in countries to which remittances are sent cannot or do not track migration or monetary flows in particular regions or sectors;
- Where recipients are not easily accessed, e.g. ethnic and gender factors;

- When senders and/or recipients do not have access to or confidence in banks or other formal financial institutions;
- Where senders are contributing ideas, expertise, service and material goods in addition to money.

Among the consequences of the limited research in these contexts is that considerably less is known about remittance patterns among the poorest senders and recipients than about those who, while still poor, are able to use remittances as tools to emerge from poverty. Because present research tends to treat countries as units of analysis, rather than to disaggregate countries regionally or by socio-economic, ethnic or other criteria, moreover, the resulting data are somewhat biased. It favors reported as opposed to informally transferred remittances, and tends to overlook remittances sent or carried from nearby locations, or by short term migrants.

In recent years, research related to peace building has become more sensitive to complex impacts of remittances in situations of conflict. The well known phenomenon of diasporas who fund one or another side in conflict is beginning to be revised to account for diaspora humanitarian initiatives and resources dedicated to promoting dialogue and reconciliation. Expanded and more in-depth research related to remittances in conflict and crisis countries is especially needed:

- With regard to the *impacts* of remittances in conflict and crisis areas: Nobody questions the importance of the assistance, contributions, and investments that reach areas where government institutions are in disarray and populations have been uprooted. Nevertheless, the data are inadequate to draw conclusions about livelihood maintenance and possible development impacts in troubled areas.
- With regard to studies about *diasporas*: Researchers seem either to examine how diaspora groups exert political influence or how they channel remittances. Diaspora groups are known to sustain insurgents politically and monetarily and to influence political movements in several countries, but studies of *how* diaspora support mechanisms buttress war or peace building are rare.
- With regard to *regional, contiguous and internal migration/remittance patterns*, as opposed to North-South patterns: Although almost half the remittances may emanate from nearby places (and may have a greater impact on poorer segments of society than do transfers from the 'wider' diaspora), there are widely acknowledged gaps in information and understanding both of migration to and remittances from nearby locations.
- With regard to post conflict recovery and livelihood maintenance in *fragile states*: Although the role of diasporas is beginning to be taken into account, more comparative work covering different national groups and comparing diasporas of the same nationality in northern and southern locations would also prove illuminating.

- With regard to the role diasporas play in *disaster management and long term recovery* from disasters: research is underway, but still at an early stage.

2. Filling research gaps on remittances in conflict, post conflict, crisis and recovery settings:

Given the gaps in knowledge identified in the previous section, the RCRCC seeks to promote research in the following areas:

- Remittances to recipients living in unstable conditions which help people to survive when usual means of livelihood have been destroyed, are under attack, or are otherwise absent, and humanitarian assistance is inadequate. RCRCC members have pioneered this kind of research and are building on that experience.
- South-South and North-South remittance patterns. The underlying assumption is that very poor people, particularly in countries and areas that have been undermined by war, disasters, and adverse governance practices are more likely to receive remittances in small amounts from nearby locations which are also poor, rather than from wealthy, more distant locations. Research under the aegis of the Consortium seeks to test this assumption.
- Collective remittances in countries beset by crisis or war, or where state institutions and services do not function. Such remittances not only provide emergency relief and basic needs for families, but may also bring basic services where they are otherwise not present. The category, viewed broadly, includes capacity building, professional services, expertise, and institution building. Return of talent type programs might also fit into this mold. Research by Consortium members will seek to tease out the relationship between these various forms of collective transfer and other forms of intervention (such as humanitarian assistance provided by agencies) in conflict and crisis settings.
- The significance of remittances, including collective contributions, in relieving the effects of natural disasters and reducing future risk factors. RCRCC members have pioneered work in this area.
- Research on remittances in crisis and conflict and difficult to access areas that focuses on ethnicity and gender.
- Issues related to transfer costs and mechanisms. Although there is general consensus on the advantages of “banking” remittances and thereby enhancing their development impact, there is also widespread recognition that large numbers of the people who send and receive remittances do not have access to banks or financial institutions, and that these so-called ‘informal’ transfers can have positive effects on recovery and development. Of interest are the various means for transferring funds in ways that are reliable and accountable, but do not require senders and recipients to work directly with banks. Work under the umbrella of the RCRCC will build on the limited work already done in this area.

- The RCRCC will encourage research that leads to deeper understanding of how diaspora funding that fuels conflict is mobilized and maintained; and on the links between remittances and politics generally.
- Comprehensive investigation will be fostered that examines the connections between contributions, advocacy, and relations among diasporas in different kinds of locations.
- Specific work on remittances in support of refugees and internally displaced persons will be encouraged.
- The likely outcomes of the dramatically expanding immigration within countries and regions that are economically weak or politically unstable, such as Iraqis in Jordan and Syria, and of remittances emanating from migrants facing local hostility, such as Haitians in the Dominican Republic. The RCRCC aims explicitly to encourage research in locations not normally targeted in remittance research.
- The developmental impacts of remittance to unstable areas. Presently development actors aiming to increase development and reduce poverty are working to:
 - a) better understand migrants' motivations and long-term propensities to remit;
 - b) encourage more collective remittances with a productive end purpose,
 - c) increase receptivity of banks to accepting clients among the poor;
 - d) encourage the "unbanked" to use formal financial entities;
 - e) link remittances to micro-finance micro credit projects;
 - f) reduce transfer costs.
 The RCRCC will encourage work that explores the relevance of these interventions in unstable conditions and conflict situations.

PLAN OF ACTION FOR THE RESEARCH CONSORTIUM

The RCRCC has the potential to contribute significantly to cross-cutting research in the fields of remittances, migration studies and post conflict/post disaster recovery as these apply to countries and areas that are unstable and/or in crisis. The members individually and the Consortium collectively should make their presence known to donors and to the international financial institutions and governmental development agencies. The Secretariat recommends the following steps:

- The Secretariat will establish a website for the RCRCC, and members will link this website to their own institutional or personal websites.
- Members of the Consortium will prepare a biographical paragraph that summarizes their areas of expertise and experience as related to remittances in crisis and conflict. The information will be posted on the website.

- The members should ensure that the website maintains an up-to-date bibliography that includes the articles, reports and major presentations by members and close associates.
- The Secretariat should produce a brochure that contains basic information about the Consortium. It should be available in hard copy and online. Members should help establish the mailing list to receive this brochure.

The RCRCC has not yet obtained dedicated funding for its operation, although individual projects in the framework of the RCRCC have been funded. Georgetown University has made core institutional funding from the MacArthur Foundation available for limited purposes to support the Secretariat. Therefore:

- Establishing new strategies for obtaining funding for the operation of the RCRCC is a priority.
- As RCRCC members obtain funding for individual or joint projects, it is important to call attention to the links with the Consortium framework. Members might consider building into the budgets of research proposals a modest contribution to the consortium if funding rules allow this.

In view of the research priorities noted here -- including remittance flows to and impacts on difficult-to-access regions, South-South remittance patterns, informal transfers, diaspora contributions to services and institutions in weak states, and so on -- the membership of the RCRCC should include in their research teams experienced researchers who live and work in the South—in or near the countries that are the focus of our attention. It is important to attract new members from Southern institutions and to promote interest among colleagues in the South about these issues. The RCRCC can further these objectives by:

- Designing research that promotes cooperation among RCRCC members, North and South, will benefit both the individual research institutions and the RCRCC overall.
- The IDRC-funded methodology meeting at Georgetown University and the similar methodology meeting sponsored by George Washington University respond to serious needs. The Consortium should make it a priority to disseminate the results of such endeavors among relief and development organizations and to promote wider exchanges among researchers about information-gathering options and challenges.