

# The effect of emigration on home-country political institutions

## Migrants can have positive political effects on their home countries' institutions

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### ELEVATOR PITCH

The number of immigrants from developing countries living in richer, more developed countries has increased substantially during the last decades. At the same time, the quality of institutions in developing countries has also improved. The data thus suggest a close positive correlation between average emigration rates and institutional quality. Recent empirical literature investigates whether international migration can be an important factor for institutional development. Overall, the findings indicate that emigration to institutionally developed countries induces a positive effect on home-country institutions.

### KEY FINDINGS

#### Pros

- + International migration to democratic countries can improve political institutions at home.
- + Positive effects can occur through several channels, e.g. transfer of new ideas and political norms, return or circular emigration, and remittances.
- + In general, macro studies find positive global effects if migrants' destination countries are democratic.
- + Micro studies generally focus on a single country, and find positive effects of some specific channels, such as transfer of norms and return migration.

#### Cons

- International migrants can induce negative effects in the home country if they emigrate to less democratic countries.
- Self-selection of migrants, in terms of education or ethnicity, can induce negative effects on institutions, as such individuals tend to be more politically engaged in their home country.
- The main channels and specific mechanisms through which emigration affects institutions are not always empirically well-identified.

### AUTHOR'S MAIN MESSAGE

Emigration can affect home-country institutions in several ways, and its effects can be positive or negative depending on the characteristics of the emigrants, the destination country, and whether emigrants maintain strong ties and a sense of belonging to their home country that induces them to influence the political process from abroad. Cross-country studies generally find a positive effect of emigration on institutional quality in the home country. However, the induced democratization process from abroad can only occur if the host country implements policies that allow immigrants to integrate and participate in social and economic activities so that they can acquire the new values and norms that can be transmitted to the home country.

