# Migration, Political Institutions and Social Networks in Mozambique\*

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#### PRELIMINARY AND INCOMPLETE - WORK IN PROGRESS

#### **Abstract**

What is the role of migrants and, more specifically, of migrant networks in shaping the quality of political institutions in migrant sending countries? The theoretical hypothesis under examination is that migration might improve knowledge about better quality political institutions, and hence increase the demand for political improvements both by migrants and by other individuals in their networks. To test this hypothesis, this paper uses both individual-level survey data and, most innovatively, a behavioral measure of political participation that have been purposely collected around the time of the 2009 elections in Mozambique. The empirical results show that the proportion of migrants in a village increases the demand for political accountability by residents in that village. We find that this finding holds not only for the respondents with own migration experience, but also observe an indirect effect on individual survey respondents through their migrant networks. Whereas the interest in political issues is mainly driven by the amount of migrants in the geographical network, the transmission of democratic ideas seems to be fostered by regular, intense contact with migrant households either through regular chatting or through family relations. These results are robust to the use of instrumental variables using exogenous sources of variation in migration flows provided by natural catastrophes.

**Keywords:** International migration, political attitudes, demand for political accountability, institutions, effects of emigration in origin countries, behavioral measure, household survey, Mozambique, sub-Saharan Africa.

**JEL Codes:** D72; F22; O15.

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## 1. Introduction

The economic importance of international migration has been increasing steadily in the recent decades. It is not only that the number of labor migrants has increased massively, but also that the financial flows generated by these migrants have been rising rapidly, often surpassing the national budget resources of many developing countries. As a result, a new strand of economics literature has been growing and examining the positive effects of emigration on the economic development of origin countries.

The positive effects of emigration on economic development may happen as a result of a number of mechanisms. First, remittances may provide the financial resources to overcome credit constraints in sending countries, as described by Edwards and Ureta (2003) and Yang (2008). Second, return migration may bring not only financial resources, but also human capital, which may promote entrepreneurship and economic growth, as in Mesnard and Ravallion (2006) and Batista, McIndoe-Calder, and Vicente (2014). Third, migrant networks foster increased Foreign Direct Investment (FDI) and international trade, as found by Javorcik et al (2011) and Rauch and Trindade (2002). Fourth, Beine, Docquier and Rapoport (2008) and Batista, Lacuesta, and Vicente (2012) empirically supported the hypothesis of a "brain gain" rather than a "brain drain", i.e. the possibility that emigration promotes human capital accumulation.

One area that has deserved less attention is the relationship between migration and the quality of political institutions. The importance of good political institutions for economic development is by now well established, as influentially described by Acemoglu, Johnson and Robinson (2005). However, empirical evidence on the impact

of emigration on the quality of political institutions in origin countries is scarce, and there are only a few recent contributions.

Spilimbergo (2009) conducted one of the first studies on the effects of migration on democratization by examining the impact of foreign education acquired in democratic countries on democracy in student origin countries. He showed that migration may promote democracy but left the question unanswered as to which specific mechanisms underlie this effect.

Docquier et al. (2011) present cross-country evidence of the positive impact of unskilled emigration from developing countries to OECD countries on the institutional quality of origin countries by using aggregate measures of democracy and economic freedom. They find significant institutional gains from the "brain drain" over the long run after considering incentive effects on human capital formation, and attribute these effects to an increase of the home country population's exposure to democratic values and norms.

These earlier empirical contributions use aggregate macroeconomic data and explore cross-country variation. Hence, they cannot distinguish between supply and demand forces nor capture in detail the mechanisms underlying the effects they identify. On the contrary, Batista and Vicente (2011) use individual-level variation from a tailored household survey, and behavioral data for a single country. This allows them to discriminate between the impact of return and current migrants on individual-level political attitudes. While this approach represents an improvement over earlier work in the sense that it uses micro data to learn more about the impact of migration on the quality of political institutions, as well as pointing towards return migration as the driving force for these effects, it would be important to learn more precisely about how

individual-level relationships with migrants affect the demand for political institutions.

That is the main objective of this paper.

The hypothesis under examination is that international migration may raise voters' information about political processes in origin countries through a greater exposure to democratic values and norms. This increase in the information set will affect the beliefs of voters and therefore change their political attitudes and political participation. We assume that this effect will not only occur for return migrants, but also trigger peer effects - thus influencing the social network of current and return migrants, although these effects will be potentially different.

The diffusion of political values through social networks has been previously investigated by Fafchamps, Vaz and Vicente (2012), who showed that increasing the political literacy of experiment participants not only influences targeted, but also untargeted individuals' electoral behavior - where "untargeted" individuals did not receive civic education during a randomized control trial.

To test our hypothesis that migration may improve information, and thereby political participation and the quality of political institutions, and whether this process happens via social networks, we estimate a heterogeneous reinforcement effect model. If an individual is connected to one or more migrants in some way this will be captured in our econometric model, which encompasses different ways through which individuals may be connected to migrants, i.e. different types of networks. The estimated network reinforcement effects are then tested by examining whether the effect on political participation is larger for more connected individuals.

Using detailed household survey data and a behavioral measure of political participation from Mozambique, we estimate the effect of social and geographical

networks of migrants – both return and current migrants – on the quality of political institutions in their home country. Our dataset contains information on the characteristics of migrants and home country residents, on the political attitudes and political participation of residents in the countries of origin of migrants, and detailed data on the existence of connections and relationships between migrants and residents. Differentiating between intensity levels of networks (i.e. differentiating between family ties, frequent chatting, and geographical proximity) and individual characteristics, we can include heterogeneous effects in our estimations, and study in detail individual-level effects.

In addition to measuring political outcomes of interest using reported survey answers on respondents' interest in political processes, democratic preferences, and political participation, we also use, most innovatively, a behavioral measure expressing respondents' political participation. To achieve this measure, we asked respondents to send a cell phone SMS text message suggesting policy priorities for the president-elect's mandate to an independent newspaper that would in turn publicize these suggestions. They were also informed that the contents of these messages would reach the president personally. We are able to record the individuals that sent messages through cell-number matching. Since each message implied a small cost (for sending the message), sending an SMS message is a costly action, which we can therefore interpret as an incentive-compatible measure of political participation.

To evaluate in detail the different mechanisms of diffusion of political attitudes related to migrant networks, we use different measures of these migrant networks. First, we simply look at whether or not each respondent's household has at least one member with migration experience. Second, we examine the degree of connectedness between

the respondent and migrants within the respondents' network. We differentiate between *geographical networks*, i.e. how many households with at least one migrant in the family exist in the respondent's village; *family networks*, i.e. the proportion of family members with migration experience within this network; and *chatting networks*, i.e. the proportion of migrant households the respondent regularly chats with.

We estimate our econometric model using ordinary least squares, controlling for individual and geographical effects. Nevertheless, we cannot exclude the presence of a self-selection bias if a respondent's migration decision is correlated with his political attitudes. We address this potential endogeneity problem using instrumental variables that exploit 'quasi-natural experiments' given by natural catastrophes.

Our results confirm the findings by Batista and Vicente (2011) that the proportion of migrants in a village is correlated with a behavioral measure of political participation. Our estimates suggest that the behavioral measure of political participation we use is correlated to the significantly different democratic values of migrants, and to their increased interest in political issues. We find that this result holds not only for the respondents with own migration experience, but also observe an indirect effect on individual survey respondents through their networks. Whereas the interest in political issues is mainly driven by the amount of migrants in the geographical network, the transmission of democratic ideas seems to be fostered by regular, intense contact of respondents with migrant households – either through regular chatting or through family relations. These results are robust to using instrumental variables providing exogenous variation in migratory movements through natural catastrophes.

The remainder of the paper is organized as follows. Section 2 presents the country context under which the empirical part of this study was carried out. Section 3 presents a theoretical framework to model how migratory experiences of the individual or others in his network may influence his political attitudes. Next, Section 4 proposes an econometric model and estimation strategy for the effects of interest. Section 5 follows with an introduction to the dataset and its descriptive statistics. Finally, Section 6 presents the empirical results, and Section 7 concludes.

## 2. Country Context: Mozambique

Mozambique is a country in Eastern Africa, considered to be one of the poorest countries in the world with a GDP per capita of only 1.020\$PPP in 2012.<sup>5</sup> Despite its high growth rates of 4.791% on average between 1980 and 2012, Mozambique is still ranking on place 185 out of 187 countries in the Human Development Index.<sup>6</sup>

After its independence from Portugal in 1975, as a result of ten years of war, Mozambique was led by the independence movement FRELIMO (Frente de Libertação de Moçambique) under a single-party, socialist regime. Only two years after independence had been negotiated, the country suffered a civil war led by RENAMO (Resistência Nacional Moçambicana), that was mainly supported by Apartheid South Africa and Rhodesia (now Zimbabwe). With the end of the cold war and apartheid collapsing, FRELIMO and RENAMO started first negotiations that resulted in a new constitution allowing for a multi-party system, and a peace treaty being signed in 1992.

In the following, presidential and parliamentary elections were held in 1994, 1999, 2004 and 2009. FRELIMO won these elections by far and increased its vote share

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<sup>&</sup>lt;sup>5</sup> World Bank.

<sup>&</sup>lt;sup>6</sup> Mozambique's HDI actually declined between 1980 and 2012 by -0.7% to 0.327, UNDP (2013).

constantly, while voter turnout in general decreased massively to only about 36% in 2004. Across all national elections, electoral irregularities (mainly claimed by RENAMO but also confirmed by international observers) had significant consequences for the overall results.

The 2009 elections, the time around which our data has been collected, are considered to have been following international standards, despite small irregularities. Both, Guebuza, president since the 2004 elections, and FRELIMO in general were elected unambiguously by 75%, showing the tremendous degree of control FRELIMO has. As a consequence of this, Mozambique is considered a 'partly-free' country by Freedom House<sup>8</sup>, and citizens show difficulties in grasping the importance of democracy.

Mozambique has been an emigration country for a long time. Large migratory movements from Mozambique were traditionally labor-driven mainly from the southern Mozambican provinces to South African mines and commercial farms. This is still the situation nowadays, as documented by the household survey we use in the current work.

## 3. Theoretical Framework

This paper focuses on changes in political attitudes and participation due to migration, depending on the specific characteristics of the relationship between migrants and their networks – be it through family relations, regular chatting or just the geographical proximity to somebody with migration experience. Following the traditional literature on electoral participation, the decision to participate in political processes can be formalized, as summarized by Dhillon and Peralta (2002), by

<sup>&</sup>lt;sup>7</sup> International Institute for Democracy and Electoral Assistance (International IDEA).

<sup>&</sup>lt;sup>8</sup> Freedom House (2013).

modeling political participation as the outcome of an expected cost-benefit analysis. We assume that an individual i takes an action vector  $x_i$  (for example casting a vote, reading the newspaper, gathering information about political parties) to maximize its payoff function:

$$max_{x_i}E_{\Omega_i}U(G(x_i, x_{-i}), x_i) - cx_i \qquad (3.1)$$

where  $G(x_i, x_{-i})$  is the outcome of the electoral process (that can be discounted by the perceived likelihood that one's vote will make a difference),  $x_{-i}$  is the combined action of all individuals other than i,  $\Omega_i$  is the information set available to the individual, and  $cx_i$  is the cost of taking the action. The individual therefore maximizes its expected utility of taking a certain action given the individual's action and the action of everybody else. The vector  $x_i$  is allowed to enter the utility function independently from the voting process G to reflect non-instrumental motivations. We can thereby include the possibility that some individuals might participate in political processes not because they actually behave according to their interest in politics but because of social pressure or conformity, or their social identity. To formalize the influence that an individual's identity has on it's behavior we follow Akerlof and Kranton (2000) that proposed the following utility function:

$$U_i = U_i(x_i, x_{-i}, I_i)$$

where I<sub>i</sub> the person's self-image or identity can be represented by

$$I_i = I_i(a_i, a_{-i}; c_i, \varepsilon_i, P)$$

such that a person's identity is defined not only by it's own actions and the actions of everybody else but also the social category  $c_i$  of this person and the degree to which that person's given characteristics match the ideals of it's categories which are indicated by P.

The solution of the maximization problem yields that the individual's expected payoff has to be at least as high as the cost of action so that he/she is indifferent between participating or not. In our dataset, the cost can be reflected for example by the monetary cost of sending the text message but also by the time needed to get to the next village to obtain the necessary information about elections.

$$E_{\Omega_i} \left[ \frac{\partial U}{\partial G} \frac{\partial G}{\partial x_i} + \frac{\partial U}{\partial x_i} \right] = c \tag{3.2}$$

If migration changes the information set  $\Omega_i$  available to the individual so that the voter has a better understanding of the the election process or values democratic processes more, then the left-hand term  $E_{\Omega_i} \left[ \frac{\partial U}{\partial G} \frac{\partial G}{\partial x_i} + \frac{\partial U}{\partial x_i} \right]$  will increase in two different ways. Firstly, the left-hand term will increase if utility from non-instrumental motivations increases as a higher fraction of migrants (with higher democratic values) lives close to the individual. If this is the case, then there exists a diffusion effect for non-migrants (i.e. the political attitudes of the migrant are passed over to its peers) or a reinforcement effect for return migrants (i.e. the migrant's own experience is intensified if shared with other migrants in some way). Secondly, the expected payoff may increase if voters better understand their action of voting and can thus adapt their behavior to their actual needs as a higher understanding of the voting process implies a more conscious choice of candidates. Nevertheless, in the country context of Mozambique, a higher understanding of the voting process may also imply a higher consciousness of the fact that the election processes might be compromised – thus decreasing the benefit of voting. As this paper focuses on network effects, individual diffusion effects (i.e. the mechanics of how political ideas are passed over from one individual to another) are not analyzed in detail. Nevertheless, the network effects caused by current migrants reflect the idea of diffusion effects.

## 4. Estimation Strategy

To test our hypotheses, we build an econometric model based on the theoretical framework described in the previous section. The relationship between emigration and political attitudes is estimated for three different outcome variables that reflect the respondents' interest for politics, their democratic values, and their demand for political accountability. The voting behavior (or more generally political participation) can be estimated with the following latent variable model:

$$V_i = 1(V_i^* \ge 0) \qquad (4.1)$$

$$V_i^* = \alpha_i + \beta_i M_i + \gamma_i \frac{1}{N} \sum_{j \ne i} q_{ij} + \delta_i X_i + \varepsilon_i \qquad (4.2)$$

According to the model, the respondent will vote (or participate) if the net expected benefit from voting,  $V_i^*$ , is non-negative. The net expected benefit is influenced by the individual's migration experience, denoted by the dummy variable  $M_i$ , and the fraction of migrants in the respondent's network,  $\frac{1}{N}\sum_{j\neq i}q_{ij}$ , as well as by a vector of individual and geographical characteristics  $X_i$ . The form of the network variable depends on the specific network type under evaluation – either the geographical, the chatting or the kinship network. Variable  $q_{ij}$  indicates whether or not two respondents live in the same EA, regularly chat with each other, or have a family relationship, respectively, and if respondent j is a migrant (or stems from a household with a current migrant).

To further understand which determinants of political attitudes are influenced by a migrant's experiences, we are not only interested in the demand for political accountability but also in the respondent's interest for politics, and his/her democratic values. To estimate these effects we define  $y_i$  as a measure of political interest or

democratic values obtained through survey questions using Likert scales on different statements on democracy and interest in politics as described in detail in the next section. Following a similar estimation strategy as above we can estimate the model given below:

$$y_i = \alpha_i + \beta_i M_i + \gamma_i \frac{1}{N} \sum_{j \neq i} q_{ij} + \delta_i X_i + \varepsilon_i$$
 (4.3)

The degree of connectedness with migrants is given by the fraction of migrants connected with individual i over the total number of sampled neighbors. Coefficient  $\gamma_i$  then indicates how the degree of connectedness with migrants affects the outcome of political attitudes. Note that we differentiate between the total effect of migration and a more detailed definition of the respective networks. The first specification includes both current and return migrants. This implies that the effect of the fraction of migrants in a respondent's network consists of direct effects through return migrants and indirect effects through current migrants. In the second specification we differentiate between the network effects from households with current migrants, and the network effects of directly talking with return migrants. This differentiation allows us to explore secondary effects: the effect of a current migrant through a third person that lives not in the household of a respondent but is part of the respondent's network.

Our estimation model further includes a vector of individual and locality specific controls,  $X_i$ , including demographic controls such as age or schooling years as well as household specific characteristics as for example access to information schemes as radios, computers or TVs. At the locality level, we control for the turnout in the 2004 elections as these might indicate a higher level of political participation in general, independently from the fraction of migrants in a village. We also include province fixed effects in all our regressions.

We first estimate our model by using ordinary least squares as other models such as ordinal logit or probit, run as robustness checks, yield the same results. However, as stated in the previous section, migration might be correlated with an individual's political attitudes if the decision to migrate directly depends on whether or not the individual is satisfied with the political situation in the country of origin. Even if we control for self-selection biases due to attained education as proposed in a wide range of literature on 'brain gain' effects, we still need to be concerned with selection biases due to potential simultaneity. In this instance, we cannot determine whether migration causes a change in political attitudes or rather the political attitudes lead a person to emigrate. This implies that our explanatory variable is correlated with the error term and that we face endogeneity problems. For this reason, we estimate our regressions with instrumental variables to tackle this issue. This strategy allows us to identify sources of variation that cannot possibly be determined by our outcome variable (political attitudes), nor be correlated with other variables affecting the outcome of interest. The instrumental variable is only correlated with our independent variable of interest, and thereby correlated with the dependent variable of interest only indirectly through the variable of interest.

## 5. Data and Descriptive Statistics

The household survey data used in this paper was collected in Mozambique from mid-September until mid-October around the 2009 elections by the CSAE at the University of Oxford. The four provinces covered by the survey are Cabo Delgado, Zambezia, Gaza and Maputo-Province. The survey's sampling framework was the 2004 electoral map of the country. Two-stage clustered representative sampling - first on

provinces, then on enumeration areas (EA) – was used. The data set contains a total of 161 EAs – including 1763 respondents, approximately 11 per enumeration area. The interviews targeted the household head or his/her spouse and were conditional on 'having access to a cell phone' to receive or send messages (this included having access to a neighbor's or family member's phone). This condition was necessary for our behavioral measure on the demand for political accountability as it required the ability to send a text message.

## **5.1 Descriptive Statistics**

To reflect the importance and magnitude of migration in Mozambique, Table 1 illustrates the percentage of households with migrants in the data set. It shows that almost 33% of all households have at least one migrant. This increases to 53.49% for the Southern Provinces (Maputo and Gaza) and decreases to 11.71% in the Northern Provinces (Zambezia and Cabo Delgado). Around 16% of all households have at least one current migrant, while the households with at least one return migrant make up for 23.03% of all households in the dataset.

## 5.2 Description of Variables of Interest

Our main outcome variables are the respondents' interest in political issues, democratic values and political behavior.

To measure an individual's interest in political issues we asked the respondent to indicate, on a Likert scale from 1 to 4, the level of interest in public matters concerning politics and the government, with 1 having no interest at all and 4 being very interested. As the survey was conducted around the 2009 presidential, national and provincial elections, we are also able to differentiate between the interest for these elections separately. Nevertheless, as the results are consistent for all four questions we opt to

only use a first outcome variable on the respondent general interest in political issues. We furthermore use a question where we asked about the respondent's preferences towards single- or multi-party systems by letting respondents agree or disagree with the statement that only one party should rule. A negative response (i.e. disagreement) therefore suggests a higher preference for more democratic systems.

To obtain an actual behavioral measure as opposed to simply limiting ourselves to analyzing reported preferences in the survey, we asked respondents to send a cell phone SMS text message suggesting policy priorities for the president-elect's mandate to an independent newspaper that would in turn publicize these suggestions. They were informed that the contents of these messages would reach the president personally. We are able to record the individuals that sent messages through cell-number matching. Since each message implied a small cost (for sending the message) sending an SMS message is a costly action, which we interpret as an incentive-compatible measure of political participation.

The migrant network variables are constructed in such a way that we can differentiate between the network effect according to the social proximity of two respondents. This means that we not only evaluate the overall fraction of migrants in an individual's geographical network (i.e. within the same EA) but also the fraction of migrants in an individuals chatting and kinship network. The chatting and kinship networks indicate how many individuals with whom the respondent regularly chats with or has a family relation are migrants. Within the respective network we distinguish between current and return migrants, whereas the relation with a return migrant is a direct one and the relation with a current migrant an indirect one via the household head

or its spouse. The degree of connectedness with migrants is then calculated according to this classification as the number of migrants the household is connected to over the respondent's whole network, i.e. all the respondents of the respective enumeration area.

## 6. Empirical Results

In this section, the main empirical results are summarized. We will first look at the OLS estimates for the underlying determinants such as interest and democratic values before we turn to the final results showing how emigration may affects the demand for political accountability.

## 6.1 Ordinary Least Squares Estimations

#### 6.1.1 Interest in Matters of Public Concern

The survey question under examination in this sub-section targeted the level of interest of the respondent for public matters, especially concerning political issues affecting daily life. Respondents were asked to indicate on a scale from one to four if they have no interest at all or are very interested.

The results for the direct individual effect of emigration on a respondent's interest together with the effect of a larger fraction of migrants in his/her geographical network are presented in column (1) of Table 2. Controlling for individual and locality effects there seems to be a strongly significant correlation between respondent's migration experience and their interest for politics, as well as between individuals with a higher proportion of migrants in their network and the dependent variable. The first of the explanatory variables shows that having a migrant in the household, positively correlates with the respondent's interest in public matters – thus that migrants are more

interested in political processes than non-migrants. This result confirms our expectations of a positive relation between migration and political attitudes in the sense that migrants are more aware of political processes. Nevertheless, our second variable suggests that this relation is actually negative and even larger for respondents that live in villages with more migrants, especially if these migrants are return migrants.

This result could be caused by a self-selection problem due to the fact that individuals that are less happy with the political situation or less convinced that any kind of effort (such as showing interest in politics) will have an effect on actual political outcomes, could be more likely to emigrate. If we consider the problematic political past of Mozambique, it seems reasonable that we find this kind of effect for return migrants as these are more likely to have suffered from political unrest at the time of migration. Another explanation could be that a higher fraction of migrants in the village implies better 'outside options' in the sense that future migrants can benefit from the networks abroad that have been established by former (now return) migrants. They therefore have less incentives to actually care about political issues going on in their home country. This problem will be tackled in the next section by estimating the model with instrumental variables. Note that we do not observe significant results for neither the chatting nor the kinship network (presented in columns (3) - (6)), but that the individual direct effect is consistently significant and positive as suggested.

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<sup>&</sup>lt;sup>9</sup> Indeed, emigration may hurt the quality of home country institutions if it is considered to be a 'safety valve'. In this instance, unhappy individuals leave their home countries and this mechanism undermines the demand for political accountability and decreases the capacity to supply political institutions of a better quality - if those leaving are also the ones more capable of providing these services.

## 6.1.2 Democratic Values: Preference for Single-Party Systems

The following section discusses the relation between migration and the preference of single-party systems over multi-party systems. Survey respondents were asked to declare how much they agree (or disagree) with the statement that just one party should be able to rule. Therefore, the signs have to be read in reverse, i.e. a negative coefficient suggests a higher preference for multi-party systems. The results are illustrated in the following Table 3.

As above, we find ambiguous results for the impact of migration. Households with at least one migrant clearly prefer multi-party systems, thus preferring more democratic systems. However, the sign changes for respondents that live in villages with a higher proportion of migrants. This seems to be especially strong if the survey respondent regularly chats to more return migrants. This result is puzzling as we would expect a reinforcement effect to be of the same direction as the actual direct effect of migration. Especially, as our results suggest that the fraction of current migrants is positively correlated with the preferences for multi-party systems. These findings propose again that there might be a self-selection bias in such a way that causes people with a worse opinion about democracy to leave their home country that does not apply to current migrants anymore. We furthermore find that these effects are statistically significant for family relatives suggesting that political attitudes in terms of democratic values are passed on to non-migrants if the two individuals have a relationship that allows them to regularly talk to each other. That this effect for current migrants only occurs in the kinship network seems reasonable as regular chatting with migrants via non-family members is more difficult and probably also less likely. Despite the ambiguous signs our results thus suggest that an individual's attitude toward democratic

norms is influenced by migration and that this not only holds for the migrant himself but also for its peers.

### 6.1.3 Demand for Political Accountability

This last section evaluates whether the above effects actually result in a higher demand for political accountability as suggested before. Table 4 summarizes the results for a measure of behavior where respondents could send a text message with suggestions for policy priorities during the president's mandate. If the respondent did send a text message, we interpret it as a higher demand for better political institutions and a greater political participation.

Our results suggest that there is a positive relation between the fraction of current migrants in a respondents geographical and chatting network but that there is no direct effect of migration itself. Again, the fraction of return migrants seems to have a negative impact but we cannot exclude that this is not due to a selection bias.

#### 6.2 Instrumental Variable Estimation

As described before, we might face a selection bias if individuals that are, for example, less interested in political issues opt to emigrate to another country more often than people with a higher interest. Especially for Mozambique the ongoing political instability, high corruption, and low level of democracy might affect people in their decision to leave the country. If this is the case, then our explanatory variable of interest is not exogenous anymore but might be correlated with the error term.

We therefore use instrumental variables to estimate the relationships stated above. As instruments we chose the exogenous variation given by the proximity to war centers during the independence and the civil war, as well as natural catastrophes such as storms, droughts or plagues affecting harvests or cattle that are often the livelihood of

many families, as especially in rural areas there exist almost no income sources from salaried work. The dataset for the instrumental variables provides detailed data on catastrophes<sup>10</sup> in Mozambique on a district level, allowing for large variation between EAs.

Table 5 shows the results for a 2SLS estimation using the instruments discussed above - namely if there was a storm, drought or plague in the respondent's district after he/she turned 17, and the distance to war centers. The instruments behave well as they are strongly correlated with the regressors, and independent from the error term - which can be confirmed by their good performance in the weak identification test and the overidentification test using the Hansen J statistics. However, the instruments are not strong enough to show the combined effect, consisting of the individual direct effect and the network effect, as the different measures may be too correlated with each other to still provide the necessary correlation with each of the endogenous variables. Table 5 therefore illustrates the direct individual effect in column (1) and the respective network effects in column (2) to (4). We find that not only are our estimates significant and as expected positive for the direct migration effect but also that, using instrumental variables, we obtain significant positive results for our network variables as well.

Table 6 confirms these results for our measure of democratic values – the preference for multi-party systems. Even if instruments are performing slightly worse compared to the above estimations in Table 5, we still find that our estimations are robust and now more consistent given that the selection bias has been circumvented. We find that using instrumental variables, our results confirm the hypothesis that migration increases the support for democratic ideas such as multi-party systems in all cases. The

<sup>&</sup>lt;sup>10</sup> The data was obtained from the DesInventar database, a joint project of UNDP, UNISDR and LA RED.

effect is found to be especially strong for the kinship network suggesting that personal relationships matter strongly for how those ideas will be passed on. This is consistent with our results from the OLS estimations supporting the ideas stated above that a close relationship, implying regular intense contact, with migrants is favorable for democratic ideas to be passed on.

Ultimately, Table 7 is summarizing the results for the instrumental variables estimation of our measure concerned with the demand for political accountability. We find our OLS results confirmed as the IV estimations suggest as well that there is a positive correlation between the fraction of migrants in an individual's network and his/her demand for political accountability. These results seem to confirm that political participation is increased if social pressure from peers is build through regular chatting with individuals that emigrated but also through the sheer presence of individuals with a higher demand for political accountability.

## 7. Concluding Remarks

This paper aims at providing insights on how migration may affect political participation and attitudes, directly and indirectly via social networks, by using an original individual-level behavioral measure of political participation, as well as detailed household survey data.

Despite a few existing macroeconomic studies on this topic, the mechanisms underlying the diffusion of democratic values and ideas are still unclear. Our results suggest that political attitudes can be learned when people migrate to other countries and that the obtained values might be passed on to peers. Nevertheless, an increase in the demand for political accountability only seems to emerge if there is enough group pressure. Or, in other words, if political participation becomes a social norm and not

only an idea learned abroad. The effects we estimate seem to be mainly driven by indirect diffusion arising in social networks including current migrants. Respondents that talk to more individuals with a current migrant in their household are more prone to political participation.

Our results suggest that migration policies whereby the best governed migration host countries open their doors to migrants from countries with poor accountability records might be an effective way to promote institutional improvements in the migrant countries of origin. To the extent that better institutions contribute to economic development, enacting 'brain circulation' policies such as scholarship schemes in developed countries might be a successful development aid tool.

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## **Appendix**

Table 1: Household Characteristics: All Households (%).

	All	Southern <sup>1</sup>	Northern <sup>2</sup>
	Provinces	Provinces	Provinces
	Migration Experience		
Households with at least one migrant	32.44	53.49	11.71
Households with at least one current migrant	15.77	29.37	2.36
Households with at least one return migrant	23.03	36.23	10.02

Source: Survey by Batista et al (2011)

 $^1\mathrm{Southern}$  Provinces: Maputo-Province & Gaza

<sup>2</sup>Northern Provinces: Zambezia & Cabo Delgado

Table 2: OLS Regressions: Interest in Public Issues

		Coefficients					
	Variables	(1)	(2)	(3)	(4)	(5)	(6)
	Migrant Household	0.233***	0.229***	0.202***	0.201***	0.215***	0.215***
ork	Fraction of Migrants	(0.0626) -0.442*** (0.168)	(0.0625)	(0.0629)	(0.0628)	(0.0628)	(0.0627)
Geo Network	Fraction of Return Migrants	,	-0.451** (0.181)				
Geo	Fraction of Current Migrants		-0.0676 $(0.232)$				
twork	Fraction of Migrants		,	0.371 $(0.267)$			
Chatting Network	Fraction of Return Migrants			,	0.115 $(0.591)$		
Chatt	Fraction of Current Mig. Hh				0.684 (0.422)		
work	Fraction of Migrants				, ,	-0.0616 $(0.369)$	
Kinship Network	Fraction of Return Migrants						-0.373 $(0.915)$
Kinsh	Fraction of Current Mig. Hh						0.124 $(0.549)$
	Observations	1560	1560	1560	1560	1560	1560
	Individual Controls	Yes	Yes	Yes	Yes	Yes	Yes
	Province Controls	Yes	Yes	Yes	Yes	Yes	Yes
	Turnout Control	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parentheses

Table 3: OLS Regressions: Preference for Single Party Systems

		Coefficients					
	Variables	(1)	(2)	(3)	(4)	(5)	(6)
	Migrant Household	-0.257**	-0.249**	-0.246**	-0.258**	-0.222**	-0.231**
-4	Fraction of migrants	(0.108) $0.555*$	(0.108)	(0.108)	(0.108)	(0.108)	(0.108)
Geo Network	Fraction of return migrants	(0.293)	0.291 (0.313)				
Geo	Fraction of current migrants		0.603 $(0.405)$				
twork	Fraction of migrants		,	0.414 $(0.479)$			
Chatting Network	Fraction of return migrants			,	3.425*** (1.078)		
Chatt	Fraction of current mig Hh				-0.916 (-1.21)		
work	Fraction of migrants				,	-0.545 $(-0.82)$	
Kinship Network	Fraction of return migrants					,	2.749* (1.65)
Kins	Fraction of current mig Hh						-1.849* (-1.84)
	Observations	1456	1456	1456	1456	1456	1456
	Individual Controls	Yes	Yes	Yes	Yes	Yes	Yes
	Province Controls	Yes	Yes	Yes	Yes	Yes	Yes
	Turnout Control	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parentheses

<sup>\*</sup> p<0.1, \*\* p<0.05, \*\*\* p<0.01

<sup>\*</sup> p<0.1, \*\* p<0.05, \*\*\* p<0.01

 ${\bf Table\ 4:\ OLS\ Regressions:\ Demand\ for\ Political\ Accountability}$ 

		Coefficients					
	Variables	(1)	(2)	(3)	(4)	(5)	(6)
	Migrant Household	-0.0311	-0.0313	-0.0415	-0.0411	-0.0380	-0.0366
		(0.0295)	(0.0292)	(0.0297)	(0.0296)	(0.0296)	(0.0295)
	Fraction of Migrants	-0.0971					
vork		(0.0789)					
Vetv	Fraction of Return Migrants		-0.278***				
Geo Network	E		(0.0828)				
Ü	Fraction of Current Migrants		0.270** (0.105)				
~	Fraction of Migrants		(0.105)	0.121			
Chatting Network	Praction of Migrants			(0.113)			
Net	Fraction of Return Migrants			(0.110)	-0.197		
ing					(0.223)		
ıatt	Fraction of Current Mig. Hh				0.361**		
õ	<u> </u>				(0.170)		
Ł	Fraction of Migrants					0.0754	
Kinship Network						(0.150)	
Se	Fraction of Return Migrants						-0.227
ship							(0.340)
Kin	Fraction of Current Mig. Hh						0.222
	Observations	1048	1048	1048	1048	1048	(0.216)
	Individual Controls	Yes	Yes	Yes	Yes	Yes	1048 Yes
	Province Controls	Yes	Yes	Yes	Yes	Yes	Yes
	Turnout Control	Yes	Yes	Yes	Yes	Yes	Yes
	Turnous Constor	105	100	105	105	100	100

 ${\bf Table\ 5:}\ IV\ Estimation:\ Interest\ in\ Public\ Issues$ 

	Coefficients					
Variables	(1)	(2)	(3)	(4)		
Migrant Household	0.843***					
	(0.321)					
Migs in Geo Network		2.821***				
		(0.997)				
Migs in Chatting Network			4.647***			
			(1.537)			
Migs in Kinship Network				7.187***		
				(2.437)		
Individual Controls	Yes	Yes	Yes	Yes		
Province Controls	Yes	Yes	Yes	Yes		
Turnout Control	Yes	Yes	Yes	Yes		
Instrumental Variables	Storm	Birthyear&Drought	Birthyear&Drought	Birthyear&Drought		
instrumentar variables	Birthyear&Plague	Min Distance War	Min Distance War	Min Distance War		
Observations	1560	1560	1560	1560		
Weak Ident (K-P F)	25.255	22.197	42.081	38.569		
Hansen J (P-value)	0.8835	0.7033	0.7986	0.7209		

Standard errors in parentheses \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

Standard errors in parentheses \* p<0.1, \*\*\* p<0.05, \*\*\* p<0.01

 ${\bf Table~6:~} {\it IV~Estimation:~Preference~for~Single-Party~Systems}$ 

	Coefficients					
Variables	(1)	(2)	(3)	(4)		
Migrant Household	-5.108***					
	(0.760)					
Migs in Geo Network		-5.636***				
		(0.647)				
Migs in Chatting Network			-28.57***			
			(5.031)			
Migs in Kinship Network				-48.48***		
				(9.108)		
Individual Controls	Yes	Yes	Yes	Yes		
Province Controls	Yes	Yes	Yes	Yes		
Turnout Control	Yes	Yes	Yes	Yes		
Instrumental Variables	Birthyear&Storm	Birthyear&Storm	Birthyear&Storm	Birthyear&Storm		
mstrumentar variables	Birthyear&Plague	Birthyear&Plague	Birthyear&Plague	Birthyear&Plague		
Observations	1456	1456	1456	1456		
Weak Ident (K-P F)	37.974	155.951	23.088	20.108		
Hansen J (P-value)	0.9289	0.9697	0.3929	0.6382		

Standard errors in parentheses

 ${\bf Table~7:~} IV~Estimation:~Demand~for~Political~Accountability$ 

	Coefficient					
Variables	(1)	(2)	(3)	(4)		
Migrant Household	0.301*					
	(0.159)					
Migs in Geo Network		0.455**				
		(0.226)				
Migs in Chatting Network			0.666*			
			(0.391)			
Migs in Kinship Network				1.068		
				(0.678)		
Individual Controls	Yes	Yes	Yes	Yes		
Province Controls	Yes	Yes	Yes	Yes		
Turnout Control	Yes	Yes	Yes	Yes		
Instrumental Variables	Birthyear&Drought	Birthyear&Drought	Birthyear&Drought	Birthyear&Drought		
Instrumental variables	Birthyear&Plague	Birthyear&Plague	Birthyear&Plague	Birthyear&Plague		
Observations	1048	1048	1048	1048		
Weak Ident (K-P F)	19.750	44.731	47.281	38.690		
Hansen J (P-value)	0.6186	0.7756	0.2751	0.2117		

<sup>\*</sup> p<0.10, \*\* p<0.05, \*\*\* p<0.01

Standard errors in parentheses \* p<0.10, \*\* p<0.05, \*\*\* p<0.01