Remittances, or the transfers of money or goods sent by migrants back to communities in their origin countries, represent an increasingly crucial source of external financing for low and middle-income countries (LMICs). In 2019 remittance flows to LMICs reached a record $554 billion, outpacing both foreign direct investment (FDI) and portfolio investment (World Bank, 2020). The importance of remittances, as demonstrated by proportion of GDP, is particularly noteworthy in Latin America, where remittance flows have consistently increased by 6–9.5% annually over the past five years and represent over 10% of GDP for various countries (ibid.). For countries like El Salvador and Honduras, remittances form a considerable proportion of household income—up to 30–40% (Sirkeci, Cohen, and Ratha, 2012). Remittances are often used to meet immediate consumption needs, funding household maintenance and the purchase of basic welfare goods. These inflows can ensure capital accumulation (Orozco 2006, Cohen and Rodriguez 2005) and serve as investment capital (Sirkeci et al., 2012), funding microenterprise in both formal and informal economies.

Given the diversity of use and sheer volume of these cash flows, how do remittances impact sending and receiving countries? Like other considerable sources of capital such as foreign aid or investment, remittances yield a distinct set of incentives that shape the political economy in recipient countries. Yet, there is a relative scarcity of work on the associated political dynamics. Over the past decade scholars have increasingly explored the macro effects of remittances on political institutional quality (Abdih 2012, Tyburski 2012) and regime longevity (Ahmed 2012; Escribà-Folch, Meseguer, and Wright, 2015). Current literature demonstrates contradictory findings as related to whether remittances erode or reinforce the stability of authoritarian regimes. Escribà-Folch et al. (2015) find that remittances sent to opposition areas in non-democratic countries can promote participation in anti-government demonstrations by providing recipients with resources needed to protest and weakening clientelistic networks used to sustain autocracies. These findings support the validity of the “patronage effect” demonstrated by how remittances undermined ruling party (Partido Revolucionario Institucional, PRI) patronage networks in Mexico (Pfütze 2012, Tyburski 2012). Ahmed (2012) finds that remittances decrease protest through the “substitution effect” whereby inflows increase resources available to dictatorships to fund patronage, and mitigate dissatisfaction with the government. Maydom (2017) finds that the “social remittance” effect leads to support for democracy through the transmission of pro-democratic norms when remittances are sent from democratic countries to non-democracies.

I build on existing studies by Ahmed, Escribà-Folch et al. and Maydom to further explore how remittances can impact protest in non-democracies and thus affect incumbent authoritarian regimes. I first ex-
explore the theoretical underpinnings of the relationships between outmigration, remittances and protest. I then develop estimates of U.S. to Cuba remittances for the past 30 years and construct a protest variable based on observed anti-government events. I use these time series to conduct a statistical test and find a positive correlation between remittances and protest in Cuba. I address the question of causality through a qualitative analysis of how remittances and protest interact in Cuba through the application of Albert Hirschman’s “exit, voice, and loyalty” framework, and suggest that remittances mechanize the linkage of exit and voice in a way that promotes protest via the patronage and social remittance effects.

THEORY AND HYPOTHESIS

The Relationship between Outmigration and Protest: Exit vs. Voice

When faced with discontent, individuals may pursue a range of different actions which Albert Hirschman categorizes as “exit, voice, and loyalty” in his original 1970 work discussing the relationship between individuals and failing firms. This framework has been applied by Hirschman and others to analyze interactions between citizens and their governments using political variants of the initial schema: exit as outmigration, voice as protest, and loyalty as support.

When does exit prevail over voice? In what situations might both options interact jointly? Hirschman contends that voice and exit can be both rival and complementary actions, depending on the conditions at hand. An inverse relationship may exist as dissenters choose exit, thus decreasing potential contributions to collective voice as those most likely to protest choose to leave. Exit reduces the probability that voice would be effectively implemented and thus can be manipulated by governments as a method of restricting voice. Exit and voice can also act as complements rather than substitutes, as emigration flows disseminate information regarding the widespread discontent with the incumbent government.

This discussion provides insights for understanding the relationship between outmigration and protest, and allows for a contextualization of the role of remittances within this framework. After choosing exit, migrants can maintain ties to their origin countries through the practice of sending money back home. The relationship between remittances and protest and associated causal mechanisms are explored in the next section.

The Relationship between Remittances and Protest

a. Substitution Effect

The first theory focuses on the role of the “substitution effect” as a causal mechanism and suggests that by increasing income, remittances decrease prospects for protest by diminishing complaints or objections against incumbents or by increasing resources available to dictatorships to fund patronage. Remittances are often used to purchase welfare goods and Doyle (2015) finds that by increasing income levels and economic security of recipients, remittances can decrease demand for social welfare provision. Governments are then able to redirect funds freed up due to reductions in welfare spending to finance clientelist networks. Abdih et al. (2012) show an increase in remittances can enable governments to divert a greater share of funds to areas of their choosing. Ahmed finds that this substitution effect, which allows governments to increase patronage spending, can be directly related to the stability of autocracies as “autocratic governments can channel unearned gov and household income to finance patronage, extending tenure in political office” (2012).

b. Patronage Effect

Another school of thought focuses on the role of patronage as a key survival strategy utilized by authoritarian regimes to strengthen their consolidation of power. Initial studies on the patronage effect in Mexico by Pfurtze (2012) and Tyburski (2012) suggest remittances reduce the reliance of individuals on patronage. Remittances weaken the efficacy of clientelistic networks by increasing the financial independence of citizens. “Remittance recipients are less likely to trade votes for patronage goods and services and are more likely to engage in anti-government political activism at the cost of losing access to this patronage” (Maydom, 2017). By reducing dependence on the state and thus disrupting clientelistic connections between the government and individuals, remittances decrease the risk associated with protest. Escriba-Folch et al (2015) find that remit-
tances facilitate political protest in nondemocracies by increasing resources available to potential dissidents and can ultimately engender political change through anti-regime mobilization. They suggest that the dynamic is more likely in low-income countries under authoritarian regimes because the impact of additional income via remittances is likely greater in countries where state restrictions limit access to resources; the effect of additional resources on protest is likely greater where institutionalized methods for voice are limited; and the impact of diminishing clientelistic practices is likely greater in non-democratic regimes where patronage is essential to survival.

c. Social Remittance Effect

Maydom (2017) offers the social remittance effect as a causal mechanism to explain the seemingly contradictory results in studies by Ahmed (2012) and Escriba-Folch et al (2015) regarding the macro-level effect of remittances in promoting or undermining the stability of non-democratic regimes, respectively. The social remittance effect, originally conceptualized by Levitt (1998), describes how migrants “remit” values and political interests they have absorbed while in their host country. Studies on the social remittance effect by Kapur (2010) and Pérez-Armendáriz and Crow (2010) provide empirical support for Levitt’s foundational claim that non-financial remittances from transnational migrants, specifically ideas regarding civil responsibilities and political rights derived from observations in their host country, can shape the political attitudes of recipients, and thus transform politics in their home country (Levitt, 1998). More recent studies suggest that social remittances can also contribute to increased rates of political activity and interest (Córdova and Hiskey 2015) and non-electoral political participation (Pérez-Armendáriz and Crow 2010). Maydom finds the combined impact of the patronage and social remittance effects can yield anti-government protests in non-democracies when remittances are sent from countries with democratic political institutions.

Hypothesis

This work aims to explore the relationship between remittances and protest as related to the case of Cuba. I expect to find that as U.S. remittances to Cuba increase, protest on the island also increases. Using Hirschman’s framework, I argue that U.S. remittances to Cuba serve as a mechanism for linking exit and voice to positively influence prospects for protest through the patronage and social remittance effects. Discontent-driven exit via outmigration has generated a population of migrants in the US who send remittances back to Cuba. These transfers serve to (1) increase the income of receiving individuals and (2) remit values and ideas absorbed by migrants from the U.S. Increased income results in increased resources, as people can spend less time working to accumulate income and thus have more funds and time, increasing the opportunity to protest. The transmission of pro-democratic values increases the perceived benefit of protest, and decreases support for the current regime, combining to promote protest through the social remittance effect. The applicability of this hypothesis to the Cuban case is supported by Escriba-Folch et al.’s work suggesting that the patronage effect is more likely in low-income countries with singularly-dominant regimes that limit resources and restrict opportunities to voice dissent. Additionally, the vast majority of remittances to Cuba are sent from the U.S. which allows for a relative isolation of the social remittance effect from a democratic country.

DATA AND EMPIRICAL ANALYSIS

Remittance Inflows

The first step of testing Hirschman’s framework requires establishing volume of remittance flows from the U.S. to Cuba. Estimating the value of remittance flows is not a straightforward process due to the inherent informality associated with the practice. Much of remittance literature relies on figures from the World Bank’s World Development Indicators (WDI), which provides data on inbound and outbound remittances flows since 1970. However, the WDI does not report Cuba remittances data, and thus alternative methods are required to produce estimates for remittance flows into the island.

Methodology

I consider several different approaches to estimate total remittances to Cuba from the U.S. First I use a United Nations Conference on Trade and Development (UNCTAD) Report that provides values on total re-
remittances to Cuba, and apply a ratio based on percentage of Cuban migrant stock in U.S. compared to other host countries to estimate the portion of the total values originating from the U.S. I then use methods offered by Ratha and Shaw to estimate U.S. to Cuba remittance flows, and cross-reference with Luis (2019) and Morales (2018, 2019). I contrast values generated using these methods with figures provided by the UNCTAD.

Data
Ratha and Shaw’s migrant stock and income methodology references weights based on (1) the share of migrants in individual destination countries, (2) the per capita income in the destination country, and (3) the per capita income in the source country. They estimate the remittance amount originating from a specific country in a given year by modeling the average annual amount a migrant in country \( j \) send to his/her origin country \( i \) as a function of the average per capita incomes of their home country \( \bar{Y}_i \) and their host country \( \bar{Y}_j \).

\[
R_{ij} = f(\bar{Y}_i, \bar{Y}_j) = \begin{cases} 
\bar{Y}_i & \text{if } Y_j < \bar{Y}_i \\
\bar{Y}_j + (Y_j - \bar{Y}_j)^{\theta} & \text{if } Y_j \geq \bar{Y}_i 
\end{cases}
\] (1)

The individual annual migrant remittance amount \( r_{ij} \) is then multiplied by the total migrant stock in the host country \( M_{ij} \) to calculate the estimated total annual amount remitted \( R_{ij} \):

\[
R_{ij} = r_{ij} M_{ij} \] (2)

I rely on this same approach to estimating bilateral remittance flows in order to quantify remittances from US to Cuba for a given year. Like Maydom, I use GDP per capita as reported by the World Bank’s World Development Indicators (WDI) as a proxy of average income. I also use migrant stock data as reported by the UN’s Migrant Stock by Origin Database, and cross-reference with data from the World Bank’s Global Bilateral Migration Database which provides data on Cuban migrant stocks in the U.S. I note several caveats regarding this overall approach: it assumes reliability of migration and income data, and consistency in likelihood of immigrants to remit regardless of demographic, though certain characteristics such as age, education and length of residence in host location have been shown to have a significant impact on the amount and frequency of remittance flows. In an attempt to account for this, I incorporate the assumption that 50% of the migrant stock in any particular year will remit, which is supported by literature implying that about 40–60% of Cuban immigrants in the U.S. engage in remittance-sending to the island (FIU 2018 Cuba Poll). I address the variation in remittances caps implemented by different U.S. administrations by incorporating a factor reflecting downward pressure on remittances in alignment with the Office of Foreign Assets Control (OFAC) remittance cap as outlined in the Cuban Assets Control Regulations (CACR).

How do these various estimates compare to other estimated values of total U.S. remittances to Cuba? I reference Luis’s approach for estimating total U.S. remittances to Cuba, which acknowledges Cuban migrant stock in the U.S. is comprised of a variety of demographics.

Luis uses a variation of Ratha and Shaw’s method, incorporating additional variables to refine remittances estimates.

\[
R = 0.784 + 0.076M7^{***} + 0.106POV^{*} - 0.001LIQ - 1.973XC^{***} + 1.354REG^{**} \quad (656)
\]

\[
(3.165) \ (1.935) \ (-1.287) \ (-2.643) \ (2.257)
\]

\[
R^2 = 0.606; \ SE=1.488; \ F=4.088
\] (3)

Where \( R \) equals remittances per immigrant to country of origin; \( M7 \) is the proportion of immigrants arriving in the last seven years; \( POV \) is the proportion of immigrants below the poverty line in the US; \( LIQ \) is Cuban assets in international banks per capita; \( XC \) is a variable for exchange controls in destination country; and \( REG \) is a regional variable for Latin America, Eastern Europe and Asia. Note: * means significant at 90% level, ** significant at 95% level, and *** significant at 98% level.

Luis estimates remittance inflows from the U.S. to Cuba for 2017, including cash and in-kind transfers, at $4141 million USD with one standard deviation interval accounting for variation between $2248 million and $6034 million. The 2017 estimate of $7614 million generated using Ratha and Shaw’s approach is higher but comparable to both the maximum esti-
mate within Luís’s interval and Morales’s $656 million estimate for total 2017 remittances (2018, 2019). This suggests estimates from equation 2 likely do not underestimate remittance flows and may overestimate by around $1600–1000 million compared to estimates produced by other scholars engaged in the study of remittances to Cuba.

I also cross-reference the values generated using Ratha and Shaw’s migrant stock and income approach with data on annual personal remittances from the UNCTAD report. The main source of the UNCTAD report’s data is the World Bank; where data is not available, as is the case for Cuba, data is imputed from the Economist Intelligence Unit Data base to estimate total annual remittances. In order to determine an estimate for the proportion of total remittances to Cuba originating in the U.S., I apply a ratio based on the share of total Cuban migrants abroad residing in the U.S. My average estimate of 84% is supported by other scholars who estimate Cuban immigrants in the US account for around 85% of the total Cuban migrant population worldwide (Luis 2019). Equation (2) estimates are considerably higher compared to estimates for total US to Cuba remittance figures derived from the UNCTAD report values ($3282 million for 2017).

Figure 1 shows total estimated U.S. remittances to Cuba plotted against U.S. remittance receipts extrapolated using the total Cuba remittance figures reported by UNCTAD. While both series follow a similar upward trend, the estimates from equation 2 track higher than the UNCTAD series and demonstrate more aggressive growth. Figure 1 provides further detail on the different estimate series.

**PROTEST**

**Methodology and Data**

Like Escriba-Folch et al. (2015), I reference Chee-noweth, D’Orazio, and Wright’s (2014) latent protest variable constructed from an Item Response Theory (IRT) model that draws on information from nine different datasets to reflect quantity of protest. I use several of the same databases, including the Cross-National Time Series (CNTS) data archive, Social Conflict Analysis Database (SCAD), Social, Political and Economic Event Database Project (SPEED), and the Armed Conflict Location and Event Dataset (ACLED), to construct a protest variable based on observed anti-government demonstrations in Cuba for the purposes of this analysis (see Appendix). I include two versions of this protest variable: Protest Variable I based on the maximum reported value across all datasets and Protest Variable II based on the average of reported values. Figure 2 shows frequency of protest in Cuba as measured by the constructed protest variables and individual datasets.

**Results**

I perform a non-parametric correlation analysis to measure the dependence between remittances and protest. Using the Spearman rank-based correlation test with the significance threshold set at 0.05, I find a significant relationship between remittances and the protest variable I (p < .05, $r_s = 0.73$) and between remittances and the protest variable II (p ≤ .05, $r_s = 0.66$). This model is expressed in equation 4.

$$\rho = \frac{\sum(x' - m_{x'}) (y' - m_{y'})}{\sqrt{\sum(x' - m_{x'})^2 \sum(y' - m_{y'})^2}}$$

(4)
The results indicate a moderate-strong positive correlation between US to Cuba remittances and the protest variables, measured by frequency of reported protest on the island. Figure 3 demonstrates the results of the tests.

Results indicate there is a positive association between remittances and protest. The results support the findings of Escriba-Folch et al. that suggest increases in remittances are associated with increases in protest rates and of Maydom which suggest remittances from democratic countries are associated with higher rates of protest in receiving countries. While this initial statistical analysis of macro-economic remittances data and protest levels suggests these money inflows are associated with protest in Cuba, it does not address the causal relationship between remittances and protest. I address this question of causality in the next section through a qualitative analysis of how remittances and protest interact in Cuba, using Hirschman’s exit-voice perspective as a key conceptual tool.
REMITTANCES AND THE LINKAGE OF EXIT AND VOICE

I explore how the practice of sending remittances from the U.S. serves as a linkage facilitating the complementary interplay of exit and voice in a way that encourages protest in Cuba via the patronage and social remittance effects. To frame the options of exit, voice and loyalty as independent and inherently exclusive, as Hirschman does in his initial 1970 discussion, risks oversimplification. Gabrielli and Zapata-Barrero offer a reappraisal of this original framework, arguing the options can be overlapping and simultaneous: following exit, immigrants can still shape political activities in their origin country based on their choice between post-exodus voice or loyalty. Indeed Hirschman’s 1993 reformulation of exit and voice highlights how in the GDR, outmigration and voice via protest “worked in tandem and reinforced each other.” In the case of Cuba, the current state is understood as a socialist economy under authoritarian regime and the alternative is understood as a capitalist economy under democratic government, as represented by the U.S.; discontent with the current state yields a choice between pursuing exit or voice.

Dissent and the Cuban Diaspora in the U.S.

Post-revolution, Cuban policies such as limitations on freedom of travel and migration, the repression of dissident voices and a strict information censorship regime contributed to cultivating discontent on the island. However, anti-regime resistance within Cuba remained relatively weak against a backdrop of a massive security apparatus and strategic government-controlled emigration flows to the U.S. Lack of access to media and news from the outside influenced the idealization of an alternate way of life often associated with the democratic system in the U.S., fueling the desire to leave. The state historically engaged in the practice of manipulating migration policies so as to support its repression policy by encouraging the exit of certain groups. These policy shifts are correlated with several different waves of migration, beginning with the large initial post-revolution exodus, followed by the Camarioca boatlift in 1965, Mariel in 1980, and then the rafters’ crisis in 1994. As a result of the state’s preference to promote exit rather than risk allowing an internal voice to develop on the island, dissenting individuals with anti-regime or pro-capitalist sentiments became the core of the exile community in the U.S.

Following the revolution, the U.S. adopted a series of policies targeting the promotion of both exit from the island and voice against the Castro regime (Colomer 2001). U.S. immigration policy for decades was characterized by the unique treatment of Cubans relative to other migrants from the region – though this changed with the Obama administration; Cuban emigrants have been considered political refugees and have enjoyed policies encouraging both financial and social inclusion in the U.S. Over time, the U.S. shifted its preference to policies promoting voice over exit as indicated by the implementation of barriers to migration in favor of encouraging the further development of internal voice. As those migrating recognized there were others on the same page, they formed a
community characterized by a common cause which led to the development of a public voice.

Given the continuous outmigration of internal dissidents from the island, few critical voices have been permitted in Cuba’s post-revolutionary history. However, following the fall of the Soviet bloc, a new dynamic arose as economic issues became dominant given the critical worsening of conditions in the 1990s. People struggled to survive on salaries provided by the state and had to supplement their income through other means. Questions concerning the socio-economic sustainability led to an internal battle of ideals concerning the future vision of Cuban socialism. The Cuban state and citizens have been faced with the challenge of striking a balance between state-led, market-based, and democratic elements (Piñeiro Harnecker 2013). Ideological positions aligned with the worldview that private enterprise and markets are necessary to generate sustained economic growth (including variants aspiring for market socialism or democratic socialism) were reflected in the Draft Economic and Social Policy Guidelines adopted by the Cuban Communist Party in 2011 that included reforms institutionalizing an expansion of the private and cooperative sectors, formalizing real estate markets, and signaling a commitment to attracting foreign investment, among other changes.

In Cuba, the state’s legacy of tight control over migration and restriction of the private sector and anticapitalist rhetoric have represented key touchstones of authority. The Cuban government’s easing of these restrictions and admission that a new conceptualization of socialism might be necessary represents a weakening which can serve to embolden dissatisfied citizens. The cumulative impact of these changes throughout recent decades can be understood as increasing the perceived benefits of protest, given the state’s seeming willingness to consider shifting preferences and voices of opposition in the policy-making process.

Linking Exit and Voice: The Role of Remittances

As the exile community in the U.S. sends remittances to individuals on the island, financial remittances facilitate the development of other preconditions for protest, namely access to time and resources. Meanwhile social remittances (1) transfer ideas and knowledge from the U.S., (2) diffuse norms that encourage protest, and (3) promote a comparison with the alternative state in the U.S. in a way that cultivates discontent and further enhances existing dissatisfaction on the island.

Who sends remittances? The 2018 FIU Cuba Poll: How Cuban Americans in Miami View US Policies Toward Cuba provides insights on demographic characteristics and attitudes of the Cuban-American community in Miami. The poll, which surveyed Cuban-American residents of Miami-Dade County in 2018, indicated that 40% of Cuba-Americans reported sending money to the island and 36% reported sending other items, with different migrant cohorts demonstrating distinct sending behaviors (see Figure 4). Survey results also suggest remittancesenders in Miami are active in exercising their right to vote: of respondents who were citizens (88% of total sample), 95% indicated they were registered to vote, and 87% reported voting in the 2018 midterm election.

How are remittances used and what are the related implications? In addition to their use for family consumption, these transfers also serve as a source of capital for the private sector on the island, as demonstrated by Delgado-Vázquez’s 2013 study on the effects of the differentiated use of remittances in Cuba. Though the sample size is moderate and geographic diversity is limited given all respondents are Havana-based, this study serves as a helpful proxy nonetheless. Delgado-Vázquez finds that of 74 families surveyed, 41 used remittances for family consumption and 33 utilized remittances as capital to finance private enterprises. In both cases, increased household income resulted in improved quality of life. Delgado-Vázquez suggests that these recipient groups were positioned in different social stratum and remittances allowed some mobility across strata, with those Cubans who used remittances solely for household consumption moving from lower to medium stratum and those who leveraged remittances as working capital moving from medium to higher stratum. Her study finds remittance recipients no longer needed to spend as much time working as those not
receiving remittances and were able to reallocate their time elsewhere. This supports the observation that as “unearned income” remittances free up time that would otherwise be spent working to generate income, allowing individuals the option to use this time to participate in political activities such as protest. This supports the validity of the patronage effect, as increased household income increases resources for protest from the perspective of time and access.

Delgado-Vázquez’s findings also provide evidence for the impact of the social remittance effect in transmitting ideas and norms from the U.S. that encourage protest, engendering a comparison with the alternative democratic state that contributes to dissatisfaction, and enhancing existing discontent. She finds that remittance-senders served as a source of both pro-privatization and marketization sentiments:

Cubans living abroad shared ideas, knowledge, and pieces of advice with their family recipient of remittances in order to contribute to the development of private enterprises in Cuba. The interest in applying capitalist modes of operation stands out. They highlighted the importance of values such as effectiveness and efficiency in business development. (p. 3).

In addition to pro-capitalist sentiments, remittance-senders may transfer and encourage the adoption of pro-democratic ideals absorbed in the U.S. The 2018 FIU poll findings regarding voter registration signal respondents’ commitment to conveying opinions through democratic institutions, which can be passed onto remittance recipients via the social remittance effect. Recipients may internalize the desire to engage in political participation, and in the absence of the opportunity to do so through electoral means, turn to alternative channels such as protest.

The transfer of remittances can also facilitate exposure to information regarding life outside the island, and the recognition that the quality of life enjoyed by migrants in the U.S. might represent a marked improvement over conditions in Cuba can result in dissatisfaction. Delgado-Vázquez’s contention that remittances contribute to reinforcing social inequality offers another way in which remittances can foster protest by enhancing existing discontent on the island. By financing the development of private enterprise, remittances contribute to increased visible inequity between recipient families and others. Non-recipient families may be inspired to protest due to discontent over the heightened disparity resulting from the upward socio-economic mobility dynamic experienced by remittance recipients.

This analysis suggests that in Cuba remittances mechanize the linkage of exit and voice in a way that can drive protest via the patronage and social remittance effects. From 1960 onwards, exit occurred at
the expense of voice in Cuba and this suppression of voice generated the concentration of a population of dissidents in the U.S. Those who migrated transfer financial and social remittances back home. Social remittances serve to inform recipients of ideas and norms absorbed in the U.S. that encourage protest and can cultivate discontent and heighten existing dissatisfaction on the island via a comparison between the current and alternative state. Meanwhile, financial remittances increase resources, mainly time and income, that enable protest. In this sense, exit can ultimately mobilize voice in such a way that facilitates protest in non-democracies.

CONCLUSION
In this paper, I build on studies by Ahmed, Escriba-Folch et al. and Maydom, to further explore how remittances can impact protest in Cuba. I find that exit and voice combine to facilitate the development of the patronage and social remittance effects in a way that yields protest, thus offering an explanation for why an increase in U.S. to Cuba remittances is associated with an increase in protest on the island. Findings from this work contribute to the growing literature regarding the relationship between fluctuations in remittance flows and the political effects of remittances within Latin America.

This strand of research poses further questions that have gained considerable relevance and importance in the face of the global economic and financial crisis resulting from the Covid-19 outbreak. Countries that are dependent on remittances are likely to be disproportionately impacted due to the manner in which this current economic decline will depress migrant employment and reduce wages.

The global nature of the Covid-19 economic and financial crisis is predicted to drive the largest decline in remittances in recent history. Flows to Latin America and the Caribbean are expected to drop by nearly 20% (World Bank Press Release 2020). Given the common role of remittances as funding for immediate consumption and welfare goods in these countries, this decline may have a devastating effect on the ability of families to meet basic needs, especially in countries like Venezuela and Cuba where essential consumption goods were already scarce.

Yet even as remittances drop so dramatically, their importance will likely simultaneously increase, as the World Bank projects FDI and private portfolio flows via stock and bond markets will fall more drastically, by over 35% and 80% respectively (Migration Brief 2020). The cost of sending remittances may also increase due to the crisis, as the Covid-19 lockdowns have resulted in the inability of remittance service providers to operate in some cases; the limitations of brick and mortar operations also highlights the importance of electronic transfer methods and the need to increase use of digital payment tools for sending and receiving remittances. This is notable for Cuba in particular, given the cost of sending funds from the US to Cuba, over 9%, is already the highest in the region.

How will these fluctuations in remittance flows impact the political landscape in migrants’ origin countries, especially as related to democratization and protest? While Covid-19 is recognized as an exogenous shock, responses to the crisis will nevertheless impact attitudes towards incumbent governments. Political participation and mobilization throughout Latin America have been greatly impacted by the pandemic. What will happen when lockdowns are lifted – will citizens re-engage in mobilization and protest? Will unemployment and remittance declines decrease resources available to facilitate protest? This could yield additional policy implications, informing an analysis of how increases or decreases in protest might impact the way domestic policymakers address associated externalities when developing responses to the crisis as related to migrant populations and the remittance economy.
APPENDIX
Constructed Protest Variables

To construct the protest variables for this analysis, I reference several databases which code social conflicts based on events reported by various media sources. The Cross National Time Series Data Archive (CNTS) is one of the most commonly-used cross-national data sets on anti-government protest, and provides data on domestic conflict drawn from print and online news sources for the years 1920–2014 (Banks and Wilson 2020). Anti-government demonstrations are coded as a non-violent public gathering of 100 or more people for the primary purpose of voicing opposition to government policies or authority (excluding anti-foreign demonstrations). Limitations of this dataset include geographic bias based on sources (e.g., New York Times coverage) and distortions due to nuances involved with classification of domestic versus foreign conflict.

The Social Conflict Analysis Database (SCAD) Latin America dataset (Salehyan et al., 2012) includes data on “protests, riots, strikes, inter-communal conflict, government violence against civilians, and other forms of social conflict” as reported by the Associated Press (AP) and Agence France Presse (AFP) from 1990–2017 for Latin America and the Caribbean. Of the range of coded event types, including demonstrations, riot, strikes, and violence, I include cases of both organized and spontaneous anti-government demonstrations in Cuba for the purposes of the protest variables.

The Social, Political and Economic Event Database Project (SPEED) provides event data from 1946 onwards extracted from global sources including the Wall Street Journal, CIA and BBC. I include political expression events classified as verbal or written demonstrations, symbolic acts, and demonstrations/marches “rooted in anti-government sentiment” in the protest variable measure. I also cross-reference with the Armed Conflict Location and Event Dataset (ACLED), which includes data on anti-government demonstrations in Cuba for 2018 and 2019. Data drawn from household surveys or self-reported responses would provide another perspective; the Latin American Public Opinion Project (LAPOP) provides data on participation in protests and demonstrations drawn from survey responses for a variety of Latin American and Caribbean countries but does not have data available for Cuba.

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Remittances and Protest: A Reconceptualization of Exit and Voice for the Cuban Case


