

## Remittances and Social Spending

### Supplementary Materials File

**Table A:** Summary Statistics for Main Models

Variable	Obs.	Mean	Std. Dev.	Min	Max
Social Security (CEPAL)	303	4.4014	3.8741	0.03	15.38
Remittances	335	3.3205	4.3832	0.00003	21.684
Left Government	358	0.2291	0.4208	0	1
Inflation (ln)	327	0.9906	0.5968	-0.807	3.8739
Trade	360	64.965	34.093	13.753	198.76
Capital Openness	324	0.6746	1.4490	-1.811	2.5318
GDP per Capita (ln)	360	7.8536	0.7369	5.4970	9.3503
Polity 2	324	7.5030	2.0587	-3	10
Dependency Ratio	360	40.119	4.0869	31.59	49.069

**Table B:** The Relationship between Remittances and Belief in the Fairness of Income Distribution (Figure 3)

	(1)	(2)	(3)	(4)
Do you receive remittances (Y/N)?	0.444*** (0.135)	0.386*** (0.126)	0.397*** (0.126)	0.289** (0.118)
Risk of unemployment (Y/N)?			-0.156** (0.0609)	-0.207*** (0.0647)
Remittances*Risk				0.280*** (0.0963)
Rich		0.710*** (0.108)	0.693*** (0.113)	0.692*** (0.114)
Middle Income		0.449*** (0.0652)	0.438*** (0.0678)	0.436*** (0.0673)
Very Poor		-0.229* (0.129)	-0.203 (0.127)	-0.202 (0.127)
Self Employed		-0.103 (0.101)	-0.000224 (0.0913)	-0.00325 (0.0907)
State Employee		-0.0971 (0.161)	-0.00557 (0.173)	-0.00873 (0.174)
Private Employee		-0.101 (0.119)	-0.00391 (0.136)	-0.00813 (0.134)
Unemployed		-0.0936 (0.127)	-0.101 (0.127)	-0.0996 (0.127)
Retired		-0.181 (0.185)	-0.177 (0.186)	-0.183 (0.183)
Housewife		-0.0891 (0.0866)	-0.0939 (0.0861)	-0.0920 (0.0861)
Right		-0.524** (0.218)	-0.514** (0.216)	-0.513** (0.216)
Center		-0.318* (0.191)	-0.307 (0.187)	-0.307 (0.187)
Female		-0.0441 (0.0449)	-0.0471 (0.0448)	-0.0491 (0.0445)
Adult		-0.0882 (0.0580)	-0.0854 (0.0592)	-0.0874 (0.0594)
Middle Age		-0.0897 (0.0834)	-0.102 (0.0813)	-0.102 (0.0812)
Old		-0.0578 (0.0912)	-0.0666 (0.0876)	-0.0661 (0.0870)
University		-0.352*** (0.103)	-0.358*** (0.101)	-0.358*** (0.101)
High School		-0.0616 (0.0698)	-0.0630 (0.0691)	-0.0641 (0.0699)
Constant	-1.364*** (0.144)	-0.846*** (0.286)	-0.843*** (0.288)	-0.821*** (0.283)
Observations				

Note: Robust standard errors, clustered by country, in parenthesis. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table C: The Relationship between Remittances and Belief in the Fairness of Income Distribution (without Political Attitudes)**

	(1)	(2)	(3)
Do you receive remittances (Y/N)?	0.408*** (0.127)	0.420*** (0.126)	0.308*** (0.119)
Risk of unemployment (Y/N)?		-0.161** (0.0687)	-0.214*** (0.0720)
Remittances*Risk			0.289*** (0.0945)
Rich	0.723*** (0.110)	0.704*** (0.116)	0.704*** (0.116)
Middle Income	0.461*** (0.0690)	0.449*** (0.0713)	0.447*** (0.0708)
Very Poor	-0.230* (0.126)	-0.205* (0.124)	-0.203 (0.124)
Self Employed	-0.0835 (0.100)	0.0217 (0.0913)	0.0186 (0.0907)
State Employee	-0.0721 (0.175)	0.0230 (0.189)	0.0197 (0.190)
Private Employee	-0.0865 (0.121)	0.0144 (0.141)	0.0102 (0.139)
Unemployed	-0.0773 (0.129)	-0.0853 (0.129)	-0.0837 (0.129)
Retired	-0.174 (0.190)	-0.170 (0.191)	-0.175 (0.188)
Housewife	-0.0883 (0.0913)	-0.0936 (0.0907)	-0.0914 (0.0907)
Female	-0.0534 (0.0457)	-0.0563 (0.0456)	-0.0583 (0.0453)
Adult	-0.0844 (0.0596)	-0.0820 (0.0607)	-0.0842 (0.0609)
Middle Age	-0.0926 (0.0843)	-0.105 (0.0822)	-0.105 (0.0822)
Old	-0.0742 (0.0863)	-0.0851 (0.0817)	-0.0845 (0.0811)
University	-0.328*** (0.105)	-0.335*** (0.103)	-0.336*** (0.103)
High School	-0.0513 (0.0710)	-0.0532 (0.0701)	-0.0544 (0.0709)
Constant	-1.232*** (0.176)	-1.219*** (0.178)	-1.195*** (0.173)
Observations			

Note: Robust standard errors, clustered by country, in parenthesis. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table D:** The Relationship between Remittances and Attitudes Towards Taxation (Figure 5)

	(1)	(2)	(3)
Do you receive remittances (Y/N)?	0.548*** (0.122)	0.558*** (0.121)	0.511*** (0.117)
Risk of unemployment (Y/N)?		0.0461 (0.0612)	0.0257 (0.0652)
Remittances*Risk			0.122* (0.0721)
Rich	-0.0446 (0.116)	-0.0345 (0.113)	-0.0348 (0.113)
Middle Income	-0.0508 (0.0635)	-0.0514 (0.0641)	-0.0522 (0.0642)
Very Poor	0.211*** (0.0410)	0.207*** (0.0406)	0.207*** (0.0407)
Self Employed	0.0200 (0.0730)	-0.0134 (0.0793)	-0.0146 (0.0790)
State Employee	-0.130* (0.0753)	-0.149* (0.0904)	-0.151* (0.0896)
Private Employee	-0.0186 (0.0821)	-0.0444 (0.0922)	-0.0459 (0.0917)
Unemployed	0.143 (0.103)	0.146 (0.103)	0.146 (0.103)
Retired	-0.193 (0.128)	-0.195 (0.128)	-0.197 (0.128)
Housewife	0.169** (0.0690)	0.174** (0.0688)	0.175** (0.0686)
Right	0.389*** (0.0940)	0.378*** (0.0950)	0.379*** (0.0948)
Center	0.504*** (0.132)	0.499*** (0.132)	0.500*** (0.132)
Female	-0.112*** (0.0314)	-0.115*** (0.0323)	-0.116*** (0.0325)
Adult	-0.124** (0.0487)	-0.124** (0.0495)	-0.124** (0.0495)
Middle Age	-0.262*** (0.0501)	-0.268*** (0.0516)	-0.268*** (0.0516)
Old	-0.294*** (0.0923)	-0.280*** (0.0953)	-0.280*** (0.0952)
University	-0.304*** (0.0619)	-0.303*** (0.0634)	-0.304*** (0.0635)
High School	-0.0954** (0.0477)	-0.102** (0.0473)	-0.102** (0.0470)
Constant	-0.880*** (0.154)	-0.873*** (0.155)	-0.864*** (0.154)
Observations	19,100	18,888	18,888

Note: All models are logit models, with robust standard errors, clustered by country, in parenthesis. Omitted categories: young (17-34 years old), poor, left, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

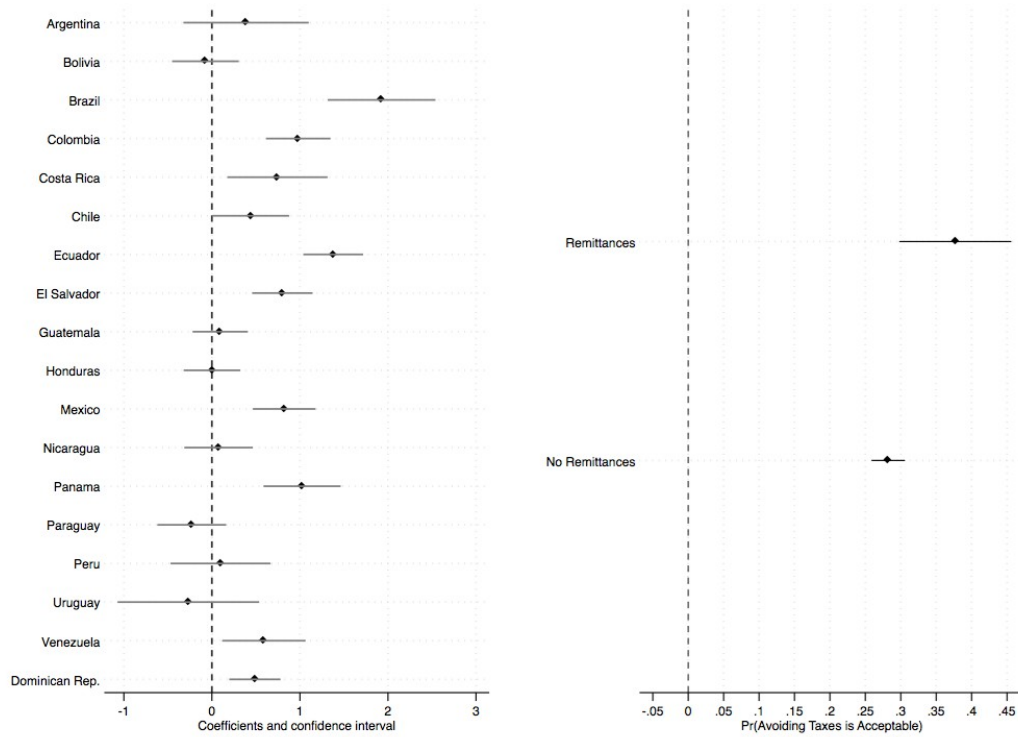
**Table E: The Relationship between Remittances and Attitudes Towards Taxation (without Political Attitudes)**

	(1)	(2)	(3)
Do you receive remittances (Y/N)?	0.554*** (0.129)	0.565*** (0.128)	0.520*** (0.125)
Risk of unemployment (Y/N)?		0.0546 (0.0611)	0.0351 (0.0653)
Remittances*Risk			0.116 (0.0724)
Rich	-0.0427 (0.121)	-0.0313 (0.119)	-0.0316 (0.119)
Middle Income	-0.0522 (0.0658)	-0.0518 (0.0661)	-0.0526 (0.0662)
Very Poor	0.197*** (0.0420)	0.193*** (0.0419)	0.193*** (0.0419)
Self Employed	0.00677 (0.0689)	-0.0307 (0.0769)	-0.0319 (0.0765)
State Employee	-0.146* (0.0750)	-0.170* (0.0908)	-0.171* (0.0899)
Private Employee	-0.0289 (0.0810)	-0.0600 (0.0917)	-0.0616 (0.0912)
Unemployed	0.124 (0.103)	0.127 (0.104)	0.127 (0.103)
Retired	-0.196 (0.130)	-0.199 (0.131)	-0.201 (0.130)
Housewife	0.158** (0.0662)	0.163** (0.0663)	0.163** (0.0661)
Female	-0.111*** (0.0308)	-0.114*** (0.0316)	-0.114*** (0.0318)
Adult	-0.122** (0.0494)	-0.122** (0.0504)	-0.123** (0.0504)
Middle Age	-0.259*** (0.0503)	-0.264*** (0.0519)	-0.264*** (0.0519)
Old	-0.289*** (0.0910)	-0.273*** (0.0945)	-0.273*** (0.0944)
University	-0.293*** (0.0625)	-0.291*** (0.0640)	-0.291*** (0.0641)
High School	-0.0942* (0.0499)	-0.100** (0.0494)	-0.101** (0.0491)
Constant	-0.471*** (0.113)	-0.473*** (0.114)	-0.464*** (0.113)

Observations	19,100	18,888	18,888
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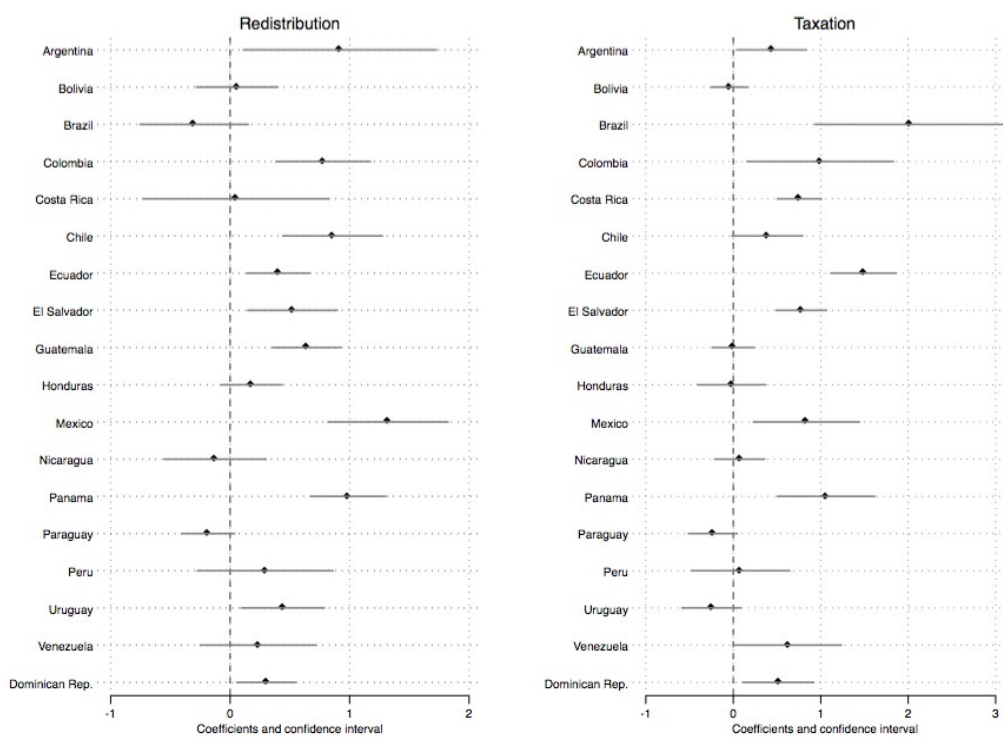
Note: All models are logit models, with robust standard errors, clustered by country, in parenthesis. Omitted categories: young (17-34 years old), poor, left, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Figure A: Remittances and Preferences for Taxation by Country**



Note: Both graphs are based on logit models, where the dependent variable is the belief that it is justifiable to avoid paying taxes. Remittances are represented by a dichotomous variable. Each point represents the coefficient from the logit model. The black lines represent 95 per cent confidence intervals.

**Figure B: Remittances and Preferences for Redistribution and Taxation (without Political Attitudes) and 90 per cent Confidence Intervals**



Note: Both graphs are based on logit models, where the dependent variable is the belief in the fairness in the income distribution (left-hand pane) and the belief that it is justifiable to avoid paying taxes (right-hand pane). Remittances are represented by a dichotomous variable. Each point represents the coefficient from the logit model. The black lines represent 90 per cent confidence intervals.

**Table F: Multi-Level Models –Remittances and the Income Distribution**

	(1)	(2)	(3)
Do you receive remittances (Y/N)?	0.0738*** (0.0118)	0.0697*** (0.00878)	0.0742*** (0.0118)
Rich	0.0960*** (0.0144)	0.117*** (0.0123)	0.0957*** (0.0144)
Middle Income	0.0654*** (0.00808)	0.0746*** (0.00700)	0.0657*** (0.00808)
Very Poor	-0.0260** (0.0118)	-0.0337*** (0.00940)	-0.0268** (0.0118)
Self Employed	-0.0322* (0.0168)	-0.00667 (0.0149)	-0.0314* (0.0168)
State Employee	-0.0257 (0.0196)	-0.0174 (0.0175)	-0.0256 (0.0196)
Private Employee	-0.0208 (0.0173)	-0.00901 (0.0153)	-0.0205 (0.0173)
Unemployed	-0.0300 (0.0210)	-0.0137 (0.0180)	-0.0308 (0.0210)
Retired	-0.0409* (0.0218)	-0.0138 (0.0196)	-0.0409* (0.0218)
Housewife	-0.0231 (0.0175)	-0.00808 (0.0154)	-0.0232 (0.0175)
Right	-0.0861*** (0.0124)	-0.0686*** (0.0103)	-0.0869*** (0.0124)
Center	-0.0791*** (0.0120)	-0.0401*** (0.0100)	-0.0792*** (0.0120)
Female	-0.0176** (0.00802)	-0.0109 (0.00688)	-0.0175** (0.00802)
Adult	-0.00557 (0.00882)	-0.0101 (0.00745)	-0.00583 (0.00882)
Middle Age	-0.00975 (0.0107)	-0.0160* (0.00919)	-0.0100 (0.0107)
Old	-0.00205 (0.0154)	-0.0126 (0.0133)	-0.00237 (0.0154)
University	-0.0595*** (0.00992)	-0.0539*** (0.00809)	-0.0595*** (0.00992)
High School	-0.0249*** (0.00941)	-0.0175** (0.00755)	-0.0242** (0.00941)
Years of left government (since 1870)	0.000381 (0.00112)		0.00189 (0.00134)
Years of democracy		0.00282 (0.00258)	0.00268 (0.00208)
lns1_1_1	-5.715***	-5.882***	-6.336***



	(0.232)	(0.172)	(0.211)
lnsig_e	-0.928***	-0.920***	-0.928***
	(0.00632)	(0.00534)	(0.00632)
Constant	0.302***	0.194***	0.187***
	(0.0239)	(0.0696)	(0.0662)
Observations	12,529	17,523	12,529
Number of groups	12	18	12

Note: All models are multi-level logit models. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Years of left government:** Count of the number of years since 1870 of left government in country *i*. Based on data from Brambor, Lindvall and Stjernquist (2013).

**Years of democracy:** Count of number of years under democracy since most recent wave of democratization.

### Survey Questions for Individual-Level Models – Latinobarómetro 2009

**P35ST.** If elections were held this Sunday, which party would you vote for? All those who stated they would spoil their vote (95); would not vote (96); not registered (97); DK (98); or NA (00) were not considered.

**P14ST.** How fair you think that income distribution is in (country)? (1) Very fair (2) Fair (3) Unfair (4) Very Unfair

**Q61ST.** On a scale of 1 to 10, where “1” means "not at all justifiable" and “10” means "totally justifiable", how justifiable do you believe it is to evade paying taxes?

**P86N.** How often do you receive remittances from relatives or friends from abroad, or you do not receive remittances? (1) Once a month (2) At least every three months (3) At least every six months (4) At least once a year (5) No, I do not receive any remittances

**S1.** How concerned would you say you are that you will be left without work or unemployed during the next twelve months or you don't have a job? (1) very concerned; (2) concerned; (3) a little concerned; (4) not at all concerned; (5) don't have a job; DK (0) not considered

**S2.** Does the salary you receive and your total family income allow you to cover your needs in a satisfactory manner? Which of the following statements describes your situation? (1) it is sufficient and we can save (2) It is just sufficient and we do not

have major problems (3) It is not sufficient and we have problems (4) It is not sufficient and we have major problems

**S14A.** What is your current employment situation? (1) Self-employed (2) Salaried employee in a state company (3) Salaried employee in a private company (4) Temporarily out of work (5) Retired/pensioner (6) Housework (7) Student

**P69ST.** In politics, people normally speak of "left" and "right". On a scale where 0 is left and 10 is right, where would you place yourself?

**S6.** What is your age?

**S5.** Sex of interviewee (1) Male (2) Female

**S12.** What level of education do you have? What was the last year you completed? What sort of technical school, what sort of institute, etc.?

**Table G:** Preference by Remittance Recipients and Non-Recipients in Guatemala, El Salvador, Honduras and Nicaragua

Country	Income Quintiles <sup>a</sup>	Receive Remittances			No Remittances			Ins. <sup>b</sup>	Pen.	Cont.
		2008	2010	2012	2008	2010	2012			
Guatemala	< \$50	32.8	48.6	41.5	35.6	39.9	24.9	1.8	3.8	2.6
Guatemala	>\$50 & < \$150	23.7	32.8	68.0	36.8	36.8	30.5	4.9	10	7.8
Guatemala	> \$150 & < \$300	35.3	35.5	27.6	49.1	37.7	33.8	13.2	12.3	21.1
Guatemala	> \$300 & < \$500	100.0	42.9	23.1	41.4	28.9	31.3	24.4	26.6	33.2
Guatemala	> \$500	50.0	60.0	15.4	52.9	46.2	34.7	43.7	32.3	46.4
El Salvador	< \$50	46.2	30.5	45.5	47.5	26.7	42.8	6.8	2.6	9
El Salvador	>\$50 & < \$150	49.0	29.9	57.9	46.2	28.2	40.7	13.8	2.6	16.2
El Salvador	> \$150 & < \$300	50.4	25.5	46.8	46.3	32.4	49.6	22.6	10.4	25.2
El Salvador	> \$300 & < \$500	54.5	43.6	59.1	55.8	35.1	44.5	32.4	18	31
El Salvador	> \$500	42.9	38.9	36.2	50.0	38.6	46.8	48.4	32.3	45.3
Honduras	< \$50	0.0	50.0		40.0	33.4	33.4		0.9	0.6
Honduras	>\$50 & < \$150	33.3	39.1	58.3	39.9	30.9	30.9		2.4	6.4
Honduras	> \$150 & < \$300	35.2	33.3	64.3	28.7	20.1	20.1		3.3	16.4
Honduras	> \$300 & < \$500	20.9	23.8	47.5	18.1	30.9	30.9		7.2	24.2
Honduras	> \$500	36.4	25.0	51.3	23.1	36.7	36.7		13.7	25.2
Nicaragua	< \$50	64.6	52.0	28.6	65.9	58.8	60.6	3.5	9.2	4.4
Nicaragua	>\$50 & < \$150	45.9	56.3	54.2	56.4	56.2	55.2	9.2	16.4	12.8
Nicaragua	> \$150 & < \$300	58.1	51.9	60.9	59.6	55.9	61.6	15.9	18.6	19.9
Nicaragua	> \$300 & < \$500	75.0	50.0	48.6	69.2	45.2	69.6	24	29.2	29.8
Nicaragua	> \$500	100.0	75.0	54.5	66.7	53.3	65.8	29.9	27.3	36.1

<sup>a</sup> Data for income quintiles is taken from the LAPOP survey waves.

<sup>b</sup> Date on the coverage of social security is taken from Martínez Franzoni's (2013) reports on 'Social Protection Systems' for Guatemala, El Salvador, Honduras and Nicaragua.

**Table H:** The Relationship between Remittance and Support for Individual (as opposed to state) Responsibility for Welfare (LAPOP 2008, 2010 and 2012)

	2008 (Base)	2008	2010 (Base)	2010	2012 (Base)	2012
Do you receive remittances (Y/N)?	0.297***	0.240***	0.399***	0.325***	0.074	0.0632
	(0.068)	(0.0761)	(0.083)	(0.0940)	(0.085)	(0.0938)
Rich		0.000414		0.0941		0.0909
		(0.110)		(0.137)		(0.127)
Middle Income		-0.142*		-0.0416		-0.178*
		(0.0839)		(0.103)		(0.103)
Poor		-0.126		-0.0307		-0.0681
		(0.0835)		(0.103)		(0.103)
Right		0.203**		-0.133		-0.201**
		(0.0952)		(0.111)		(0.0914)
Center		0.277***		0.163		-0.0899
		(0.0874)		(0.103)		(0.0847)
University		-0.127		0.191*		-0.0175
		(0.0832)		(0.0979)		(0.0975)
High School		-0.120*		0.0572		-0.0124
		(0.0655)		(0.0788)		(0.0761)
Female				-0.0874		-0.206***
				(0.0652)		(0.0638)
State Employee		-0.188**		-0.294***		-0.00631
		(0.0910)		(0.109)		(0.103)
Self Employed		0.184		-0.112		0.265
		(0.133)		(0.183)		(0.168)
Private Employee		0.0194		-0.148**		0.0152
		(0.0618)		(0.0736)		(0.0723)
Constant	-1.999***	-2.021***	-2.202***	-2.154***	-2.124***	-1.801***

	(0.027)	(0.107)	(0.083)	(0.135)	(0.031)	(0.122)
Observations	14,795	12,385	12,096	10,242	12,288	10,549

Note: Logit models with standard errors in parenthesis. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table I:** The Relationship between Remittance and Support for Individual (as opposed to state) Responsibility for Welfare (LAPOP 2008, 2010 and 2012) Without Political Attitudes

	2008	2010	2012
Do you receive remittances (Y/N)?	0.308*** (0.0685)	0.370*** (0.0840)	0.0540 (0.0862)
Rich	-0.0424 (0.102)	0.0151 (0.127)	0.112 (0.118)
Middle Income	-0.140* (0.0770)	-0.0671 (0.0950)	-0.187* (0.0967)
Poor	-0.0753 (0.0763)	-0.0498 (0.0945)	-0.0736 (0.0963)
University	-0.119 (0.0755)	0.220** (0.0907)	-0.0180 (0.0904)
High School	-0.138** (0.0597)	0.125* (0.0727)	-0.0355 (0.0707)
Female		-0.0786 (0.0599)	-0.214*** (0.0591)
State Employee	-0.253*** (0.0832)	-0.285*** (0.101)	0.00522 (0.0947)
Self Employed	0.179 (0.120)	0.00727 (0.162)	0.301** (0.150)
Private Employee	-0.0276 (0.0566)	-0.101 (0.0675)	-0.0107 (0.0677)
Constant	-1.786*** (0.0718)	-2.156*** (0.0947)	-1.897*** (0.0968)

Observations	14,795	12,096	12,288
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Note: Logit models with standard errors in parenthesis. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

### **Survey Questions used Above (LAPOP 2008, 2010, and 2012)**

**ROS2:** The State, more than individuals, should be primarily responsible for the welfare of the people. Dependent variable above is all those who strongly disagreed with this statement (LAPOP 2008, 2010, 2012).

**Q10A:** Do you, or anyone else in your family, receive remittances from abroad?

**OCUPIA:** Your principal occupation is?

**Q10D:** Does the salary you receive and your total family income allow you to cover your needs in a satisfactory manner? Which of the following statements describes your situation? (1) it is sufficient and we can save (2) It is just sufficient and we do not have major problems (3) It is not sufficient and we have problems (4) It is not sufficient and we have major problems

**ED:** What is the last year of schooling that you received?

**L1:** On this sheet is a scale from 1 to 10, where 1 means left and 10 means right. Today when we speak of political leanings, we talk about people who sympathize more with the left and people who sympathize more with the right. According to the sense that you have of the terms ‘left’ and ‘right’, where would you place yourself on this scale?

**Table J:** Preferences for Government Welfare by Income Quintile between 2008 and 2012

Country	Income Quintiles	Receive Remittances			No Remittances		
		2008	2010	2012	2008	2010	2012
Brazil	< \$50		42.9		41.3	41.3	38.5
Brazil	>\$50 & < \$150	50.0	66.7		39.1	39.1	36.4
Brazil	> \$150 & < \$300	33.3	100.0		31.8	31.8	47.9
Brazil	> \$300 & < \$500				43.3	43.3	39.9
Brazil	> \$500				33.3	33.3	30.4
Brazil	DK/DR		100.0		36.9	36.9	28.2
Colombia	< \$50	50.0	50.0		41.8	37.8	35.6
Colombia	>\$50 & < \$150	39.3	26.3		40.6	44.9	40.6
Colombia	> \$150 & < \$300	40.9	40.0	42.9	44.1	41.8	41.4
Colombia	> \$300 & < \$500	70.0	33.3	37.5	40.8	48.1	47.2
Colombia	> \$500			40.0	33.3	39.1	39.1
Colombia	DK/DR	70.0	25.0		45.9	40.6	43.8
Costa Rica	< \$50	72.2	31.6		50.6	70.7	
Costa Rica	>\$50 & < \$150	63.3	38.5		51.6	69.8	
Costa Rica	> \$150 & < \$300	76.9	72.7		43.7	63.3	
Costa Rica	> \$300 & < \$500		42.9		57.3	56.7	
Costa Rica	> \$500				65.0	64.3	

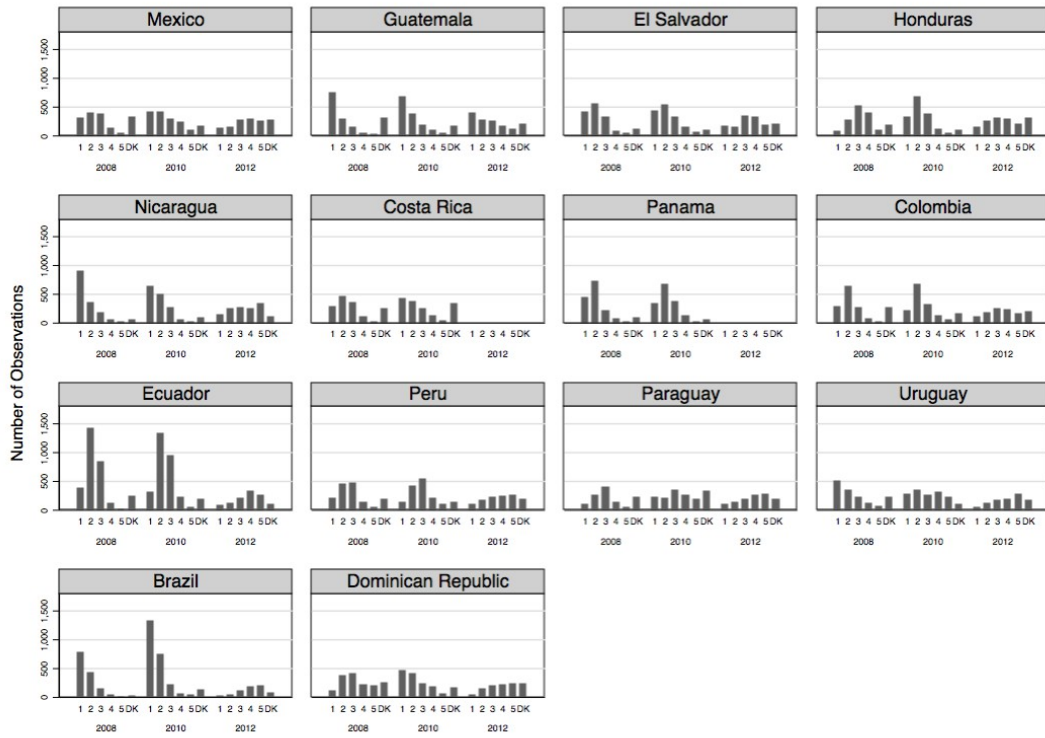
Costa Rica	DK/DR	33.3	50.0		51.8	55.6	
Dominican Republic	< \$50	80.0	45.2	85.7	60.0	51.1	62.8
Dominican Republic	>\$50 & < \$150	55.1	34.8	61.5	52.1	45.3	49.5
Dominican Republic	> \$150 & < \$300	69.6	42.6	68.5	53.8	49.1	55.0
Dominican Republic	> \$300 & < \$500	49.1	53.1	54.0	62.6	42.2	53.8
Dominican Republic	> \$500	61.7	60.0	55	64.2	58.5	58.2
Dominican Republic	DK/DR	48.6	41.4	61.8	59.6	39.8	47.9
Ecuador	< \$50	31.8	38.1		30.5	41.5	48.5
Ecuador	>\$50 & < \$150	30.8	44.3	33.3	31.7	42.5	41.2
Ecuador	> \$150 & < \$300	34.8	44.0	57.9	32.0	45.5	44.0
Ecuador	> \$300 & < \$500	38.5	47.1	33.3	26.7	44.5	36.0
Ecuador	> \$500	20.8	57.1	46.4	66.7	51.5	38.7
Ecuador	DK/DR	5.0	42.9	84.6	27.5	49.7	33.8
El Salvador	< \$50	46.2	30.5	45.5	47.5	26.7	42.8
El Salvador	>\$50 & < \$150	49.0	29.9	57.9	46.2	28.2	40.7
El Salvador	> \$150 & < \$300	50.4	25.5	46.8	46.3	32.4	49.6
El Salvador	> \$300 & < \$500	54.5	43.6	59.1	55.8	35.1	44.5
El Salvador	> \$500	42.9	38.9	36.2	50.0	38.6	46.8
El Salvador	DK/DR	46.2	33.3	54.3	52.3	40.3	53.2
Guatemala	< \$50	32.8	48.6	41.5	35.6	39.9	24.9
Guatemala	>\$50 & < \$150	23.7	32.8	68.0	36.8	36.8	30.5
Guatemala	> \$150 & < \$300	35.3	35.5	27.6	49.1	37.7	33.8
Guatemala	> \$300 & < \$500	100.0	42.9	23.1	41.4	28.9	31.3
Guatemala	> \$500	50.0	60.0	15.4	52.9	46.2	34.7
Guatemala	DK/DR	32.1	72.7	25.0	50.7	48.7	32.1
Honduras	< \$50	0.0	50.0		40.0	33.4	33.4
Honduras	>\$50 & < \$150	33.3	39.1	58.3	39.9	30.9	30.9
Honduras	> \$150 & < \$300	35.2	33.3	64.3	28.7	20.1	20.1
Honduras	> \$300 & < \$500	20.9	23.8	47.5	18.1	30.9	30.9
Honduras	> \$500	36.4	25.0	51.3	23.1	36.7	36.7
Honduras	DK/DR	28.6	87.5	60.0	25.5	24.4	24.4
Mexico	< \$50	41.7	60.0	58.3	41.1	37.3	36.9
Mexico	>\$50 & < \$150	34.5	38.1	28.6	32.7	34.0	29.2
Mexico	> \$150 & < \$300	30.6	40.0	53.8	40.5	32.9	36.2
Mexico	> \$300 & < \$500	12.5	40.0	38.5	32.4	29.0	36.9
Mexico	> \$500	75.0	37.5	37.5	56.3	41.3	30.8
Mexico	DK/DR	48.5	20.0	58.3	53.2		35.9
Nicaragua	< \$50	64.6	52.0	28.6	65.9	58.8	60.6
Nicaragua	>\$50 & < \$150	45.9	56.3	54.2	56.4	56.2	55.2
Nicaragua	> \$150 & < \$300	58.1	51.9	60.9	59.6	55.9	61.6
Nicaragua	> \$300 & < \$500	75.0	50.0	48.6	69.2	45.2	69.6
Nicaragua	> \$500	100.0	75.0	54.5	66.7	53.3	65.8
Nicaragua	DK/DR	53.8	63.6	63.6	50.0	66.2	64.3
Panama	< \$50	71.4	50.0		35.0	52.3	
Panama	>\$50 & < \$150	33.3	37.5		37.6	42.3	
Panama	> \$150 & < \$300	37.5	38.7		35.9	42.1	



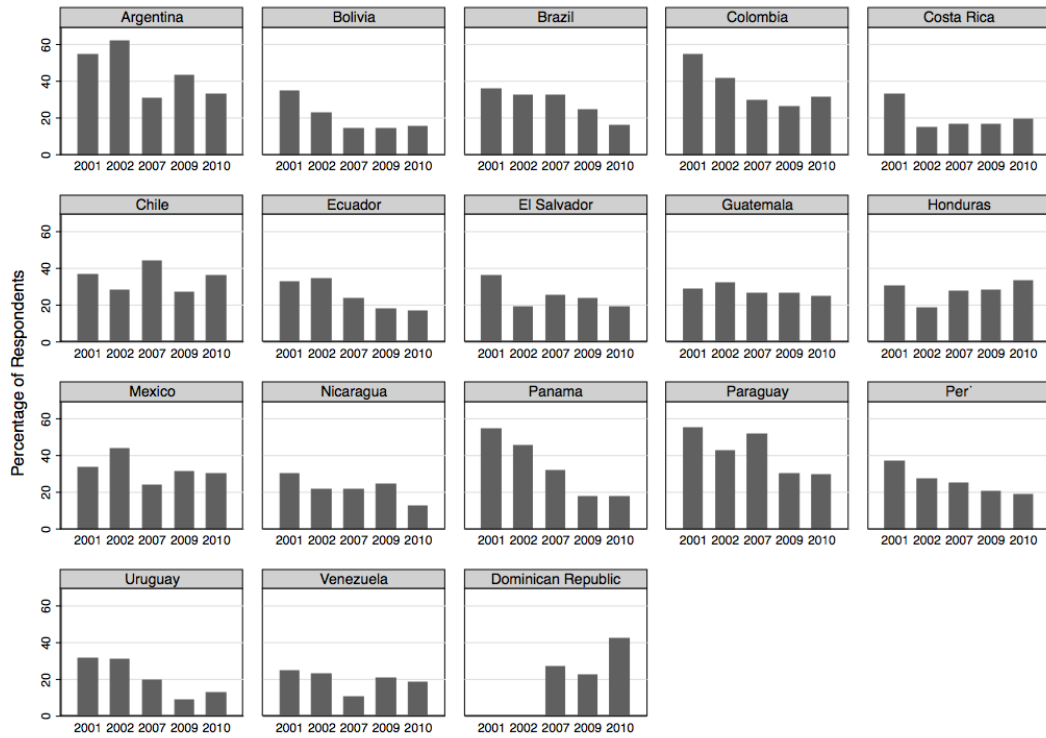
Panama	> \$300 & < \$500	60.0	58.3		47.5	46.5	
Panama	> \$500				55.6	55.6	
Panama	DK/DR		50.0		40.5	45.5	
Paraguay	< \$50	75.0	50.0	63.6	63.6	53.9	61.0
Paraguay	>\$50 & < \$150	48.6	46.4	58.8	66.7	58.0	67.9
Paraguay	> \$150 & < \$300	67.3	59.0	76.2	67.4	55.4	65.5
Paraguay	> \$300 & < \$500	84.6	67.9	61.8	63.6	63.4	61.7
Paraguay	> \$500	75.0	65.4	56.5	66.7	70.1	53.0
Paraguay	DK/DR	66.7	60.0	63.6	57.8	59.9	67.9
Peru	< \$50				27.4	25.0	26.8
Peru	>\$50 & < \$150	13.3	33.3		35.9	27.2	23.6
Peru	> \$150 & < \$300	34.0	36.4		31.9	30.1	21.9
Peru	> \$300 & < \$500	22.2	24.0	11.1	31.6	30.2	24.8
Peru	> \$500	20.0	31.3	33.3	9.7	20.9	29.3
Peru	DK/DR	50.0	14.3	33.3	37.9	28.9	26.3
Uruguay	< \$50	50.0	66.7		54.9	63.5	51.4
Uruguay	>\$50 & < \$150	71.4	66.7		58.4	59.6	61.7
Uruguay	> \$150 & < \$300	80.0	66.7	66.7	55.1	61.7	59.5
Uruguay	> \$300 & < \$500	70.0	69.2	75.0	55.3	58.2	70.1
Uruguay	> \$500	80.0	50.0	40.0	40.0	45.4	65.2
Uruguay	DK/DR	50.0	50.0		49.0	64.1	76.2

Table J above, must be interpreted with caution, not only because this data is not panel data, but also because for some income quintiles, we only have a very small number of observations. The number of observations also changes by income quintile and by year for some countries. To provide a sense of this distribution, Figure B below graphs the number of observations by income quintile and by year for each country.

**Figure C:** The Number of Observations by Income Quintile and by Year



**Figure D:** The Evolution of Attitudes Towards the Unfairness of the Income Distribution (Latinobarómetro 2001-2009).



Note: Each bar represents the percentage of respondents who believe that the income distribution in their country is unfair. This question was not asked between 2003 and 2006. The remittance question was first asked only in 2009, so this represents attitudes towards income by all respondents.

**Table K:** Electoral Support of Remittance Recipients for Left-Leaning Parties, Latinobarómetro 2009 (Individual-Level) Controlling for Left and Right Self-

Identification

	(Left)	(Center)	(Right)	(Left)
Remittances Once a Month	-0.628*** (0.134)	0.203 (0.156)	0.332*** (0.126)	
No Remittances				0.451*** (0.0815)
Right	-0.551*** (0.101)	-0.0340 (0.0819)	0.467*** (0.0754)	-0.566*** (0.101)
Left	1.351*** (0.102)	-0.822*** (0.107)	-1.034*** (0.129)	1.355*** (0.103)
Rich	-0.130 (0.103)	0.0738 (0.106)	-0.0333 (0.101)	-0.136 (0.103)
Middle Income	-0.0612 (0.0615)	0.0687 (0.0644)	-0.0355 (0.0651)	-0.0590 (0.0620)
Very Poor	-0.301*** (0.0902)	0.0385 (0.0848)	0.206** (0.0875)	-0.295*** (0.0902)
High School	-0.0515 (0.0840)	0.00245 (0.0749)	-0.0206 (0.0718)	-0.0492 (0.0840)
University	0.0204 (0.0920)	-0.0702 (0.101)	-0.0241 (0.0824)	0.00922 (0.0919)
Middle Age	0.0200 (0.0623)	-0.000322 (0.0680)	-0.0509 (0.0645)	0.0202 (0.0627)
Old	-0.0466 (0.0903)	-0.0336 (0.122)	0.0603 (0.106)	-0.0569 (0.0895)
State Employee	0.186** (0.0945)	0.148 (0.0993)	-0.315*** (0.0962)	0.185* (0.0952)
Constant	-0.431*** (0.119)	-0.780*** (0.105)	-0.620*** (0.120)	-0.817*** (0.135)
Observations	9,057	9,057	9,057	9,057

Note: Logit regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor, and lowest education; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table L:** Electoral Support of Remittance Recipients for Left-Leaning Parties,

Latinobarómetro 2009 (Individual-Level) Wieshomeier and Benoit (2009) Coding

	(1)	(2)	(3)	(3)
Receive Remittances Once a Month	-0.946*** (0.304)	-0.947*** (0.306)	-0.917*** (0.304)	
Receive no Remittances at all		-0.132 (0.249)		0.459** (0.197)
Rich		0.0677 (0.166)	-0.241 (0.245)	-0.255 (0.245)
Middle Income		-0.448** (0.225)	0.00384 (0.159)	0.00386 (0.160)
Very Poor			-0.389* (0.222)	-0.383* (0.222)
High School			0.114 (0.202)	0.119 (0.202)
University			0.383 (0.237)	0.377 (0.236)
Middle Age			0.185 (0.158)	0.188 (0.158)
Old			-0.0630 (0.224)	-0.0733 (0.222)
State Employee			0.612*** (0.221)	0.616*** (0.221)
Constant	10.46*** (0.247)	10.51*** (0.257)	10.23*** (0.299)	9.821*** (0.343)
Observations	9,057	9,057	9,057	9,057
R-squared	0.002	0.003	0.005	0.005

Note: OLS regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor and lowest education; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table M:** Electoral Support of Remittance Recipients for Left-Leaning Parties, Latinobarómetro 2009 (Individual-Level) Wieshomeier and Benoit (2009) Coding and Controlling for Left and Right Self-Identification

	(1)	(2)	(3)	(3)
Receive Remittances Once a Month	-1.035*** (0.269)	-1.029*** (0.270)	-1.005*** (0.269)	
Receive no Remittances at all				0.586*** (0.178)
Right	-1.442*** (0.224)	-1.423*** (0.221)	-1.407*** (0.222)	-1.424*** (0.222)
Left	3.292*** (0.225)	3.312*** (0.223)	3.313*** (0.223)	3.310*** (0.224)
Rich		-0.215 (0.238)	-0.275 (0.236)	-0.289 (0.236)
Middle Income		-0.0587 (0.154)	-0.0951 (0.148)	-0.0940 (0.149)
Very Poor		-0.489** (0.211)	-0.460** (0.212)	-0.452** (0.211)
High School			0.0454 (0.185)	0.0511 (0.185)
University			0.196 (0.214)	0.185 (0.214)
Middle Age			0.194 (0.147)	0.196 (0.147)
Old			0.158 (0.210)	0.146 (0.208)
State Employee			0.550** (0.215)	0.553** (0.216)
Constant	10.49*** (0.268)	10.59*** (0.277)	10.40*** (0.316)	9.890*** (0.346)
Observations	9,057	9,057	9,057	9,057
R-squared	0.091	0.092	0.093	0.093

Note: OLS regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor, lowest education and center; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table N:** Electoral Support of Remittance Recipients for Parties on the Taxes vs. Spending Dimension (from Wieshomeier and Benoit 2009)

	(1)	(2)
Receive Remittances Once a Month	-0.244* (0.154)	
Receive no Remittances at all		0.212** (0.100)
Rich	0.114 (0.174)	0.112 (0.174)
Middle Income	0.129 (0.0829)	0.131 (0.0828)
Very Poor	-0.233** (0.118)	-0.230* (0.118)
High School	-0.166** (0.0826)	-0.164** (0.0826)
University	-0.294*** (0.108)	-0.298*** (0.108)
Middle Age	-0.173* (0.0945)	-0.173* (0.0947)
Old	-0.581*** (0.159)	-0.587*** (0.160)
State Employee	0.358*** (0.125)	0.358*** (0.125)
Constant	12.80*** (0.148)	12.62*** (0.168)
Observations	9,057	9,057
R-squared	(0.148)	0.007

Note: OLS regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor, lowest education and center; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Taxes vs. Spending Dimension:** Promotes raising taxes to increase public services. (20) - Promotes cutting public services to cut taxes. (1)<sup>1</sup>

<sup>1</sup> Original scale ran in opposite direction, but I flipped it for ease of interpretation.

**Table O:** Electoral Support of Remittance Recipients for Parties on the Taxes vs. Spending Dimension (from Wieshomeier and Benoit 2009) Controlling for Left-Right Self-Identification

	(1)	(2)
Receive Remittances Once a Month	-0.280* (0.148)	
Receive no Remittances at all		0.263*** (0.0971)
Right	-0.576*** (0.103)	-0.584*** (0.103)
Left	1.302*** (0.113)	1.302*** (0.113)
Rich	0.0994 (0.174)	0.0982 (0.174)
Middle Income	0.0897 (0.0815)	0.0919 (0.0814)
Very Poor	-0.260** (0.116)	-0.256** (0.115)
High School	-0.193** (0.0792)	-0.192** (0.0792)
University	-0.370*** (0.110)	-0.376*** (0.111)
Middle Age	-0.169* (0.0930)	-0.170* (0.0932)
Old	-0.493*** (0.155)	-0.499*** (0.156)
State Employee	0.334*** (0.125)	0.333*** (0.125)
Constant	12.88*** (0.157)	12.66*** (0.177)
Observations	9,057	9,057
R-squared	0.050	0.051

Note: OLS regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor, lowest education and center; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1



**Table P:** The Relationship between Remittance Flows and Electoral Support for the Right and Center in Presidential and Legislative Elections Across Latin America (Macro-Level)

	Presidential Elections		Legislative Elections	
	Right Vote	Center Vote	Right Vote	Center Vote
Remittances	0.0259 (0.0190)	0.00110 (0.0229)	0.00289 (0.0129)	0.0216 (0.0134)
Age of Democracy	0.157 (0.271)	0.0433 (0.326)	-0.0761 (0.168)	0.243 (0.174)
GDP Growth	0.00517 (0.00945)	0.00927 (0.0114)	0.00606 (0.00726)	0.00190 (0.00754)
Inflation (ln)	0.0213 (0.0303)	-0.0355 (0.0364)	0.00656 (0.0193)	-0.0297 (0.0200)
GINI Coefficient	0.0215 (0.0150)	-0.00759 (0.0181)	0.0225** (0.00889)	-0.00164 (0.00923)
Urban Population	-0.00265 (0.0369)	0.0110 (0.0445)	-0.0546** (0.0201)	0.0252 (0.0209)
Left Incumbent	0.0140 (0.0858)	-0.00980 (0.103)	0.0864 (0.0561)	-0.0684 (0.0582)
Constant	-1.582 (3.769)	-0.425 (4.537)	5.898 (4.308)	-7.386 (4.472)
Observations	62	62	59	59
R-squared	0.857	0.799	0.930	0.917

Note: OLS regression with robust standard errors in parentheses. Estimated with country and year fixed-effects, which are not reported for the sake of presentation; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table Q: First-Stage Results from the 2SLS Regression**

	Social Security DV: Remittances
Inflation (ln) <sub>t-1</sub>	-0.130 (0.397)
Trade <sub>t-1</sub>	-0.002 (0.006)
Capital Openness <sub>t-1</sub>	0.137 (0.171)
GDP per capita (ln) <sub>t-1</sub>	0.299 (0.490)
Democracy <sub>t-1</sub>	-0.020 (0.093)
Left Government <sub>t-1</sub>	-0.952 (0.548)
Dependency <sub>t-1</sub>	0.397*** (0.078)
Receiver Growth	-0.064 (2.75)
Instrumental Variable	34.52*** (4.49)
Constant	-3.844 (6.785)
Observations	254
R-squared	0.35

Note: Instrumental variable regression; robust standard errors, clustered by country, in parentheses; first-stage results only shown; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table R:** All IV Models without Control for Growth of Host Countries

	Main IV Model	Global Sample	Global Sample (Without LA)
Remittances <sub>t-1</sub>	-0.980*** (0.150)	-2.049*** (0.542)	-1.479*** (0.294)
Inflation (ln) <sub>t-1</sub>	-0.443 (0.458)		
Trade <sub>t-1</sub>	-0.0328*** (0.00684)		
Capital Openness <sub>t-1</sub>	0.309 (0.200)		
GDP per capita (ln) <sub>t-1</sub>	0.564 (0.563)		
Democracy <sub>t-1</sub>	0.424*** (0.108)		
Left Government <sub>t-1</sub>	0.477 (0.645)		
Dependency <sub>t-1</sub>	-0.0117 (0.105)		
Constant	1.767 (7.931)	11.48*** (2.392)	9.657*** (1.486)
F-Statistic	59	15	28
Observations	254	1,809	1,350
R-squared	0.013	-11.355	-5.929

Note: Instrumental variable regression; second-stage results only shown; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table S:** Alternative Instrumental Variables – Big10 from Singer (2012) and Acosta, Calderon, Fajnzylber, and Lopez (2008) and Distance Weighted by GDP of all other Receiving Countries (see Barajas et al. 2009)

	IV – Big10	IV – Distance/GDP of all other Remittance Receiving Countries
Remittances (Instrumented)	-0.683*** (0.109)	-1.693*** (0.392)
Inflation (ln) <sub>t-1</sub>	-0.275 (0.365)	-0.932 (0.742)
Trade <sub>t-1</sub>	-0.0353*** (0.00546)	-0.0190 (0.0122)
Capital Openness <sub>t-1</sub>	0.237 (0.159)	0.520 (0.323)
GDP per capita (ln) <sub>t-1</sub>	0.505 (0.451)	0.348 (0.936)
Democracy <sub>t-1</sub>	0.411*** (0.0864)	0.471*** (0.171)
Left Government <sub>t-1</sub>	0.727 (0.514)	-0.0669 (1.055)
Dependency <sub>t-1</sub>	-0.115 (0.0819)	0.232 (0.198)
Growth of Trading Partners <sub>t-1</sub>		0.559 (0.418)
Constant	5.697 (6.314)	-6.026 (13.36)
Observations	254	254

I also create an instrument based on the distance from the host countries weighted by the GDP of all *other* remittance recipient countries in the region (Column 2). This will reflect systematic changes in the microeconomic determinants of remittances, but by excluding the GDP of the recipient country in question, it removes a direct causal link with domestic macroeconomic variables (see also Barajas et al. 2009).

**Table T:** Alternative Measure of the Dependent Variable from IFPRI (2013) and Huber et. al. 2008

	Latin America and Caribbean	LAC ECM	IV IFPRI	ECM IFPRI	LRM	IV Huber et al.	ECM Huber et al.	LRM
$\Delta$ .Remittances				-0.0222 (0.0813)			-0.00783 (0.00795)	
Remittances <sub>t-1</sub>	-0.314*** (0.073)	-3.542** (1.586)	-0.623*** (0.112)	-0.0356 (0.0498)	-0.151*** (0.0527)	-1.275 (0.983)	-0.0105* (0.00536)	-0.390*** (0.016)
$\Delta$ .Trade				0.000942 (0.00767)			0.00199 (0.00140)	
Trade <sub>t-1</sub>			-0.0151** (0.00624)	-0.00381 (0.00620)	-0.016** (0.006)	0.083 (0.069)	-0.000186 (0.000907)	-0.006*** (0.001)
$\Delta$ .Capital Openness				0.127 (0.108)			0.0830 (0.0589)	
Capital Openness <sub>t-1</sub>			0.223 (0.192)	0.0305 (0.0806)	0.129 (0.079)	0.333 (0.431)	-0.0166 (0.0208)	-0.615*** (0.034)
$\Delta$ .GDP per capita (ln)				0.703 (0.777)			0.274 (0.183)	
GDP per capita (ln) <sub>t-1</sub>			1.044** (0.526)	-0.277 (0.349)	-1.173*** (0.346)	1.279 (1.506)	0.0815 (0.0859)	3.014*** (0.152)
$\Delta$ .Inflation (ln)				-0.863*** (0.307)			-0.0182 (0.0995)	
Inflation (ln) <sub>t-1</sub>			-1.054*** (0.400)	-0.412* (0.240)	-1.742*** (0.159)	0.298 (0.638)	0.00522 (0.0808)	0.193** (0.082)
$\Delta$ .Dependency				-1.241* (0.731)			-0.194 (0.168)	
Dependency <sub>t-1</sub>			0.0400 (0.0915)	-0.0104 (0.0866)	-0.043 (0.085)	0.407 (0.436)	-0.0127 (0.0150)	-0.471*** (0.020)
$\Delta$ .Left Government				0.263 (0.261)			0.125* (0.0667)	
Left Government <sub>t-1</sub>			0.784 (0.528)	0.395** (0.199)	1.671*** (0.180)	1.071 (0.691)	0.0939 (0.0851)	3.474*** (0.153)
$\Delta$ .Democracy				0.0597 (0.0455)			0.0161 (0.0114)	
Democracy <sub>t-1</sub>			0.111 (0.114)	0.0417 (0.0340)	0.176*** (0.042)	-0.174 (0.141)	0.00331 (0.00692)	0.124*** (0.011)
Spending <sub>t-1</sub>		-0.113* (0.061)		-0.236** (0.109)			-0.0270 (0.0384)	
Receiver Growth <sub>t-1</sub>	6.265* (3.427)		1.500 (2.807)			-41.23 (67.64)		
Constant	3.436*** (0.264)	82.34** (38.67)	-5.054 (7.531)	4.228 (5.536)		-9.861 (23.24)	0.128 (1.356)	
F-Statistic	110		60			1.5		
Observations	457	447	205	192		313	295	
R-squared	0.546	0.215	-0.182	0.390		0.789	0.196	

Note: Robust standard errors in parentheses; estimated with country fixed-effects (not shown); robust standard errors for the long-run multipliers are generated with the Bewley (1979) transformation; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table U: Controlling for Good Governance (Kaufmann, Kraay and Mastruzzi 2010)**

	I.V. Analysis	ECM	LRM
$\Delta$ .Remittances		-0.00738 (0.0589)	
Remittances <sub>t-1</sub>	-0.947*** (0.240)	-0.0837** (0.0421)	-0.142*** (0.045)
$\Delta$ .Trade		-0.00932 (0.00986)	
Trade <sub>t-1</sub>	-0.0302*** (0.00969)	0.00617 (0.00980)	0.010 (0.009)
$\Delta$ .Capital Openness		0.187** (0.0861)	
Capital Openness <sub>t-1</sub>	0.0698 (0.242)	0.140* (0.0787)	0.237*** (0.075)
$\Delta$ .GDP per capita (ln)		-0.532 (0.782)	
GDP per capita (ln) <sub>t-1</sub>	-0.172 (0.854)	-0.310 (0.406)	-0.528 (0.401)
$\Delta$ .Inflation (ln)		-0.249 (0.208)	
Inflation (ln) <sub>t-1</sub>	-0.873 (0.655)	-0.351 (0.216)	-0.597*** (0.221)
$\Delta$ .Dependency		-0.206 (0.712)	
Dependency <sub>t-1</sub>	0.0541 (0.152)	0.0627 (0.128)	0.106 (0.127)
$\Delta$ .Left Government		-0.0542 (0.163)	
Left Government <sub>t-1</sub>	1.783** (0.851)	0.467** (0.200)	0.795*** (0.218)
$\Delta$ .Democracy		-0.0420 (0.0540)	
Democracy <sub>t-1</sub>	0.275 (0.188)	-0.00148 (0.0335)	-0.002 (0.033)
$\Delta$ .Governance		0.641 (0.515)	
Governance <sub>t-1</sub>	-0.0780 (1.067)	0.652 (0.481)	0.110*** (0.000)
Spending <sub>t-1</sub>		-0.587*** (0.0965)	
Receiver Growth <sub>t-1</sub>	5.888 (3.732)		
Constant	6.207 (11.46)	6.348 (5.939)	

F-Statistic	20	
Observations	171	162
R-squared	0.047	0.465

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Note: Robust standard errors in parentheses; estimated with country fixed-effects (not shown); robust standard errors for the long-run multipliers are generated with the Bewley (1979) transformation; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table V:** Panel-Corrected Standard Error Model: The Effect of Remittances on Social Spending in Latin America

	Prais-Winsten Models		
	Social Security	Education	Health
Remittances <sub>t-1</sub>	-0.111*** (0.0238)	0.0270 (0.0266)	-0.0167 (0.0160)
Trade <sub>t-1</sub>	0.00855** (0.00351)	0.0158*** (0.00395)	0.00566 (0.00370)
Capital Openness <sub>t-1</sub>	0.104 (0.0723)	-0.0360 (0.0496)	0.0259 (0.0277)
GDP per capita (ln) <sub>t-1</sub>	0.519* (0.289)	0.872*** (0.238)	0.726*** (0.136)
Dependency <sub>t-1</sub>	-0.111** (0.0550)	-0.0835 (0.0550)	-0.0348 (0.0463)
Inflation (ln) <sub>t-1</sub>	-0.0178 (0.105)	0.0654 (0.0697)	0.0506 (0.0553)
Left Government <sub>t-1</sub>	0.283** (0.132)	0.215 (0.142)	0.226*** (0.0736)
Democracy <sub>t-1</sub>	-0.0165 (0.0219)	0.00100 (0.0171)	-0.0235** (0.0101)
Observations	265	273	273
R-squared	0.913	0.728	0.877

Note: Panel corrected standard errors in parentheses; estimated with country and year fixed effects (not shown); \*\*\* p<0.01, \*\* p<0.05, \* p<0.1



**Table W: Remittances and Enduring Public Goods: Health and Education Spending**

	Health	Education	Health	Health LRM	Education	Education LRM
$\Delta$ .Remittances			0.0171 (0.0208)		0.0413 (0.0395)	
Remittances <sub>t-1</sub>	-0.354*** (0.108)	-0.315*** (0.0925)	-0.0150 (0.0146)	-0.033** (0.014)	-0.00347 (0.0211)	-0.008 (0.021)
$\Delta$ .Trade			0.000515 (0.00247)		0.000241 (0.00386)	
Trade <sub>t-1</sub>	0.00191 (0.00391)	0.00815* * (0.00334)	0.000691 (0.00247)	0.002 (0.002)	0.00565* (0.00301)	0.013*** (0.003)
$\Delta$ .Capital Openness			0.0147 (0.0341)		0.0462 (0.0672)	
Capital Openness <sub>t-1</sub>	0.157 (0.111)	0.177* (0.0948)	-0.0131 (0.0250)	-0.029 (0.025)	-0.0417 (0.0443)	-0.092** (0.042)
$\Delta$ .GDP per capita (ln)			0.566** (0.245)		0.816** (0.387)	
GDP per capita (ln) <sub>t-1</sub>	0.144 (0.284)	0.879*** (0.294)	0.300** (0.143)	0.662*** (0.140)	0.595** (0.231)	1.319*** (0.215)
$\Delta$ .Inflation (ln)			-0.139 (0.0936)		0.00440 (0.130)	
Inflation (ln) <sub>t-1</sub>	-0.260 (0.230)	-0.298 (0.197)	-0.0882 (0.0769)	-0.195** (0.076)	-0.0671 (0.122)	-0.149 (0.124)
$\Delta$ .Dependency			-0.476 (0.292)		-0.971** (0.406)	
Dependency <sub>t-1</sub>	0.0745 (0.0528)	0.0431 (0.0452)	-0.0244 (0.0385)	-0.054 (0.038)	-0.0330 (0.0452)	-0.073 (0.045)
$\Delta$ .Left Government			0.0894 (0.0872)		0.0998 (0.163)	
Left Government <sub>t-1</sub>	0.0451 (0.323)	0.390 (0.277)	0.138 (0.0887)	0.305*** (0.091)	0.222 (0.138)	0.492*** (0.143)
$\Delta$ .Democracy			-0.0159 (0.0208)		0.0203 (0.0200)	
Democracy <sub>t-1</sub>	0.195*** (0.0552)	0.156*** (0.0473)	-0.0137 (0.0138)	-0.030 (0.014)	-0.000468 (0.0159)	-0.001 (0.158)
Spending <sub>t-1</sub>			-0.453*** (0.0765)		-0.451*** (0.0751)	
Growth of Partners <sub>t-1</sub>	0.193 (0.129)	0.107 (0.111)				
Constant	-2.275 (3.728)	4.767 (3.192)	0.383 (1.996)		-2.463 (2.718)	
F-Statistic	24	24				
Observations	262	262	250		250	
R-squared	-0.690	-0.309	0.350		0.350	

Note: Instrumental variable regression; robust standard errors, clustered by country, in parentheses; second-stage results only shown; ECM models include country and year fixed-effect (not shown). robust standard errors for the long-run multipliers are generated with the Bewley (1979)

transformation; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table X:** Remittances and Belief in the Fairness of Income Distribution (without Bolivia, Nicaragua and Venezuela)

	Income	Income	Income	Tax
Do you receive remittances (Y/N)?	0.611*** (0.128)	0.618*** (0.128)	0.502*** (0.121)	0.613*** (0.137)
Risk of unemployment (Y/N)?		-0.0767 (0.0848)	-0.139 (0.0899)	
Remittances*Risk			0.289*** (0.108)	
Right	0.149 (0.0991)	0.164* (0.0927)	0.166* (0.0928)	0.454*** (0.111)
Center	0.230 (0.141)	0.245* (0.134)	0.246* (0.134)	0.599*** (0.141)
Rich	0.680*** (0.153)	0.674*** (0.159)	0.674*** (0.160)	0.0667 (0.120)
Middle Income	0.391*** (0.0821)	0.380*** (0.0858)	0.379*** (0.0854)	-0.0213 (0.0721)
Very Poor	-0.184 (0.162)	-0.172 (0.159)	-0.170 (0.159)	0.199*** (0.0494)
Self-Employed	-0.0364 (0.142)	0.0152 (0.140)	0.0139 (0.138)	0.0187 (0.0819)
State Employee	-0.204 (0.131)	-0.161 (0.151)	-0.165 (0.149)	-0.131* (0.0769)
Private Employee	-0.0802 (0.155)	-0.0249 (0.173)	-0.0272 (0.171)	0.0291 (0.0819)
Unemployed	-0.0251 (0.174)	-0.0267 (0.174)	-0.0241 (0.173)	0.224** (0.104)
Retired	-0.200 (0.217)	-0.191 (0.217)	-0.195 (0.216)	-0.142 (0.136)
Housewife	-0.0417 (0.130)	-0.0425 (0.128)	-0.0395 (0.128)	0.183** (0.0794)
Female	-0.0607 (0.0556)	-0.0602 (0.0563)	-0.0620 (0.0557)	-0.106*** (0.0369)
Adult	-0.157*** (0.0536)	-0.159*** (0.0551)	-0.162*** (0.0551)	-0.135** (0.0535)
Middle Age	-0.151** (0.0765)	-0.160** (0.0732)	-0.159** (0.0726)	-0.242*** (0.0545)
Old	-0.158** (0.0683)	-0.170** (0.0673)	-0.169** (0.0666)	-0.270** (0.105)
University	-0.334*** (0.106)	-0.331*** (0.105)	-0.332*** (0.106)	-0.328*** (0.0743)
High School	-0.0577 (0.0660)	-0.0515 (0.0665)	-0.0526 (0.0674)	-0.0815 (0.0511)
Constant	-1.570*** (0.218)	-1.584*** (0.216)	-1.559*** (0.207)	-0.948*** (0.171)
Observations	14,376	14,256	14,256	15,030

Note: Robust standard errors, clustered by country, in parenthesis. Omitted categories: young (17-34 years old), poor, lowest education and students. \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

### Variables used in Table 3

**Age of democracy** is a count variable that captures the number of years since country  $i$  democratized at election year  $t$ . Political parties of the left were frequently persecuted during the military dictatorships of the late 1970s and early 1980s and many left-leaning parties entered the period of democratization as very weak political actors. Over time, and with consolidation, parties of the left in Latin America may increase their support in society (Huber, Mustillo and Stephens 2008).

**GINI Coefficient** in order to capture the level of inequality in country  $i$  before election year  $t$ , I include the Gini coefficient. This data is taken from United Nations University's World Institute for Development Economics Research (UNU-WIDER) database (UNU-WIDER 2008). I follow Debs and Helmke and take the closest measure of inequality one year before a given election in country  $i$  (Debs and Helmke 2010). Where no coefficient is available, I take the closest available year after the election. Where more than one value for Gini exists, I take the average.

**Urban** is the percentage of the population living in urban areas in a given country one year before an election (World Bank 2013).

**GDP Growth** is the annual percentage change in GDP in country  $i$  one year before a given election (World Bank 2013).

**Inflation** is the rate of inflation in country  $i$  one year before the election, logged (World Bank 2013).

**Left incumbent** all incumbents of the left are coded as 1, while all other classifications are coded as 0.

**Table Y:** Summary Statistics for Table 3

Variable	Obs.	Mean	Std. Dev.	Min	Max
Left Vote	68	0.260	0.224	0	0.9728
Right Vote	68	0.516	0.244	0	0.9999
Center Vote	68	0.271	0.260	0	0.9431
VRL Presidential	68	8.711	2.096	4.879	16.143
VRL Legislative	65	8.276	1.587	5.237	12.290
Remittances	72	3.129	3.925	0.003	18.214
GDP Growth	78	4.096	3.857	-11.70	12.821
Inflation (ln)	76	2.267	1.417	-0.937	8.1311
Left Incumbent	78	0.217	0.415	0	1
GINI	78	51.77	4.386	39.80	59.60
Urban Population	78	66.15	14.71	40.72	92.30

**Table Z:** Electoral Support of Remittance Recipients for Left-Leaning Parties  
(without Bolivia, Nicaragua and Venezuela)

	Without Political Attitudes			With Political Attitudes		
	(Left)	(Right)	(Left)	(Left)	(Right)	(Left)
Remittances Once a Month	-0.625*** (0.148)	0.270** (0.112)		-0.703*** (0.238)	0.306*** (0.234)	
No Remittances			0.407*** (0.0810)			0.514** (0.207)
Right				-0.660*** (0.132)	0.390*** (0.114)	-0.681*** (0.129)
Left				1.013*** (0.191)	-0.877*** (0.171)	1.029*** (0.184)
Rich	-0.221* (0.114)	0.0207 (0.102)	-0.223* (0.114)	-0.198 (0.235)	0.00301 (0.162)	-0.200 (0.236)
Middle Income	-0.180*** (0.0679)	0.00762 (0.0616)	-0.176*** (0.0680)	-0.172** (0.113)	-0.00198 (0.0985)	-0.168* (0.114)
Very Poor	-0.169* (0.0903)	0.0627 (0.0792)	-0.167* (0.0904)	-0.216** (0.120)	0.0900 (0.105)	-0.216** (0.120)
High School	-0.0692 (0.0727)	-0.117* (0.0644)	-0.0623 (0.0731)	-0.103 (0.103)	-0.0983 (0.106)	-0.0970 (0.105)
University	0.180** (0.0753)	-0.159** (0.0672)	0.179** (0.0756)	0.103 (0.131)	-0.106 (0.123)	0.0964 (0.131)
Middle Age	-0.0666 (0.0829)	-0.0615 (0.0740)	-0.0636 (0.0830)	-0.0392 (0.108)	-0.0825 (0.0991)	-0.0354 (0.109)
Old	-0.0802 (0.114)	-0.193* (0.0999)	-0.0811 (0.114)	-0.0112 (0.140)	-0.240 (0.151)	-0.0120 (0.140)
State Employee	0.290*** (0.108)	-0.469*** (0.109)	0.294*** (0.109)	0.264** (0.111)	-0.454*** (0.117)	0.266** (0.112)
Constant	-0.927*** (0.0801)	-0.225*** (0.0706)	-1.299*** (0.106)	-0.745*** (0.206)	-0.350*** (0.204)	-1.200*** (0.275)
Observations	5,921	5,921	5,921	5,921	5,921	5,921

Note: Logit regression with robust standard errors, clustered by region, in parentheses. Omitted categories: young (17-34 years old), poor, and lowest education; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table AA:** The Relationship between Remittance and Support for Individual (as opposed to state) Responsibility for Welfare Without Honduras, Mexico and the Dominican Republic

	2010	2012
Do you receive remittances (Y/N)?	0.407***	0.148
	(0.106)	(0.104)
Rich	0.0192	0.0328
	(0.156)	(0.148)
Middle Income	-0.0716	-0.197
	(0.118)	(0.121)
Poor	-0.00303	-0.0323
	(0.118)	(0.121)
Right	-0.111	-0.0353
	(0.123)	(0.106)
Center	0.104	0.0198
	(0.114)	(0.0982)
University	0.286*	0.162
	(0.109)	(0.110)
High School	0.0694	0.0737
	(0.0904)	(0.0891)
Female	-0.0178	0.00567
	(0.0737)	(0.0742)
State Employee	-0.245**	0.0346
	(0.119)	(0.115)
Self Employed	-0.118	0.322*
	(0.204)	(0.181)
Private Employee	-0.136	0.00616
	(0.0830)	(0.0825)
Constant	-2.258***	-2.209***
	(0.153)	(0.146)
Observations	8,423	8,734

Note: Logit models with standard errors in parenthesis. Omitted categories: young (17-34 years old), very poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Table AB:** The Relationship between Remittance and Support for Individual (as opposed to state) Responsibility for Inequality Reduction

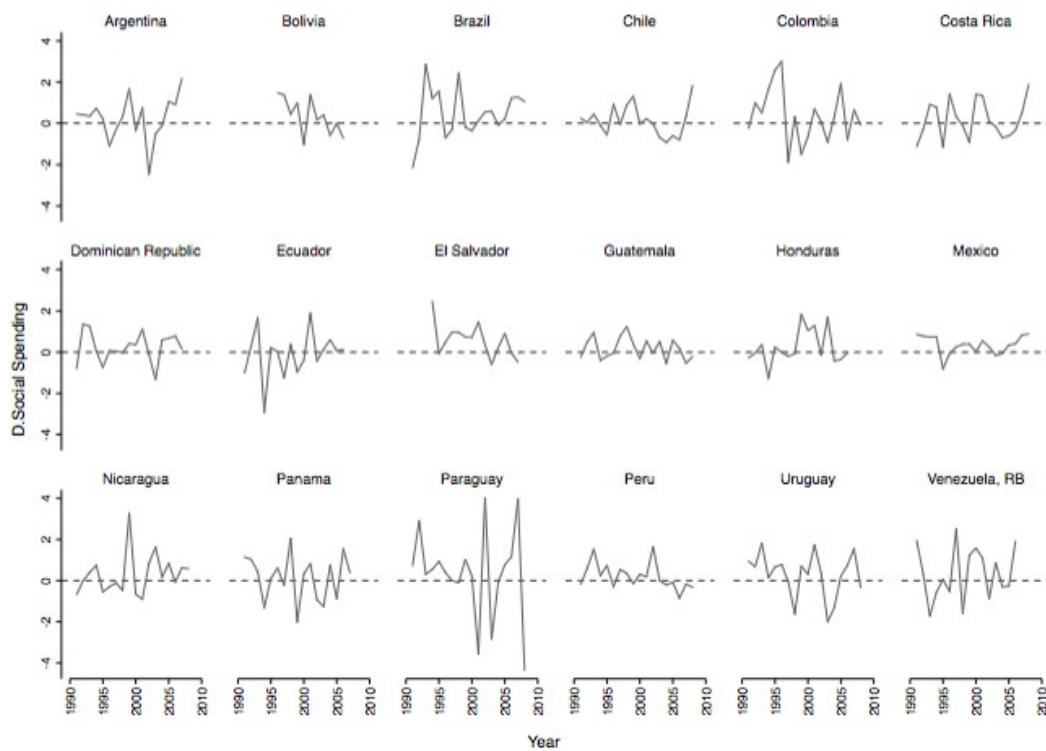
	With Political Attitudes			Without Political Attitudes		
	2008	2010	2012	2008	2010	2012
Do you receive remittances (Y/N)?	0.299*** (0.0991)	0.532*** (0.132)	0.498*** (0.113)	0.333*** (0.0896)	0.527*** (0.121)	0.537*** (0.103)
Rich	0.321** (0.145)	-0.00845 (0.210)	0.443*** (0.164)	0.352*** (0.132)	0.0744 (0.197)	0.511*** (0.152)
Middle Income	-0.0304 (0.118)	0.0114 (0.156)	-0.0970 (0.140)	-0.0413 (0.108)	0.0955 (0.148)	-0.131 (0.131)
Poor	0.0799 (0.116)	-0.0571 (0.157)	-0.233 (0.143)	0.0976 (0.106)	0.0151 (0.149)	-0.223* (0.133)
Right	0.273** (0.125)	0.0685 (0.160)	-0.237* (0.122)			
Center	0.128 (0.117)	-0.0641 (0.155)	-0.194* (0.114)			
University	-0.132 (0.112)	0.180 (0.145)	-0.103 (0.135)	-0.146 (0.102)	0.109 (0.134)	-0.140 (0.126)
High School	-0.0874 (0.0874)	-0.0626 (0.120)	-0.0129 (0.105)	-0.117 (0.0798)	-0.0868 (0.110)	-0.0563 (0.0973)
Female		0.106 (0.0996)	-0.221** (0.0875)		0.0803 (0.0917)	-0.198** (0.0813)
State Employee	-0.343*** (0.125)	-0.179 (0.167)	-0.126 (0.141)	-0.325*** (0.113)	-0.176 (0.153)	-0.197 (0.134)
Self Employed	0.0988 (0.174)	0.382 (0.239)	-0.0477 (0.240)	0.137 (0.156)	0.262 (0.226)	0.133 (0.203)
Private Employee	-0.145* (0.0833)	0.0530 (0.111)	-0.182* (0.101)	-0.140* (0.0762)	-0.0203 (0.103)	-0.197** (0.0946)
Constant	-2.759*** (0.146)	-3.247*** (0.205)	-2.462*** (0.163)	-2.595*** (0.100)	-3.259*** (0.149)	-2.637*** (0.132)
Observations	12,241	10,163	10,466	14,622	12,008	12,189

Note: Logit models with standard errors in parenthesis. Omitted categories: young (17-34 years old), very poor, lowest education and students. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Dependent Variable in Table AC Above (LAPOP 2008, 2010, and 2012)**

**ROS4:** The State, more than individuals, should be responsible for implementing policies to reduce inequality between the rich and the poor. Dependent variable above is all those who strongly disagreed with this statement (LAPOP 2008, 2010, 2012).

**Figure E:** Variation in Social Spending across Latin America (1990-2009)



Note: All lines represents changes in social spending (from CEPAL 2014) between 1990 and 2010.



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