

Pakistani Diaspora Research Study

By Arifa Abbas

Introduction

Developing countries often depend on the wealth of diaspora communities, but under what welfare? This project investigates the conditions under which diaspora members are willing to lend to the governments of their countries of origin by purchasing government bonds. We investigate the role of social, political, and self-interested motivations in diasporans' decisions to share financial capital with their home governments.

Information on survey and research question

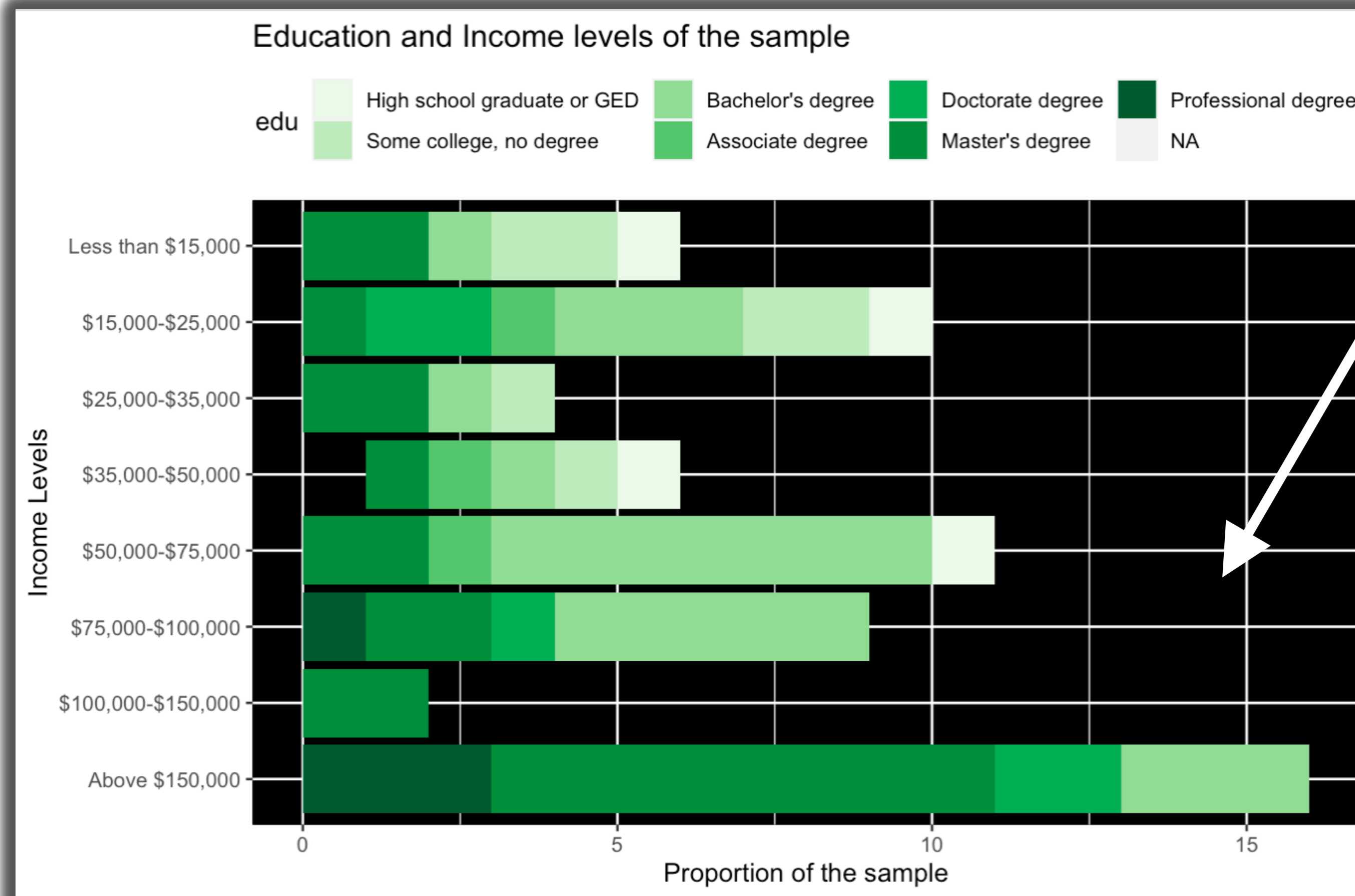
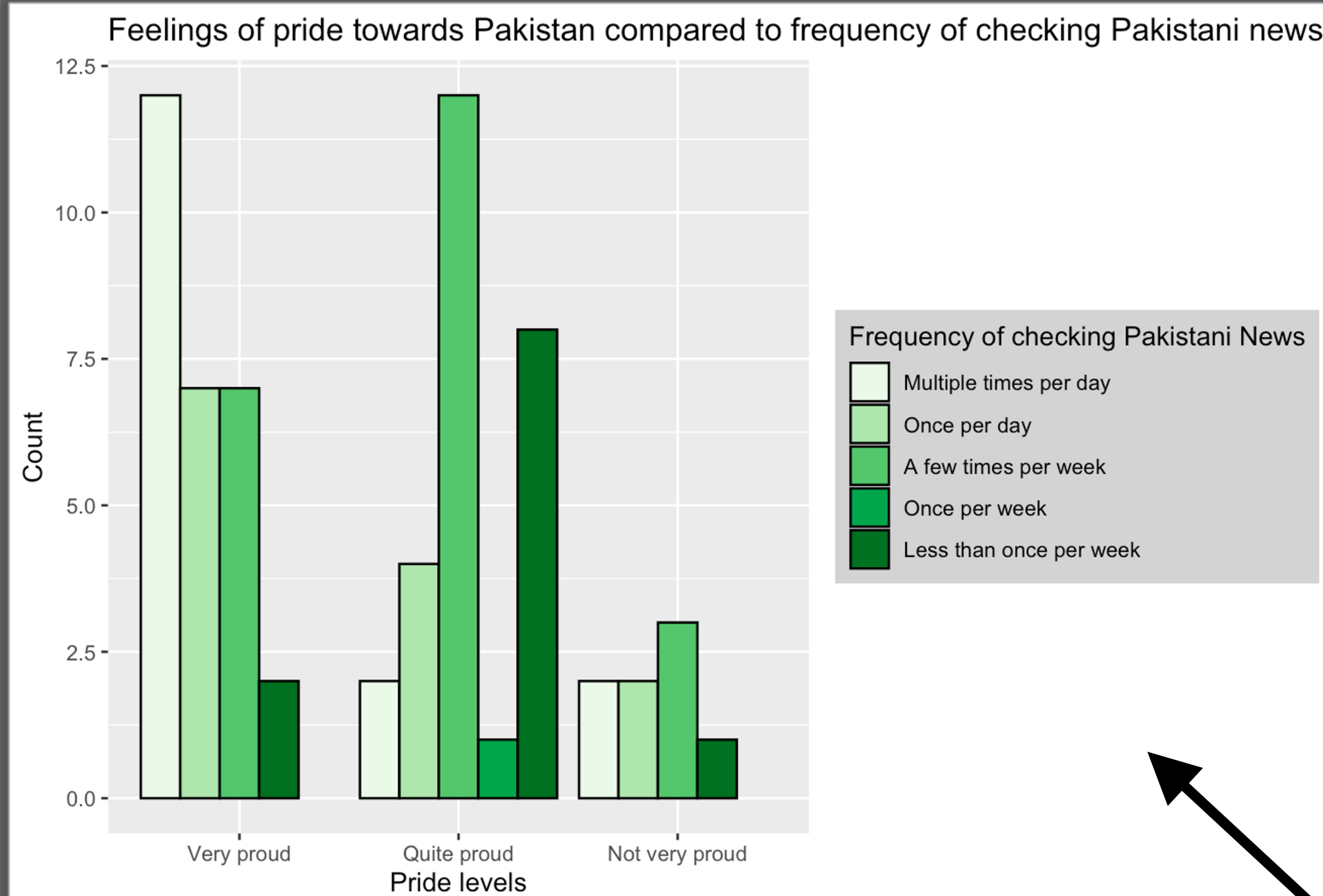
-We test our hypotheses using a survey experiment fielded to members of the Pakistani diaspora in the United States. We select Pakistan because it is currently issuing diaspora bonds and got participants through Pakistani community associations in the U.S We randomly vary the description of hypothetical bonds to determine which motivations are most important for diasporans' willingness to purchase bonds

-Participants are incentivized with the chance to win a government bond. By asking them whether they will prefer to receive a U.S. or a Pakistan bond if they win the lottery, we obtain a credible, behavioral measure of their willingness to invest in a diaspora bond.

Survey Distribution

I reached out and managed relations with over 20+ Pakistani community associations in order to get them to send out survey to their members. I created a Facebook and Instagram page where I would post about the survey. In the end, this approach got us some responses but I can see that the true difficulty lies in survey curation and distribution when it comes to doing research.

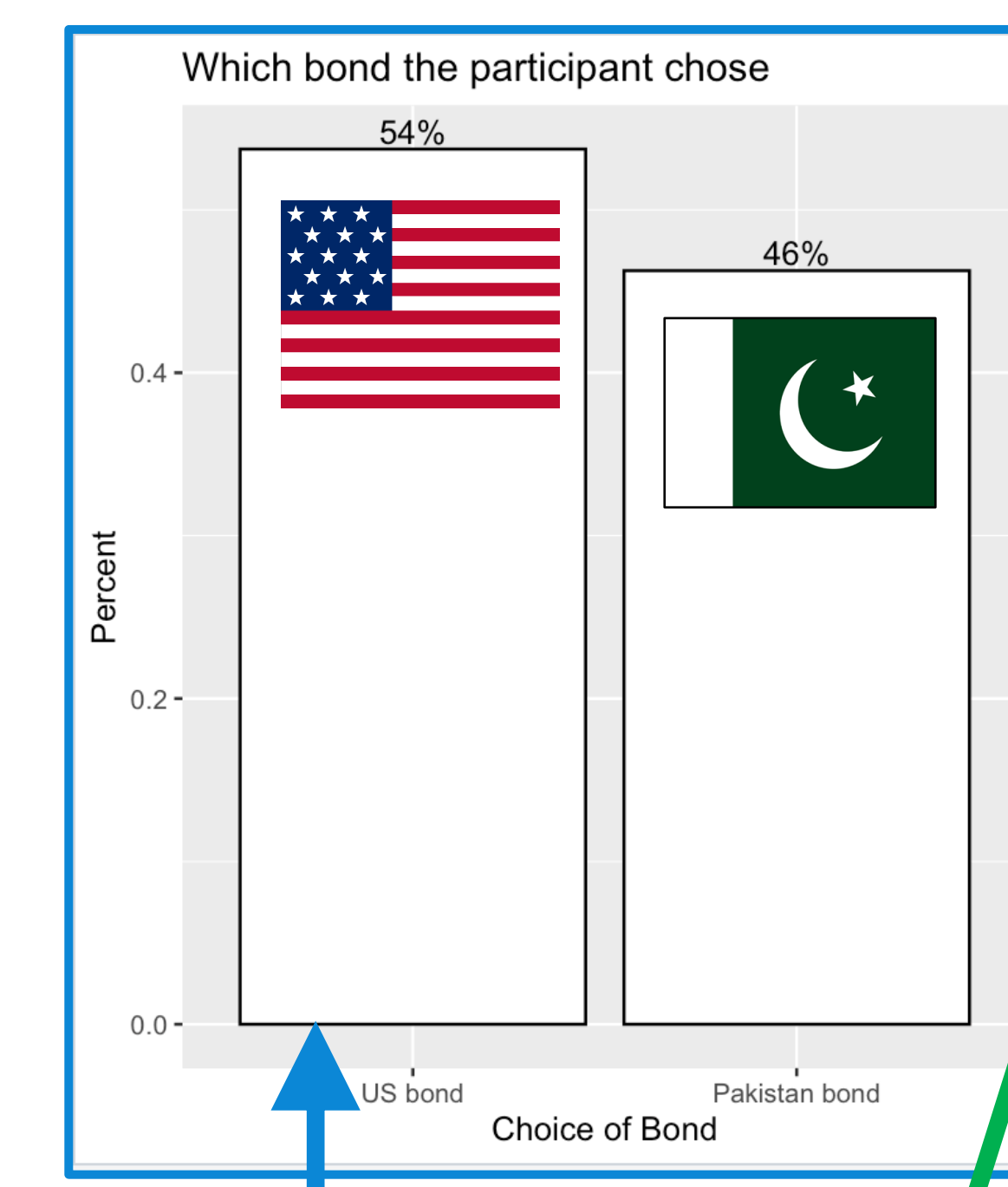
Sample Understanding



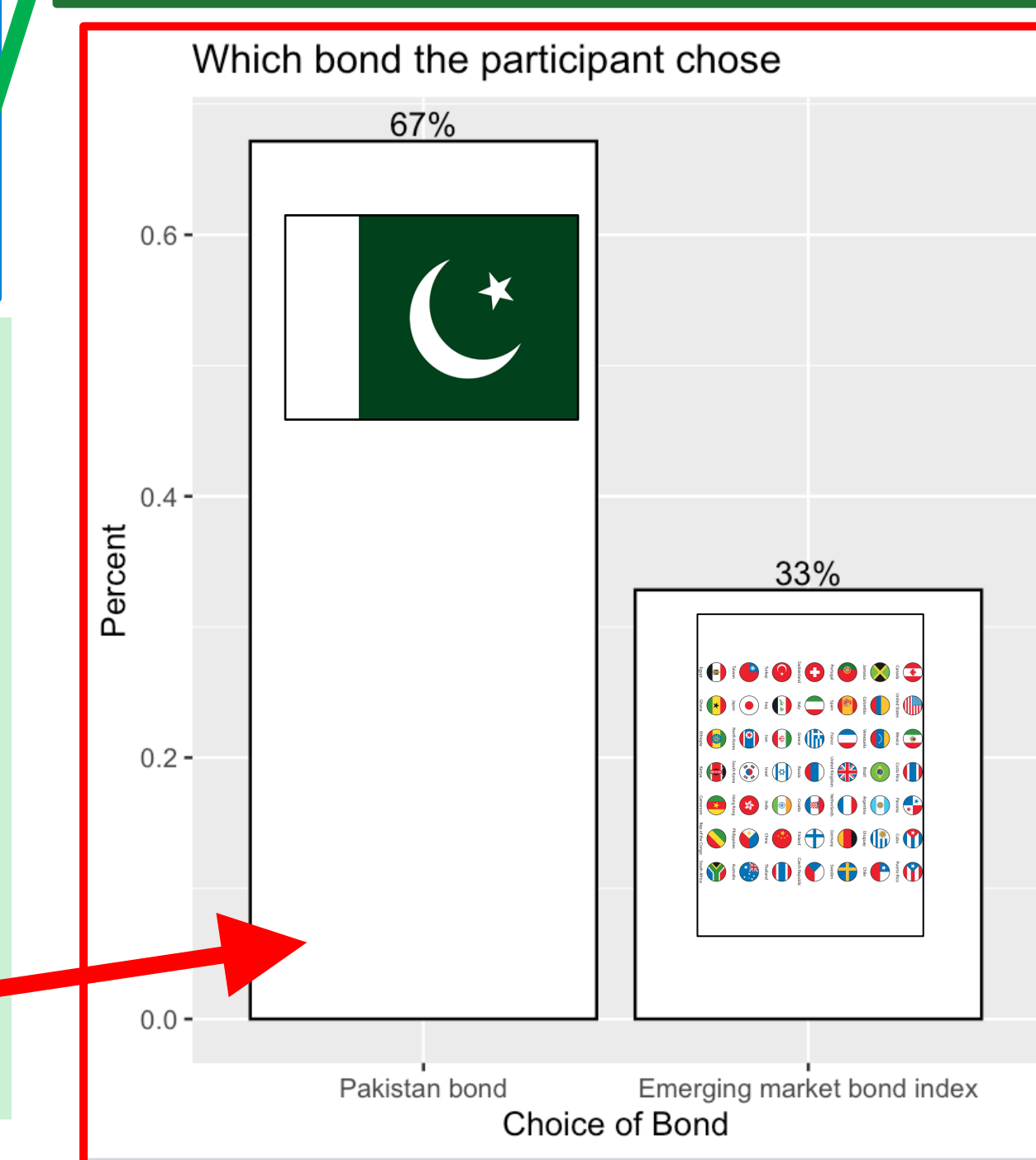
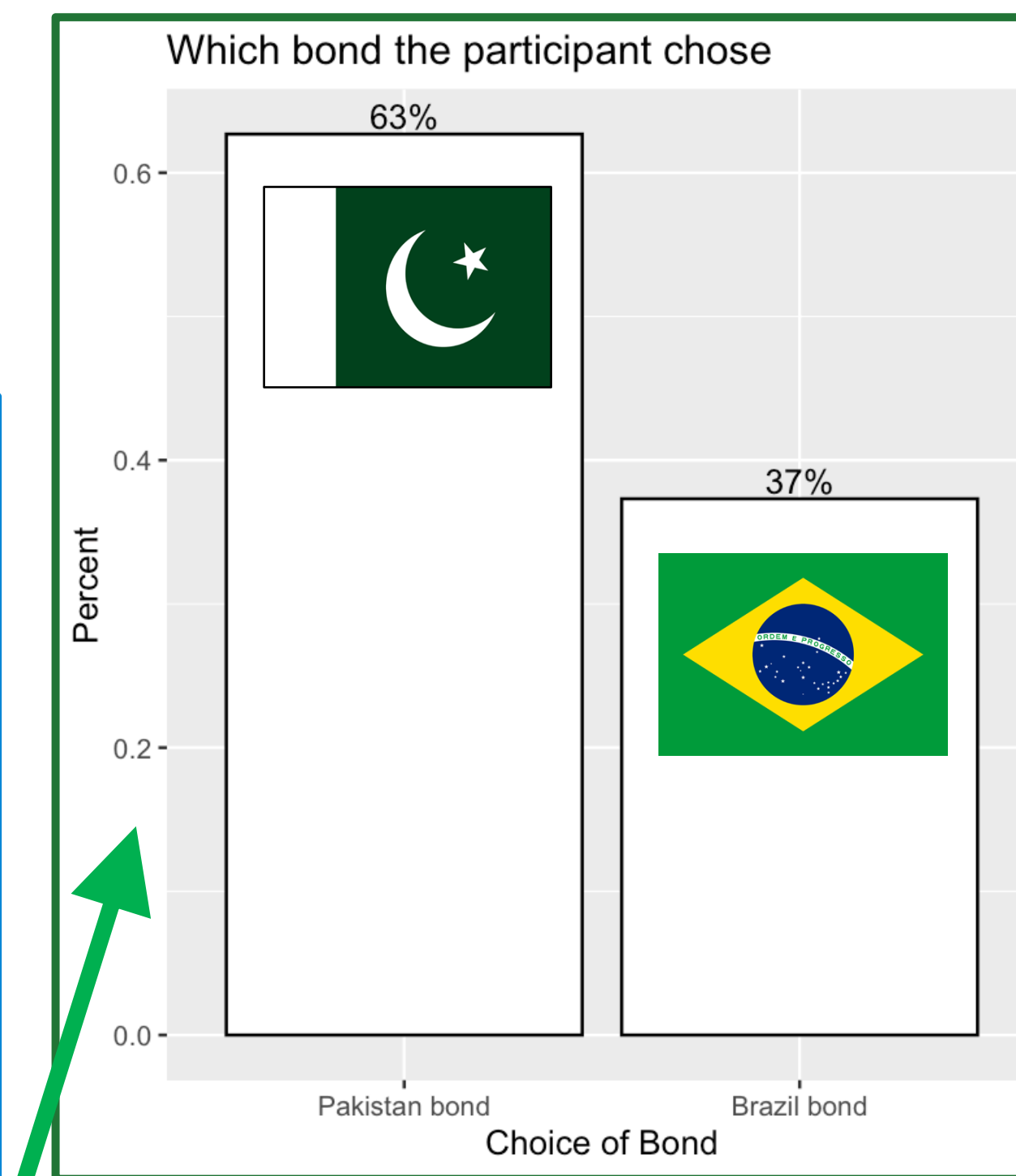
Data Analysis

-The regression on the right uses the variable that measured how much participants were willing to give to the Pakistani bond as the dependent variable compared to the variables that told us about their commitment to Pakistan, the corruption levels perceived there, how much income they have, if they have family in Pakistan, if they send remittances to Pakistan and their view of the Pakistani prime minister.

-The regression model shows that people would give more to the Pakistani bond if they send remittances back home and they would give less to Pakistan if they don't have family there.



Interestingly it seems that participants chose a U.S bond over a Pakistani bond, but then chose Pakistani bonds over a Brazil or emerging market bond.



The sample size is still at a preliminary stage at 100 participants, all who are above 18, live in in the U.S and identity as Pakistani.

-Most participants seem very proud of being from Pakistan and the prouder they are the more frequently they check Pakistani news and stay updated.

-The education level of the sample varies, and a lot of participants are earning above \$150,000. The more educated, the more they are earning.

	Dependent variable: Willingness to give bond to Pakistan
Pride	23.264 (18.538)
Pakistan Commitment	-0.438 (8.676)
Corruption in Pakistan	-31.033 (26.350)
Income	1.312 (2.955)
Family in Paksitan	-29.688** (13.161)
Remittances	51.568** (17.150)
View of Pakistan Prime Minister	-6.816 (6.811)
Constant	26.116 (55.554)
Observations	20
R2	0.494
Adjusted R2	0.199
Residual Std. Error	26.552 (df = 12)
F Statistic	1.676 (df = 7; 12)

Note: *p<0.1; **p<0.05; ***p<0.01