

Influence of diasporas on post-war social mobility:

The case of Sri Lanka



Rajith W. D. Lakshman and Kopalapillai Amirthalingam

November 2020

Working Paper Volume 2 Issue 1

CMRD WORKING PAPERS



© Centre for Migration Research and Development (CMRD)
27, Wickramaratne Aveue, Kohuwala, Sri Lanka

E-mail: cmrd.lk@gmail.com

URL: www.cmrd.lk

ISSN 2706-0268

Printed By: Centre for Migration Research and Development

First Published 2020

The CMRD Working Papers encourages the exchange of ideas that are in development. The series is designed to showcase findings of research studies that are in progress or recently completed. It makes new academic explorations publicly available prior to their publication in academic journals and books. Authorship is usually collective, but the principal writers are named. The papers are generally available in English language with some in Sinhala and Tamil languages.

Copyright of this publication belongs to the Centre for Migration Research and Development (CMRD). Any part of this book may be reproduced with due acknowledgement to the author and publisher. The interpretations and conclusions expressed in the study are those of the authors and do not necessarily reflect the views and policies of the CMRD or the donor.

Advisory Board:

- Dr. Rajith W. D. Lakshman, Research Officer, Institute of Development Studies (IDS), University of Sussex, United Kingdom
- Professor Kopalapillai Amirthalingam, Professor in Economics, Department of Economics, University of Colombo, Sri Lanka
- Professor Sunethra J. Perera, Professor in Demography, Department of Demography, University of Colombo, Sri Lanka

Editor-in-Chief:

Dr. Danesh Jayatilaka, Chairman, Centre for Migration Research and Development, Sri Lanka

Front cover photograph: *Fishing boats next to the sea* (2015).

Influence of diasporas on post-war social mobility:

The case of Sri Lanka

Rajith W. D. Lakshman and Kopalapillai Amirthalingam

Dr. Rajith W. D. Lakshman is a financial economist focusing on poverty and wellbeing within the specific areas of migration (forced and voluntary) statelessness in urban settings. He has published extensively on issues of forced migration, conflict, and malnutrition. He has served as a consultant to several international and development agencies including UNHCR, ILO, Plan International, and UK Home Office.

Kopalapillai Amirthalingam is a Professor in Economics attached to the Department of Economics, University of Colombo. He works both as a researcher and a development consultant with a special interest in public finance, Sri Lankan economy, and internally displaced persons. He has been a consultant for the Presidential Tax Commission-2009 and is a member of Experts Committee to Formulate the National Sustainable Development Vision of Sri Lanka -2030. His work has appeared in leading journals.

Acknowledgments

The authors thankfully acknowledge the funding from the International Development Research Centre (IDRC), Canada, which made this research possible. They are also grateful to Dr. Nick Van Hear for leading this research and Mohammad Munas and Magalingam Vijenthiran who coordinated the project in Sri Lanka. They are thankful to Dr. Janroj Yilmaz Keles, for reviewing the paper and providing helpful comments. Thanks go to Sharni Jayawardena for copy editing the final document.

Influence of diasporas on post-war social mobility:

The case of Sri Lanka

Abstract

The link between diaspora remittances and economic recovery in origin countries is well known. This also alludes to an association between social mobility and migration as poverty reduction and development can catalyse social mobility. This paper explores the complex interlinks between diasporan influence and social mobility in the post-war homeland. Social mobility as an important element of post-war recovery can be related to various elements of diaspora engagement. The focus of the paper is on the direction and strength of recovery following the end of the war in Sri Lanka in 2009 and how much of it could be related to the changes in diaspora engagement. The study uses data from a survey of 262 households and 100 in-depth interviews in five sites in northern and eastern Sri Lanka. A mixed method approach was used to analyse the data. The findings of the study revealed that the end of the war in 2009 had evidently created conditions where the sampled households were able to substantially improve their socioeconomic status (SES) which is tantamount to upward social mobility. More importantly, the paper demonstrates that part of this social progress is accounted for by changes in diaspora engagement which had taken place after the end of the war.

Introduction

Post-war countries run substantial risks of relapsing back to war, which makes peace in these countries extremely fragile. For instance, Collier et al. (2003) estimate that a typical post-war country has 44 percent chance of returning to war within the first five years of ending the civil war. A key factor which can mitigate this risk is having a robust economic recovery following the end of civil war (Collier et al., 2008). However, as David, Bastos, & Mills (2011) point out, post-war economic recovery could easily take a negative turn with dire consequences to the fragile peace and to the populations recuperating from years of civil war. This paper sheds light on micro-level economic recovery in northern and eastern Sri Lanka following the end of the war in 2009 with a view to understanding the role played by the Sri Lankan diaspora in this recovery.

Scott & Marshall (2009) define social mobility as a change in inter or intra-generational socioeconomic status/class. According to Nunn et al. (2007) the existing work on social mobility may be divided into two traditions: (1) those that focus on social change (Halsey et al., 1980) and (2) those that focus on income change (Corak, 2006). Though this literature popularly looks at social mobility of individuals (for example, how children are doing compared to their parents or how an individual's social status changes with time) it is not uncommon for it to also look at the social mobility of groups (Musterd et al., 2003). This paper assesses post-war economic recovery by focusing on group and household level social mobility.

Ahmed (2000) in particular is relevant to the present study as he discusses the link between remittances and economic recovery in post-war Somaliland. The poverty-migration association and the development-migration association alludes to an association between social mobility and migration as poverty reduction and development can catalyse social mobility. There is however a separate, more direct, literature that alludes to the association international migration has with social mobility. This literature can be divided into two: (1) those concerned with the social mobility of family/extended family in the migrant sending countries (Osella & Osella, 2000); and (2) those that discuss social mobility of immigrant families in the recipient countries (Borjas, 2006; Fielding, 1995). The present paper, which discusses the social mobility of the family left behind/extended-family, contribute to the first strand of this literature and takes the position that these groups of people left behind improve their socio-economic status with the help of the migrants' remittances. This contribution may be unique in the literature because it focusses on how the nature of engagement with the migrants undergo changes during threshold events such as the end of a long civil war. We postulate that changes in diaspora engagement driven by such threshold events can affect the social mobility of the left behind households.

This paper is also relevant to wider discussions on the relationship between remittance incomes and household consumption (De Haas, 2005). There are at least three views on the remittance-consumption relationship: (1) remittances do not change household consumption patterns at the margin, (2) remittances affect household consumption behaviour in a way that leads to a higher proportion of expenditure being spent on 'status-oriented' consumption goods (Chami et al., 2005), and (3) household members see remittances as a transitory income and spend most of it on investment goods (Adams & Cuecuecha, 2010). While there

is empirical evidence to support each of these views, the households left behind would probably stand a better chance of upward social mobility if the third view were true, for household-level investments can enhance a broad range of impact areas relevant for the improvement in the physical quality of life. The literature focussing on the remittance-consumption relationship intersects with the literature on household coping strategies during conflict and other complex emergencies (Ghorpade, 2012; Justino & Shemyakina, 2012). This intersection discusses issues such as whether households in conflict situations use remittances on consumption or on investment, and whether emigrants send more remittances in conflicts and other emergencies.

The rest of this paper is organised as follows: Section 2 provides a short description of the conflict in Sri Lanka and its (broadly defined) diaspora; Section 3 explains the data, including summary statistics, definitions used in this paper and the analytical methodology; Section 4 examines the direction of social mobility in the surveyed households following the end of the war in Sri Lanka; Section 5 looks more closely at the results related to social mobility and examines whether any part of that mobility could be explained with diaspora engagement related variables; and Section 6 discusses these results and provides some concluding thoughts.

Conflict in Sri Lanka and diasporas: the background

International migration is a prominent feature in the socioeconomic landscape of Sri Lanka. Two main types of international migrants can be identified: (1) transitory labour migrants who mainly target Middle Eastern labour markets and (2) more permanent migrants. The Sri Lanka Bureau of Foreign Employment (SLBFE) estimates the first type to be around 1.9 million individuals (SLBFE, 2012) though others like Perera (2009) and Lakshman, Perera, & Sangasumana (2014) estimate it at a much lower level, arguing that SLBFE may have double counted by basing their estimate on annual departure number which can include repeat migrants. The second type of international migrants are estimated to be at least 800,000 Sri Lankans (Collyer & Wimalasena, 2007). The majority of these are ethnic Tamils who moved to destinations such as Western Europe, Northern America Australia, New Zealand in several 'waves', including as refugees, following the outbreak of ethnic violence in the 1980s (Cheran, 2003). A more recent assessment places the combined number of both these two groups of international migrants at about 3 million individuals (Reeves, 2014).

The migration trends/patterns could potentially change following what would arguably be the twenty-first century's most important single event for Sri Lanka: the end of the 30-year-old civil war in 2009. The Sinhala and Tamil nationalist movements contributed to the conflict that led to the pogrom of 1983, resulting in the deaths of 2000-3000 civilians of Tamil ethnicity (Spencer, 1990). After 1983, the ethnic violence escalated into a civil war waged between the government of Sri Lanka (GoSL) and the Liberation Tigers of Tamil Eelam (LTTE). The violence in 1983 also caused a large number of Tamils to flee the country as refugees, bound mainly for India, Western Europe, Canada, Australia and New Zealand even though the 'West' bound migrant flows had begun much earlier (Reeves, 2014).

There is recent evidence that points toward significant out-migration from the Northern and Eastern Provinces since 2009 (Amirthalingam et al., 2015; SLBFE, 2010, 2012). There is also evidence that the profile of the migrant may also have changed after the war because the end of the war has opened up areas in the North and East which were not until then predominant areas for migrant labour supply. For instance, the post 2009 cohort of international labour migration from the Eastern Province is approximately 75 percent male (SLBFE 2010). More recent data for both the North and East suggest that 67 percent of the migrants from these areas were male (SLBFE, 2012). This pattern of gender division observed in the North and East contrasts with the pattern observed in other parts of Sri Lanka which is more female dominated.

Literature review

The literature helps to distinguish diaspora from other forms of migration. The word diaspora commonly refers to the dispersion of people away from an established or ancestral homeland (Chaliand & Rageau, 1997; Cohen, 2008). Though the concept was often related to the experiences of Jews, Armenians, Greeks, and Africans, since the 1980s, it has also been used to describe the dynamics of dispersal of a range of ethnic minorities including Tamils from Sri Lanka. The contemporary meaning is applied to research on immigrants' everyday life and their social, ethno-political and cultural position in the 'host' countries as well as their relationship with their homeland (Keles, 2015). This has represented a shift away from earlier studies on immigrants mainly concerned with integration into the host country.

We use a broad definition of ‘diaspora’ in this paper. This extensive, catch-all, approach is also used by others like Tölölyan (1991) and Van Hear (1998). We find this approach particularly useful when implementing survey-based empirical studies, especially when the survey is done in the sending country as done here. The catch-all definition, because it is less prescriptive, makes it easy to identify and select households into the survey. For example, the family left behind would be able to accurately answer the question of whether the household in question has migrant members. This knowledge may even be common knowledge in a village setting, making the selection process much easier. The household survey included only those households which answered affirmatively to the question, “Has any immediate family member of any person living in this household migrated to another country?” With a more prescriptive definition of ‘diaspora’ even the closest members of the family left behind would have struggled to answer the above question. In other words, by loosely defining diaspora as any migrant member, we were able to relatively easily identify Sri Lankan households which had members from the diaspora.

We defined social mobility based on Aldridge (2003: 189) who argues that: ‘...[social mobility is] the movement or opportunities for movement between different social classes or occupational groups’. In order to identify the directions of social mobility among households we had to first measure their socioeconomic status (SES) which we defined as a phenomenon which is based on two elements: (1) the household’s portfolio of physical assets and (2) the quality of their house. The next section investigates in detail the methodology and the results of combining multiple variables to ascertain the SES.

Data Collection and Methodology

This section explains the data used in this work and the methodological choices made when collecting and analysing this data. This is done in the following three subsections.

Data

This paper uses data from five locations in the Northern and Eastern Provinces of Sri Lanka: Sammanthurai, Kattankudy, and Sampur in the Eastern Province and Urumpirai and Uyilankulam in the Northern Province (see Figure 1). The selection of sites also reflected the ethnic composition, with Sammanthurai and Kattankudy being Muslim areas and the rest

Tamil. The quantitative and qualitative data collected from these locations in Sri Lanka are used in this paper.¹

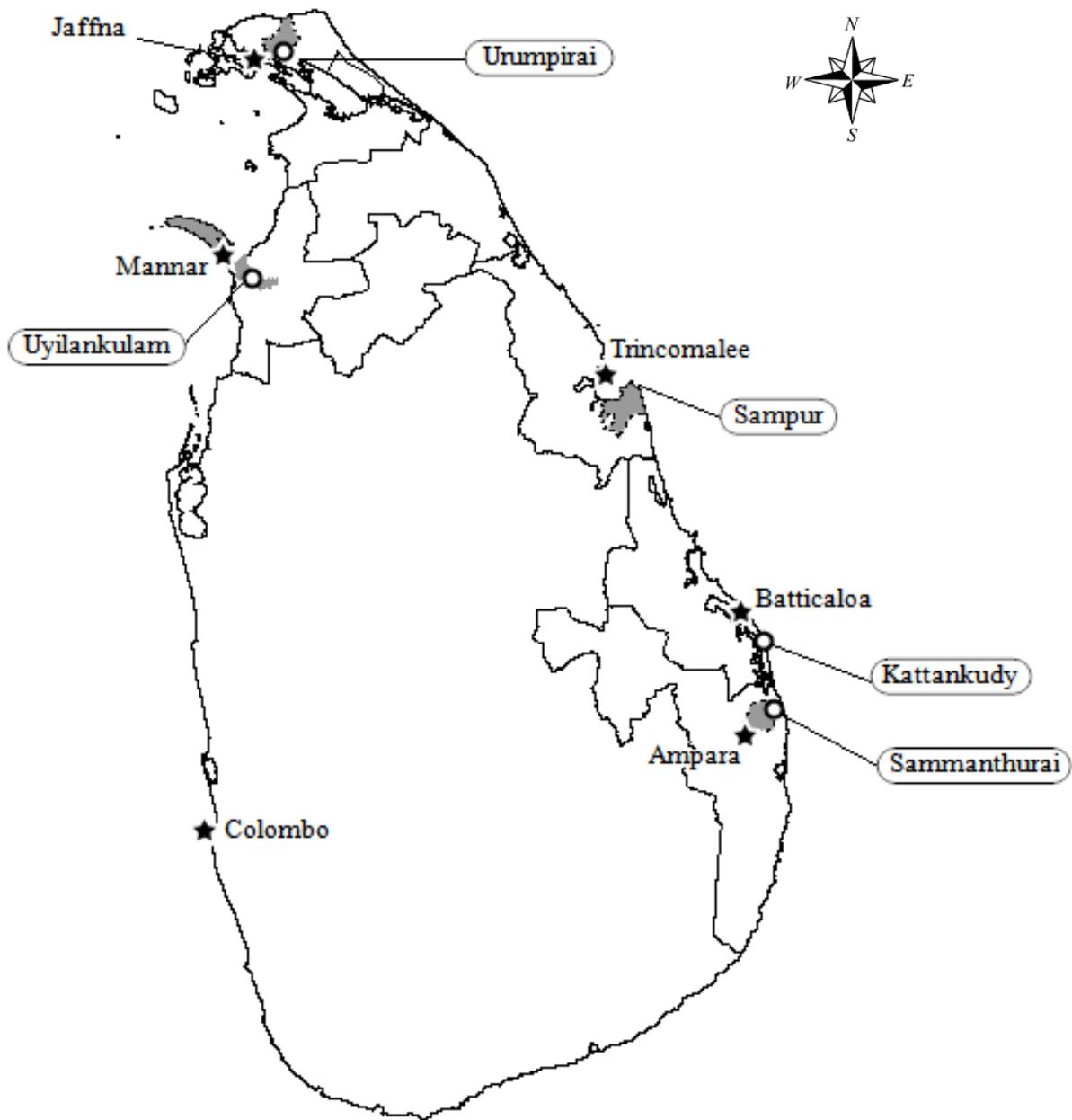


Figure 1. Map of Sri Lanka with research locations. Black stars identify the capital Colombo and the main cities in each district covered in this work. The five Divisional Secretary Divisions (DSD) which included the villages studied are shaded. The Kattankudy DSD is too small to be visible at the scale used here.

The survey included 262 migrant households where the term ‘household’ is used flexibly so as to include extended family members of a nuclear family who were not living with the family at the time of the survey. In most cases information regarding the migrants was based on the recollection of family members who are left behind in Sri Lanka. In some cases, we were able to interview the migrants themselves if they had returned or were visiting Sri Lanka at the time of the survey. Though the survey of 262 households was conducted in 2012 we used it to collect information on household status during the war period which relied on informant recall. Migrant households—the households in the village which had members who had been abroad or were abroad at the time of the survey—were randomly selected from a village level list of migrant households. In the case of Sampur the households were interviewed in welfare camps and rented houses where they lived, while in the other four villages the households were interviewed in their respective villages. The survey of 262 households was completed with at least fifty migrant households from each of the five sites.

Table 1: Summary statistics of survey sample compiled at household and individual level

		Kaththankudy	Urumpirai	Sampur	Sammanthurai	Uyilankulam	Total
Household data	Number of Households (HHs)	58	50	50	54	50	262
	HH Size						
	Mean	5.35	6.63	5.24	5.97	5.96	5.83
	Median	5	6	5	6	6	6
	SES classification (current)						
	Low	12 (21%)	11 (22%)	18 (36%)	27 (50%)	18 (36%)	86 (33%)
	Medium	20 (34%)	14 (28%)	8 (16%)	18 (33%)	14 (28%)	74 (28%)
	High	26 (45%)	25 (50%)	24 (48%)	9 (17%)	18 (36%)	102 (39%)
	Ethnicity						
	SL Tamil	0 (0%)	48 (96%)	50 (100%)	0 (0%)	50 (100%)	148 (56%)
	Indian Tamil	0 (0%)	1 (2%)	0 (0%)	0 (0%)	0 (0%)	1 (0%)
	Muslim	58 (100%)	1 (2%)	0 (0%)	54 (100%)	0 (0%)	113 (43%)
Current Migrants in HH							
Mean	0.84	1.48	0.86	1.5	1.48	1.23	
Median	0	1	0	1	1	0	

Continued...

		Kaththankudy	Urumpirai	Sampur	Sammanthurai	Uyilankulam	Total
Individual Data	Number of Individuals	246	293	240	278	270	1327
	Activity						
	Employed	80 (33%)	128 (44%)	90 (38%)	80 (29%)	113 (42%)	491 (37%)
	Unemployed	15 (6%)	32 (11%)	17 (7%)	13 (5%)	14 (5%)	91 (7%)
	Not in the labour force	151 (61%)	133 (45%)	133 (55%)	185 (67%)	143 (53%)	745 (56%)
	Age distribution						
	0-5	39 (15%)	7 (2%)	16 (7%)	31 (11%)	9 (3%)	102 (8%)
	6-18	57 (22%)	39 (13%)	37 (15%)	89 (32%)	49 (18%)	271 (20%)
	19-35	88 (33%)	96 (32%)	105 (44%)	83 (29%)	83 (31%)	455 (34%)
	36-60	65 (25%)	101 (34%)	68 (28%)	68 (24%)	102 (38%)	404 (30%)
	61 and above	14 (5%)	55 (18%)	14 (6%)	11 (4%)	27 (10%)	121 (9%)
	Education						
	1-5	55 (22%)	47 (16%)	42 (18%)	81 (29%)	31 (11%)	256 (19%)
	6-10	104 (42%)	83 (28%)	66 (28%)	125 (45%)	107 (40%)	485 (37%)
More than 10	65 (26%)	151 (52%)	117 (49%)	28 (10%)	124 (46%)	485 (37%)	
Current Migrants							
All	49 (20%)	74 (25%)	43 (18%)	50 (18%)	74 (27%)	290 (22%)	
Male	43 (17%)	47 (16%)	39 (16%)	39 (14%)	45 (17%)	213 (16%)	
Female	6 (2%)	27 (9%)	4 (2%)	11 (4%)	29 (11%)	77 (6%)	

Source: Survey conducted by authors in 2012.

Table 1 provides summary statistics of the sample. The statistics are presented at household level as well as at individual level with a village level disaggregation. However, one must be careful not to interpret these as statistics representing the five villages. Rather, the statistics are representative of those households with international migration experiences. The sample statistics on ethnic composition confirm that the five villages are either mono-ethnic or nearly so: two villages (Kattankudy, Sammanthurai) are Muslim and three are Tamil (Urumpirai, Sampur, and Uyilankulam). The mean number of migrants within a household suggests that Kattankudy and Sampur have about half the migration penetration (approximate mean of 0.8) of Urumpirai, Sammanthurai and Uyilankulam (approximate mean of 1.5).

The bottom half of Table 1 provides summary statistics derived from an individual level analysis of the same data. The 262 households surveyed comprise 1327 individual residents. Urumpirai has the largest sample of individuals (293) and Sampur has the smallest (240). Statistics on individual activity in Table 1 suggest that unemployment is highest in Urumpirai while it is lowest in Uyilankulam. Kattankudy and Sammanthurai have the highest numbers of individuals that are not in the labour force (e.g. school-going children and the elderly) which suggest that dependency is highest in these villages. Kattankudy and Sammanthurai also stand out for current migration levels among individuals: they have the lowest percentage of migrants out of the five villages (approximately 20 percent) and have the lowest percentage of female migration.

Methodology

This paper primarily hinges on an analysis of data collected through a household survey and also through 100 in-depth interviews (20 from each site) with heads/spouses of households of emigrants. The interviews were all done in Tamil. The quantitative and qualitative data is used in a way that complement each other. The quantitative work looks at 10 diaspora engagement related variables: (1) the destination region, (2) source of funding (for migration), (3) the visa category, (4) the reason for migration, (5) cost of migration, (6) number of home visits, (7) value of remittance, (8) communication frequency, (9) remittance method, and (10) how remittances were spent. Household data related to all of these variables for two periods—both during and after the war—were collected in the survey. We use a range of quantitative tools to examine whether and how these 10 variables had changed the household-level SES after the end of the war in Sri Lanka.

After the initial analysis which relies on graphical and tabular methods, we estimated ten ANOVA models to ascertain which of the diaspora engagement variables are associated with household SES. After identifying the statistically significant diaspora engagement variables we used that information to estimate an ANCOVA model based on the multivariate regression model:

$$SES_{i,t} = f(\mathbf{D}_{i,t}, \mathbf{X}_{i,t}, T_t) + \varepsilon_{i,t} \quad (1)$$

where $\mathbf{D}_{i,t}$ is a vector of diaspora engagement variables for household i during time t , $SES_{i,t}$ is household i 's socioeconomic status at time t ; $\mathbf{X}_{i,t}$ is a vector of variables that are not directly related to diaspora engagement; T_t is a time dummy variable which indicates whether a particular observation is for during the war period or for the post-war period; $\varepsilon_{i,t}$ is a random error term. The subscripts are defined as $i=1, \dots, N$, where N is 262 and $t=1, 2$ where 1 is the during the war period and 2 is the post-war period. It follows that equation (1) can be estimated with 524 ($=262 \times 2$) observations. The wartime data is collected from the survey done in 2012 and as such relies on respondent recall. $\mathbf{X}_{i,t}$ includes: (1) village dummy variable, (2) ethnicity dummy variable, (3) headship (whether male-headed or female-headed), (4) head's education level, (5) highest education level among all members in the household, (6) number of dependents (old, disabled, and young) and (7) whether the household was ever displaced.

Given that the prime focus of this paper is on the social mobility defined at the household level, we are compelled to look at diaspora engagement primarily from a household angle: how diaspora members interact/engage with the members of the household left behind. The study takes a pragmatic/empirical route to defining household level 'diaspora engagement'. We do this by using several variables that can be measured relatively accurately using survey tools. Since the present paper is concerned with the impact of diaspora engagement on household SES our purpose limits 'diaspora engagement' as a phenomenon that materialises within the household/extended family sphere.

Lastly, qualitative interviews were used to examine the veracity of the quantitative result and to shed more light on them.

Social mobility following the end of the war

The literature commonly measures SES of households using their assets and quality of their housing. The survey used here collected information on assets (6 variables) and on quality of house (3 variables) for the households related to two periods of time: current and during the war. The ‘during the war’ information was based on historical data which relied on interviewee recall.

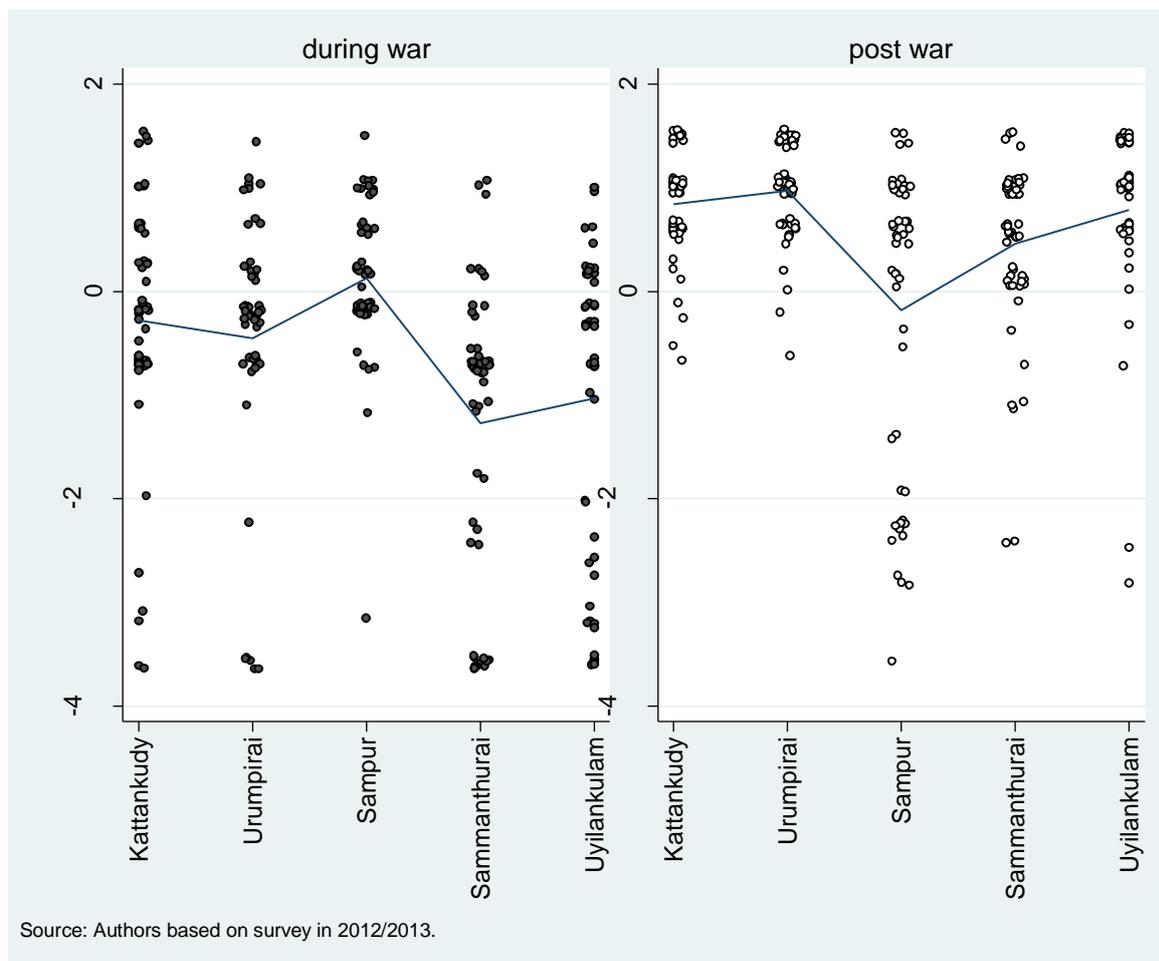


Figure 2. The evolution of social status in the five villages. Each marker represents a household plotted with a jitter so that each overlapping marker is visible. The connected line represents the average social status of the village which is different across the villages and which has improved for all villages except Sampur following the end of the war.

These data was subjected to a factor analysis (FA), which is a common data reduction method. The FA identified that just two factors can capture the 10 variables mentioned above. We additively combined these two factors to construct a measure of SES for the households.

The SES variable thus created ranged between -3.577 to 1.476. Figure 2 plots this FA-based SES measure for the 262 households. The plots in the figure are separated by SES for the war period and SES for the post-war period. The figure also separates the households by their village and uses a connecting line to draw attention to the village-level average household SES. The line makes it clear that except for Sampur all other villages had experienced an upward movement in SES between the two periods considered here. Sampur is an exception given that it was in the last few years of the war, in 2006, that the people of Sampur were displaced for the first time (Amirthalingam & Lakshman, 2009, 2013).ⁱⁱ They had remained displaced at the time of the survey and none of the other four villages in the study were. While the pattern of social mobility is of interest, the objectives of this paper requires that we dissect this pattern further and shed light on the issue of whether, and to what degree, the changes in diaspora engagement following the end of the war affected this mobility. We turn to this issue in the next section.

Impact of diaspora engagement on SES: a quantitative analysis

Subsections 5.1 and 5.2 identify diaspora engagement variables that can explain social mobility within the sample of households looked at here. Subsection 5.3 extends these results to establish whether the identified diaspora engagement variables changed following the end of the war.

Social mobility and diaspora engagement: an analysis based on the two way ANOVA model

This subsection examines the results of the two-way ANOVA models fitted to the household data. As this was a household-level analysis all the migration data needed to be at the household level. Some of this data were at the individual migrant level or at the level of each trip made by the relevant migrant. For example, the survey collected data for the destination region relevant for each trip made by the migrants of the households. All of these data were aggregated to the household level either by summation in the case of continuous variables (e.g. cost of migration, value of remittances) or by taking the mode in the case of categorical variables (e.g. destination region). For each variable the aggregation was done twice: (1) for during the war period and (2) for the post-war period. This process yielded 10 diaspora engagement variables (each repeated twice, one time each for the two periods) three of which

were continuous variables (cost of migration, number of visits, and value of remittances) and the rest categorical. The three continuous variables were subsequently converted to categorical variables.

Ten separate ANOVA models were used to test whether the 10 diaspora engagement indicators had an effect on household SES. The dependent variable (DV) in the ANOVA was the household SES level calculated in Section 4. Independent variables (IVs) in the ANOVA were diaspora engagement, time period, and the interaction term diaspora engagement \times time. Section 4 emphasised that time period (whether during the war or post-war) is a key variable that affects household SES, which is why it is included in the ANOVA as an IV alongside diaspora engagement.

Table 2: The impact of diaspora engagement-related categorical variables on household SES

	Model fit (two-way ANOVA)	The effect of migration variable (column one) on SES (1)	The effect of time variable (During- vs post-war) on SES (2)	Interaction term (1)×(2)
Destination region ^a	21.587** [0.000]	10.413** [0.000]	32.201** [0.000]	2.008 [0.092]
Source of funding ^a	12.362** [0.000]	2.928** [0.008]	110.861** [0.000]	1.941 [0.073]
Visa category ^a	29.299** [0.000]	8.607** [0.000]	84.892** [0.000]	1.208 [0.300]
Reason for migration ^a	23.296** [0.000]	3.023** [0.029]	74.948** [0.000]	4.638** [0.003]
Cost of migration (category) ^b	17.890** [0.000]	2.597 [0.052]	115.436** [0.000]	0.366 [0.778]
Number of home visits	15.495** [0.000]	1.322 [0.268]	72.896** [0.000]	1.335 [0.265]
Value of remittance (category) ^b	16.715** [0.000]	5.116** [0.000]	93.431** [0.000]	0.663 [0.618]
Communication frequency	28.282** [0.000]	3.886** [0.021]	69.002** [0.000]	0.414 [0.661]
Remittance method	16.513** [0.000]	5.303** [0.000]	51.268** [0.000]	4.990** [0.000]
How remittances were spent	45.926** [0.000]	0.566 [0.452]	130.847** [0.000]	5.193** [0.023]

Note: The table contains F statistics of a two-way ANOVA with corresponding *p*-values in square brackets.

** significant at 5 percent level.

^a This is a household-level variable calculated as the mode of the category in the relevant period – either during- or post-war.

^b This is a household-level variable which is created by encoding the relevant continuous variable into 4 categories: very low, low, high, and very high.

The results of the ten ANOVA models are tabulated in Table 2. All 10 models fit the data well: F-ratios in the column two of the table all have $p < 0.001$. Moreover, the time period variable is highly significant across all 10 models indicating that time lapse in general and the end of the war in particular has a strong effect on average household SES. This confirms the findings in Section 4. From the perspective of the current paper the most interesting of results

in Table 2 relates to the estimated effect of diaspora engagement on household SES. Eight diaspora engagement variables (out of ten examined in Table 2) have statistically significant (at 5 percent level) effect over household SES. Moreover, the interaction term (diaspora engagement \times time period) of four models out of the ten were significant at the 5 percent level. Reason for Migration ($p=0.003$), value of remittance ($p=0.013$), remittance method ($p<0.001$) and how remittances were spent ($p=0.023$) all seem to interact with time (whether during- or post-war) in a way that had an effect on household SES.

Table 3: Association between diaspora engagement variables

	Destination region	Source of funding	Visa category	Reason for migration	Cost of migration	Number of home visits	Value of remittance	Communication frequency	Remittance method	How remittances were spent
Destination region		112.777** [0.000]	431.426** [0.000]	201.880** [0.000]	242.084** [0.000]	35.186** [0.000]	162.189** [0.000]	14.784 [0.063]	412.439** [0.000]	24.906** [0.000]
Source of funding	112.777** [0.000]		58.512** [0.000]	73.865** [0.000]	68.811** [0.000]	33.222** [0.001]	50.177** [0.001]	22.049** [0.037]	89.976** [0.000]	7.255 [0.298]
Visa category	431.426** [0.000]	58.512** [0.000]		158.334** [0.000]	113.155** [0.000]	15.673** [0.003]	68.904** [0.000]	4.553 [0.336]	152.807** [0.000]	9.710** [0.008]
Reason for migration	201.880** [0.000]	73.865** [0.000]	158.334** [0.000]		12.545 [0.184]	73.789** [0.000]	35.765** [0.000]	8.849 [0.182]	120.281** [0.000]	16.770** [0.001]
Cost of migration	242.084** [0.000]	68.811** [0.000]	113.155** [0.000]	12.545 [0.184]		14.460** [0.025]	44.948** [0.000]	19.899** [0.003]	122.059** [0.000]	0.254 [0.968]
Number of home visits	35.186** [0.000]	33.222** [0.001]	15.673** [0.003]	73.789** [0.000]	14.460** [0.025]		14.554 [0.068]	1.838 [0.765]	35.063** [0.000]	7.718** [0.021]
Value of remittance	162.189** [0.000]	50.177** [0.001]	68.904** [0.000]	35.765** [0.000]	44.948** [0.000]	14.554 [0.068]		5.741 [0.676]	99.736** [0.000]	9.457 [0.051]
Communication frequency	14.784 [0.063]	22.049** [0.037]	4.553 [0.336]	8.849 [0.182]	19.899** [0.003]	1.838 [0.765]	5.741 [0.676]		40.332** [0.000]	1.710 [0.425]
Remittance method	412.439** [0.000]	89.976** [0.000]	152.807** [0.000]	120.281** [0.000]	122.059** [0.000]	35.063** [0.000]	99.736** [0.000]	40.332** [0.000]		18.161** [0.006]
How remittances were spent	24.906** [0.000]	7.255 [0.298]	9.710** [0.008]	16.770** [0.001]	0.254 [0.968]	7.718** [0.021]	9.457 [0.051]	1.710 [0.425]	18.161** [0.006]	

Note: The table contains χ^2 statistic of with corresponding p -values in square brackets. ** Significant at 5 percent level.

The results of the ANOVA analysis illustrate that diaspora engagement has had an effect on household SES. However, this analysis is not robust enough to accurately measure these effects because the two-way ANOVA models only considered engagement variables one at a time. This could be a problem in a situation where the diaspora engagement variables are associated with each other. In fact, Table 3 is evidence that the ten diaspora engagement variables examined here are strongly associated with each other. For example, the destination of migration is strongly associated with the visa status. This makes perfect sense in Sri Lanka where the bulk of migrant labourers work in the Middle East whereas the bulk of the migrants with permanent residency (PR) status or citizenship are very likely to be based in North America or Western Europe. Clearly the two-way ANOVA models had not considered these overlaps or cross associations. This is why we improve on these analyses in the following subsection by specifically accounting for these interactions.

Multivariate analysis of diaspora engagement using an ANCOVA model

This subsection uses results from the two-way ANOVA analysis to try and combine the diaspora engagement variables within a single ANCOVA specification. This will address the issue of data redundancy by taking into account the cross association among all the diaspora engagement variables. The ANCOVA model will be based on equation (1) in which $\mathbf{D}_{i,t}$ is constrained to include only those diaspora engagement variables that the ten ANOVA models identified as having a significant effect on household SES. This initial ANCOVA model was then further refined by removing the insignificant IVs and interaction terms. It turned out that main effects of three diaspora engagement variables (region of migration, value of remittances, and remittance method) and one interaction terms (remittance method \times time) are sufficient to represent the effect of diaspora engagement on household SES. In other words, these three diaspora engagement variables sufficiently accounted for the effect of the remaining seven, making the latter redundant.

Table 4: Parameter estimates of the best fit ANCOVA model with N = 434, Root MSE = 0.9795, R² = 0.4999, Adjusted R² =0.4626.

Source	Partial SS	df	MS	F	Prob > F
Model	386.398	30	12.8799	13.43	0.0000
Destination region	17.539	4	4.3848	4.57	0.0013
Value of remittance	19.068	4	4.7670	4.97	0.0006
Remittance method	12.656	6	2.1093	2.2	0.0423
Remittance method × Time	18.264	6	3.0440	3.17	0.0047
Village	24.605	4	6.1512	6.41	0.0001
Village × Time	43.571	4	10.8928	11.35	0.0000
Time (During- and post-war)	63.561	1	63.5611	66.25	0.0000
Household head's education level	12.138	1	12.1379	12.65	0.0004
Residual	386.629	403	0.9594		
Total	773.027	433	1.7853		

Table 4 presents the above final (parsimonious) ANCOVA model. Table 4 tabulates the F statistics which test whether the IVs of the models have a statistically significant effect on household SES. The IVs in the table include the diaspora related IVs as well as several others which may not be directly related to diaspora engagement. As explained in Section 3 we experimented with seven such predictors but found that only three had statistically significant effect on the household SES: (1) village dummy variable, (2) household head’s education level and (3) a time dummy distinguishing during- vs. post-war periods. The results in Table 4 confirms the analysis thus far by asserting that the time dummy has the strongest effect on household SES. The model diagnostics presented in Table 4 confirms that this final model provides a good fit to the data ($F(30,433)=13.43$, $p<0.0001$, $Adj R^2=0.4626$). As mentioned earlier, high levels of association between the 10 diaspora engagement variables means that most of them are not needed for the final model. For example, the significance of ‘visa status’ in the ANOVA setting but not in the ANCOVA setting indicates that the information within the variable is redundant when combined with other diaspora engagement variables. We believe that information in ‘visa status’ is highly correlated with the information in ‘destination region’.

Table 5: Parameter estimates of the multivariate linear regression model underlying the ANCOVA model

	Coef.	Std. Err.	t	p> t
Destination Region (ref. India)				
Middle East	0.0572	0.3515	0.1600	0.8710
Europe	0.791**	0.3579	2.2100	0.0280
North America	0.839**	0.4157	2.0200	0.0440
Other	0.4250	0.4320	0.9800	0.3260
Value of Remittances (ref. Very low)				
Low	0.510**	0.1504	3.3900	0.0010
High	-0.0668	0.1451	-0.4600	0.6450
Very High	0.305**	0.1467	2.0800	0.0380
	0.0485			0.84
Remittances not reported		0.2433	0.2000	20
Remittance Method (ref. No remittances)				
Hand carry or posting	0.7332	0.5176	1.4200	0.1570
Undiyal method	0.8291	0.4603	1.8000	0.0720
Banks (cheque, M/O)	-0.0568	0.4557	-0.1200	0.9010
Banks (electronic)	1.013**	0.5129	1.9800	0.0490
Direct deposit	0.0247	0.4604	0.0500	0.9570
Other	0.1508	0.5060	0.3000	0.7660
Remittance Method × Time (ref. No remittances × post-war period)				
Hand carry or posting × post-war period	-0.6070	0.6948	-0.8700	0.3830
Undiyal method × post-war period	-1.118**	0.5062	-2.2100	0.0280
Banks (cheque, M/O) × post-war period	0.1703	0.5004	0.3400	0.7340
Banks (electronic) × post-war period	-0.7039	0.5105	-1.3800	0.1690
Direct deposit × post-war period	0.0473	0.4856	0.1000	0.9220
Other × post-war period	0.1068	0.7074	0.1500	0.8800
Village (ref. Kaththankudy)				
Urumpirai	-1.064**	0.2907	-3.6600	0.0000
Sampur	0.1255	0.2700	0.4600	0.6420
Sammanthurai	-0.795**	0.2127	-3.7400	0.0000
Uyilankulam	-1.281**	0.2624	-4.8800	0.0000
Village × Time (ref. Kaththankudy × post-war period)				
Urumpirai × post-war period	0.6159	0.3340	1.8400	0.0660
Sampur × post-war period	-1.205**	0.3532	-3.4100	0.0010
Sammanthurai × post-war period	0.5393	0.3051	1.7700	0.0780
Uyilankulam × post-war period	0.793**	0.3291	2.4100	0.0160
Post-war dummy	1.323**	0.5149	2.5700	0.0110
Education of head (a continuous variable)	0.101**	0.0283	3.5600	0.0000
Constant	-1.251**	0.3916	-3.1900	0.0020

Table 5 tabulates the parameter estimates of the linear multivariate regression models that underlie the ANCOVA model: equation (1). We will use Table 5 to discuss in some detail the implications of the ANCOVA estimates. Let's first look at the IVs which are not directly related to diaspora engagement. First is the village dummy. The reference category for this variable is Kattankudy. The coefficient estimates presented in Table 4 suggests the effect of the village and the effect of village-time interaction are highly significant. Both of these need to be considered when interpreting the effect of the village on the household SES. For example, during the war only Sampur had an average SES level similar to that of Kattankudy, the reference village. All others had lower SES levels compared to Kattankudy. These relations changed on their heads in the post-war period: Sampur, reeling under extended displacement, recorded the worst average SES levels among the five villages. To reveal this, one needs to add up both the village dummy estimate and the corresponding village \times time interaction in Table 4. An easier alternative is to use Figure 3 which is an interaction graph on how the average SES in each village changed between the two periods considered here. Three things stand out in the figure: (1) excepting Sampur, the other four villages seem to be converging on average migrant household SES, (2) Sampur is the only village with a worse SES level in the post-war period compared to the SES during the war, and (3) Kaththankudy and Sampur which had similar SES levels during the war, had taken starkly divergent routes following the end of the war.

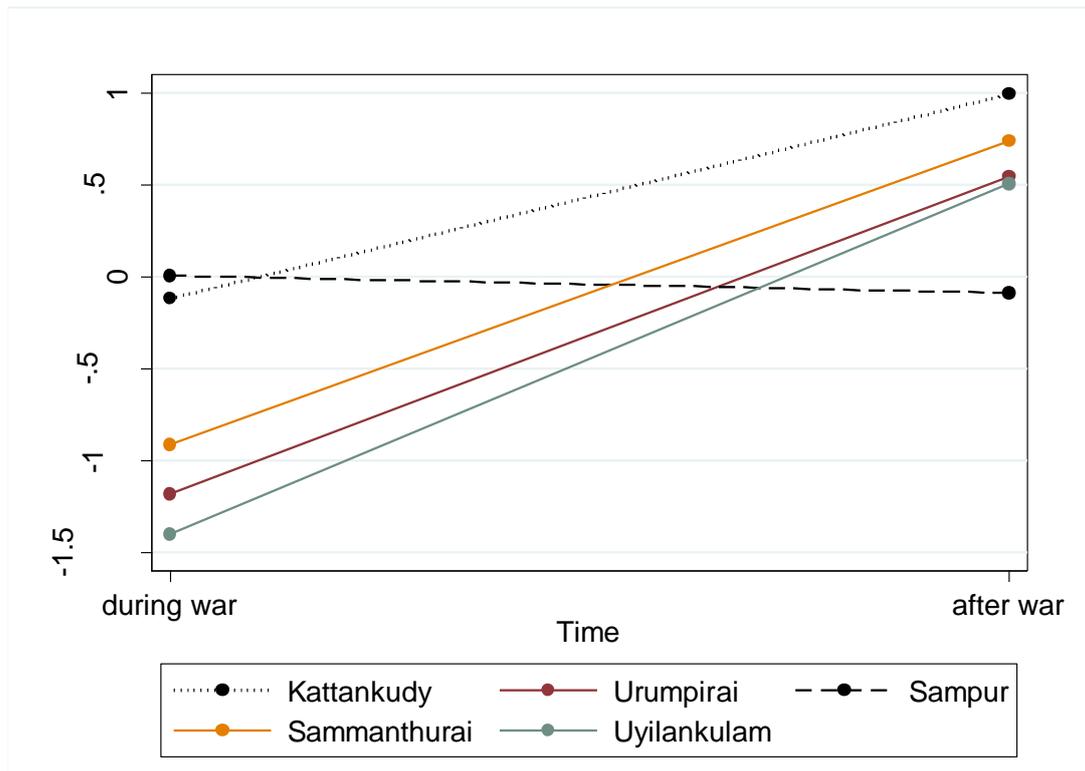


Figure 3. Effect of the village on household SES: changes after the end of the war

Perhaps the most significant indicator in Table 5 is the time dummy which captures the impact of the end of the war on the household SES. The estimated coefficient of this variable is a high positive value and is significant at the 5 percent level. This is a confirmation of the during-war vs. post-war comparison brought out in Figure 2. For example, the figure shows that in each village (except Sampur) there is a gap of more than 1 between during-war and post-war average SES. Accordingly, the post-war dummy variable in Table 5 is estimated at more than 1. Only one other non-diaspora related variable is estimated in Table 5: the household head’s education level. The relevant coefficient is statistically significant at 5 percent level ($p < 0.0001$), which suggests that households with better SES levels have better educated heads.

Diaspora engagement and household SES

In this subsection we look at diaspora engagement variables included in the ANCOVA models and their effect on household SES. The first of these is the destination region. Estimators for various destination categories suggest that two categories have SES levels that are statistically significantly different to the SES level of households who had migrants in

India, the reference category for this variable. Compared to this reference group, households with migrants in Europe or in North America have higher SES.

The second diaspora engagement variable that is of interest is the value of remittances. We collected data on financial as well as in-kind remittances for the two periods and converted them into constant 2012 prices before categorising them into five types: very low, low, high, very high, and not reported. Compared to the reference category of households that received a 'very low' level of remittances, those with low and very high receipts of remittances reportedly had better SES levels. A substantial number of households in the sample (41 cases) chose not to divulge information on remittances. This was a significant proportion of the sample and our strategy to include these 41 cases in the study was to convert the remittance data into a categorical variable. The conversion also helped narrow the variation of the original remittance data.

The third diaspora engagement variable in Table 5 is the remittance method. The reference category for this categorical variable is those households with no remittance receipts. It turned out that most of the migrants who were not able to remit any money to those left behind in Sri Lanka were refugees in India during the war. Compared to them the households that used electronic transfer methods in the banking sector had much better SES levels during the war. The relevant coefficient is 1.013, which is significant at the 5% level. While households that used the Undiyal method during the war also had better SES levels than the households with no receipts, the relevant coefficient was only significant at the 10 percent level.³ None of the other remittance methods seem to have significant effect on the household SES during the war. Since the interaction term remittance method \times time was significant, we will use the relevant interaction graph to better understand how remittance methods changed after the war.

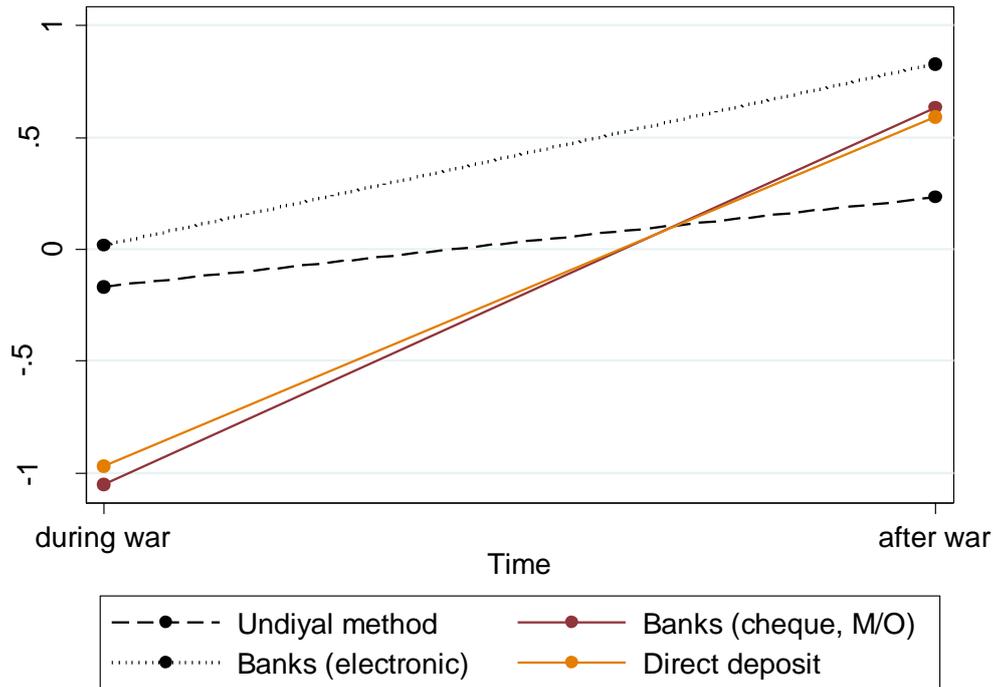


Figure 4. Effect of method of remittances on household SES: changes after the end of war

Households using hand carry/posting/other methods and those with no remittances were dropped.

Figure 4 highlights the reason why remittance method \times time interaction was significant in the ANCOVA model: the users of the Undiyal method take a noticeably different route to social mobility between during-war and post-war periods. The users of different methods available in the formal sector seem to be on a convergent path while the Undiyal users seem to diverge from this path. According to the figure, the post-war period's worst SES levels were seen among the Undiyal user households. Given that the Undiyal method is inherently more risky than the formal sector methods, it is a concern that 10.3% of the SES poorest households in the sample still relies on it in the post-war period.

Is diaspora engagement shaped by the end of the war?

The previous subsection identified three diaspora engagement related variables—destination region, value of remittances, and remittance method—that has a significant effect on household SES. While this finding is important for establishing the link between social mobility and diaspora engagement, it does not provide the full story of whether/how this link changed after the end of the war. In order to complete this story we need to establish that the diaspora engagement variables which have explanatory power over household SES did in fact

change after the end of the war. The ANCOVA model did offer some insights into this issue by considering interaction terms for diaspora engagement variables \times time. However, it transpired that only remittance method \times time interaction was statistically significant. This confirms that the distribution of methods of remittances had significantly changed following the end of the war and that this change had a significant effect on household SES. In particular, households using the Undiyal method had statistically significantly low SES compared to those that used other methods in the post-war period (see Table 5). It is also true that the interaction terms for destination region and value of remittances were not significant, which is why we did not include these interaction terms in the final ANCOVA model.⁴

The above results confirm that the household-level destination region data has not changed after the end of the war. But this conclusion has a strong bearing on the way this variable was created which we briefly examine here. The household survey collected information related to each trip made by migrants in a household. This trip-level data was used to create a household-level variable on the ‘destination region for all migrants in the household’. Suppose that two migrants in a household had done 5 trips—2 to the Middle East and 3 to Europe. The household-level migration will therefore be Europe—the *mode* of trip-level migration region data for the household. Using this method, we also created household-level migration region variables for during the war period as well as for the post-war period. A large number of trips by migrants in our database straddle both during-war and post-war periods. In other words, they left before the end of the war in 2009 and returned after the end of the war or are yet to return at the time of the survey. To be accurate we included all these trips both as a during war migration experience and as a post-war migration experience. This methodological choice had meant that the resulting variable of household migration region is quite similar between the two periods. The chi squared test quoted in footnote 5 suggests that household migration region as defined here had not significantly changed following the end of the war.

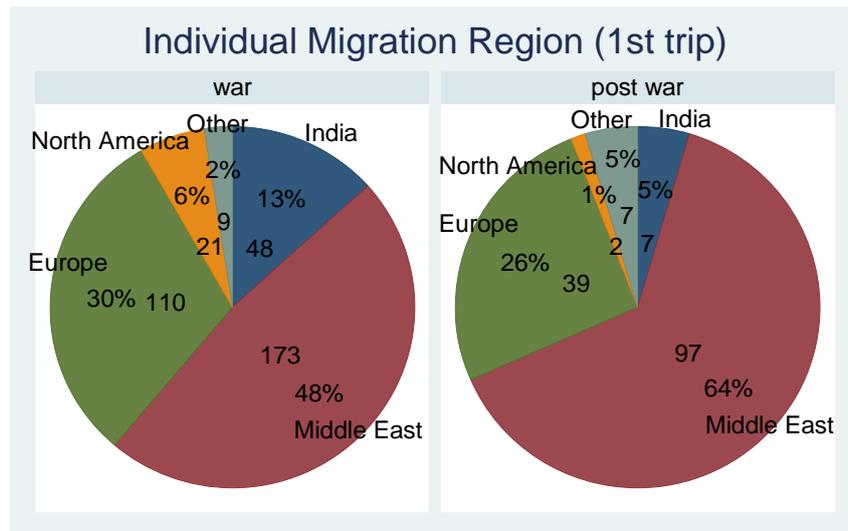


Figure 5. Individual migration region (first ever trip) by the during- and post-war periods

We hypothesized that perhaps the three-year period following the end of the war in 2009 until the time of the survey in 2012 is not long enough to facilitate a statistically significant change in the destination region. In order to test this hypothesis we examined the destination region data at the individual level instead of at the household level as done in the ANCOVA. For this we used a slightly different variable which is the migration destination of first-time migrants. This data is summarised in the Figure 5 which clearly suggests that the destination region of first-time migrants had significantly changed following the end of the war (Pearson $\chi^2(5) = 24.4703$ $p < 0.001$). A vast majority of first-time migrants seem to focus on migration to the Middle East following the end of the war. In contrast, migration to India has contracted after war ended. This change of pattern of migration region could be explained as a decline in the dominance of a security motive (a large number of migrants fleeing violence during the war had opted to go to India) of migrants over an economic motive. Similarly, first-time migration to North America and Europe has also declined following the end of the war.

The above results on destination region suggest that, statistically speaking, the household-level exposure to various destination regions had not changed after the war. Though the destination region is important as a driver of the household SES, at the household level, it is not sensitive, in particular in the short term, to a threshold event like the end of the war. This is why our analysis focusing on individuals is of importance. It suggests a significant shift in the destinations of the first-time migrants following the end of the war.⁵ We believe that this is a pointer for potential future changes in household-level patterns of migration. These

results when combined with the pattern of influence of migration regions on the household SES leads to the following changes in the post-war period: (1) shifting of migration to the Middle East from India could influence improvement in household SES; and (2) shifting of migration from North America and Europe towards the Middle East suggests a lowering of household SES.

The end of the war, social mobility, and diaspora engagements: qualitative evidence from Sri Lanka

In this section we look at some of the qualitative in-depth interviews conducted in the five villages in Northern and Eastern Provinces of Sri Lanka to shed more light on some of the findings of the quantitative analysis.

UK02 is a household from Uyilankulam where the head of household (65 years) lived alone with his wife (62 years). All of their children were married at the time of the interview and lived separately. Two of these children currently live and work in Western Europe. The first to migrate was the 33-year-old daughter who is in Germany. The 37-year-old son had migrated to Switzerland in 2008. So the household has had migrants both during the war as well as after the war. The interview revealed how patterns of diaspora engagement has drastically changed after the end of the war. The head of the household explained: “During wartime they sent money for my treatment [the interviewee is a diabetic patient] and for other needs of the house, but after the war they send money to acquire assets. They sent money through the Undiyal method during the war. Now they send money through direct bank deposits.”

In the case of UK02, even though monthly remittances has not increased by a large enough margin, they have been able to shift the usage from consumption activities to more investment focussed ones. The head of household, referring to the family’s post-war assets, said “My son has a tractor and my daughter has a house and paddy field here in Uyilankulam. I look after these properties. My daughter has also bought a house and land in Mannar town.”

UK02 also reported other improvements/changes in the level of engagement with diaspora members of the household after the end of the war: “We contacted each other via post during the war. Back then we could phone them from Mannar town but transportation to Mannar

was difficult and the phone lines will often not work. Now we have a CDMA fixed line telephone at home and therefore we can easily contact each other. These days we speak with them weekly. They also will call us frequently especially if I have fallen sick.”⁶

UK22 is also a household in Uyilankulam comprising a divorced/separated mother (51 years) and her two sons (aged 27 and 32 years). The mother’s younger brother is based in the UK and had migrated in 1998. He had, during the war, supported his nephews to migrate to Dubai for security reasons. The younger nephew recounted:

“Our uncle gave us financial support during the war as well as after the war ended. He came to our village in 2011 and after seeing the opportunities for commercial paddy cultivation in the area [this is in the Mannar Rice Bowl area well known in Sri Lanka for paddy cultivation], he gave us Rs.1.5 mn to buy a harvesting machine which cost Rs. 3.9 mn.”

Clearly UK22 and the benevolent uncle were bullish about the economic prospects in post-war Sri Lanka, especially in Mannar. When we contacted UK22 in 2015 they were still paying off the lease after renewing the leasing agreement.⁷ The quotation is proof that the pattern of spending diaspora money on security of household members (e.g. sending young men to the Middle East) has changed following the end of the war; the moneys are now being channelled to economically productive avenues such as commercial agriculture.

In addition to investing on strengthening livelihoods the interview with UK22 also revealed the post-war interest in rebuilding/renovating houses: “We have built a new house after the war for my brother’s wedding. We used asbestos for roofing during wartime but now for the new house we use clay roof tiles. We also use ceramic tiles for the floor of the new house.” Other households in Uyilankulam also confirmed the post-war housing boom and more clearly articulated the role of the diaspora and remittances in supporting these building/rebuilding/renovation projects.

ST007 is a household from Sammanthurai with a mother (38 years) of three children (7, 10 and 12 years) whose husband had migrated to Saudi Arabia. Even though at the time of the interview the husband was abroad it was actually the wife who is the more experienced migrant. She told us:

I worked from 1990-1998 in Riyadh, 1998-1999 in Dammam. Then I got married, and migrated again after the birth of my first baby and worked in Dammam Jidda for 5 years from 2005-2010. Then I came back due to the hardship of work. My husband migrated very recently to Dammam.

While the wartime difficulties had been there, ST007 was never displaced; economic hardships were the main reason why the wife at first and now the husband had migrated. The wife recounted “I worked as a labourer in paddy fields at the time of the war. War didn’t have a major impact on my life or migration. I did not migrate because of the war. I had to migrate because of lack of income for our family.” While the wife’s migration did help them build a house the household economic situation still looks bleak.

Urumpirai in Jaffna district was selected for this study for its high intensity migration levels. For instance, UP0022 is a household with six members (father/head 35 years, mother 26, elder daughter 6, younger daughter 5, head’s mother 72, and her brother 63). At the time of the interview one sister of the head of UP0022 lived in Switzerland with her family; another sister lived in Germany. The head of household recounted that he migrated to Germany in 1996 at the age of 18 with the hope of claiming asylum. He returned to Sri Lanka in 2000 after his application for asylum was rejected. He learned computer skills while in Germany and managed to bring back Rs. 1.2 mn with him when he returned to Sri Lanka. He used these resources to start a computer centre in Urumpirai in 2003. Now his primary livelihood is rice milling into which business he had invested Rs. 7 mn. He had done well in this business and now lives in a big house. The rice milling business has benefited much from the end of the war.

Household SP06 is originally from Sampur but was interviewed in Kaddaiparichchan where they lived in rented accommodation after being displaced. This is a households with father (54 years), mother (45 years), three sons (29, 27 and 19 years respectively), and daughter (17 years). The 27-year-old son has migrated to Dubai in 2007 and worked as a glass fitter. He returned to Sri Lanka in 2013. They were a household with a rather high level of socio-economic status in Sampur with the bulk of pre-displacement income coming from multiple sources. All assets were lost during displacement. The eldest son explained the situation thus: “We lost access to our paddy land after displacement in 2006 but now we have limited access to our paddy land. I have got employment in the government sector recently and my brother also send money from abroad. He migrated because of war, displacement, unemployment,

and poverty of the family.” In relation to diaspora engagement, “During wartime we used communication centres to contact my brother but now we have a mobile phone to contact him. Earlier, we faced delays in getting money but now private banks have come to Mutur with ATM facilities and therefore we are able to get the money quickly. We spend his money on daily needs, schooling, and healthcare.”

Discussion and conclusions

This paper researched into the issue of whether diaspora engagement has a potential to catalyse social mobility in post-war migrant sending countries. We used data from a cross-sectional household survey and in-depth interviews conducted in five villages in post-war Sri Lanka to examine this issue. The results show that on average the post-war Sri Lankan society has been upwardly mobile following the end of the war. This result is based on a factor analysis which found that household SES can be represented by two factors: the first factor representing movable assets and the other representing the quality of house. The trend of upward social mobility was observed for all but one village in the sample. The exception, Sampur, had on average moved downward *vis-a-vis* its own average SES status during the war. It was clear that Sampur’s predicament was a result of the village continuing to be in displacement at the time data collection.

That Sri Lankan society has been on an upwardly mobile path following the end of war is perhaps to state the obvious. This paper is more interested in the role of diaspora engagement in this mobility. The quantitative approaches allowed us to control for the effect of other important explanatory variables (such as the village dummy, the end of war dummy and the education level of the household headship) on social mobility. The results confirmed that these other variables have statistically significant explanatory power over social mobility. We tested for the effect of 10 diaspora engagement-related variables and found that three of them—destination region, value of remittances, and remittance method—have statistically significant explanatory power over the household SES. We used a multivariate ANCOVA analysis to generate these results which can be explained as: (1) migrating to the West, in contrast to migrating to the Middle East, is likely to be associated with better SES outcomes for the households left behind, (2) households that receive higher levels of remittances are more likely than those receiving very low levels to reach higher SES levels, (3) households

that received remittances through electronic banking reported significantly higher SES levels than the households which received no remittances.

One should be careful before giving causal interpretations to the above identified associations between diaspora engagement variables and social mobility. The ANCOVA model used here (Equation 1) did control for crucial drivers of social mobility including temporal dynamics (during-war vs. post-war), village-level characteristics (village can represent among other things the ethnicity, the level/nature of war impact including displacement experience, etc.) and other household characteristics such as the level of education of the head of household. By specifically modelling the effect of these confounding variables we have strengthened the model, which permits stronger claims for causal interpretations. The model also accounted for the interaction effect between the time/war factor (during-war vs. post-war) and one diaspora engagement variable: the remittance method. This interaction effect was significant for the Undiyal method; in particular it suggested that those households still relying on Undiyal methods in the post-war period had lower SES levels.

The strongest reason why we interpret the above results as indicative of causal links comes from the in-depth interviews. The interviews clearly identify that the end of the war did bring in substantial changes to the way the diaspora engages with the family left behind. Moreover, the interviews suggested that these changes encouraged the upward social mobility of the family left behind. Among other things the interviews illustrated: (1) how diaspora engagement was used as a protection strategy (to ensure safety and security of household members) during the war but was used as a livelihood strategy (to improve incomes and building up assets) after the war, (2) how the consumption focus of remittances transformed into an investment focus (including purchase and improvement of houses) after the war, and (3) how the end of the war improved communication and mobility of the households which improved social/cultural/economic links with members of the diaspora. The qualitative evidence strengthens our claims for a causal link between diaspora engagement and the household SES status—a relationship which seem to have undergone significant changes after the war.

Our findings in relation to the effect that the volume of remittances has on household SES and also in relation to the missing shift in remittance volumes following the end of war supports the counter cyclical argument (J. Ahmed & Martinez-Zarzoso, 2013; P. Gupta, 2006; S. Gupta et al., 2009). The way households responded to the end of the war is

essentially to change the way remittances are utilised within the household. We saw two types of such shifts within households when they moved from the during-war to post-war period: (1) shift from using remittances for consumption to investment, and (2) shift from using remittances for protection purposes to livelihood/investment purposes. Both these shifts had contributed to strengthening household SES after the end of the war even though the volume of remittances had not significantly increased during the period. This result is compatible with other results from rural Sri Lanka which show how the deployment of protection strategies could deplete the household economic status (Kulatunga & Lakshman, 2013).

This work had revealed some evidence that diaspora engagement has positively contributed to social mobility in post-war Sri Lanka. We argued in the introduction to this paper, that social mobility is an important indicator/conduit of post-war economic recovery. It follows that the results of this paper may be interpreted as underlining the important household-level role played by diasporas in sustaining and strengthening the fragile peace in post-war countries. They are seen to facilitate household social mobility in the war-affected villages in the North and East of Sri Lanka. It must however be noted that this analysis narrowly focuses on the household-level economic contribution of diasporas. Others have pointed out that diaspora activities in home lands extend beyond the economics and to politics of the sending countries.

References

- Adams, R. H., & Cuecuecha, A. 2010. "Remittances, household expenditure and investment in Guatemala." *World Development*, 38(11), 1626–1641.
- Ahmed, I. I. 2000. "Remittances and their impact in postwar Somaliland." *Disasters*, 24(2), 380–389.
- Ahmed, J., & Martinez-Zarzoso, I. 2013. *Blessing or Curse: The Stabilizing Role of Remittance, Foreign Aid and FDI to Pakistan* (Discussion Papers, Center for European Governance and Economic Development Research No. 153). http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2261920
- Aldridge, S. 2003. "The facts about social mobility." *New Economy*, 10(4), 189–193.
- Amirthalingam, K., Jayatilaka, D., & Lakshman, R. W. D. 2015. "The other side of the migration and development nexus." In Md. M. Rahman & T. T. Yon (Eds.), *International Migration and Development in South Asia* (pp. 218–234). Routledge.
- Amirthalingam, K., & Lakshman, R. W. 2009. "Displaced livelihoods in Sri Lanka: An economic analysis." *Journal of Refugee Studies*, 22(4), 502–524.
- Amirthalingam, K., & Lakshman, R. W. D. 2013. "Impact of displacement on women and female-headed households: A mixed method analysis with a microeconomic touch." *Journal of Refugee Studies*, 26(1), 26–46.
- Borjas, G. J. 2006. *Making it in America: Social mobility in the immigrant population*. National Bureau of Economic Research. <http://www.nber.org/papers/w12088>
- Chaliand, G., & Rageau, J.-P. 1997. *The Penguin atlas of diasporas*. Penguin Books.
- Chami, R., Jahjah, S., & Fullenkamp, C. 2005. "Are immigrant remittance flows a source of capital for development?" *IMF Staff Papers*, 52(1), 55–81.

- Cheran, R. 2003. "Diaspora circulation and transnationalism as agents for change in the post conflict zones of Sri Lanka." *Berghof Foundation*. <http://www.berghof-peacesupport.org>
- Cohen, R. 2008. *Global diasporas: An introduction*. Routledge.
- Collier, P., Elliot, V. L., Hegre, H., Anke Hoeffler, Marta Reynal-Querol, & Nicholas Sambanis. 2003. *Breaking the conflict trap: Civil war and development policy*. World Bank Publications.
- Collier, P., Hoeffler, A., & Söderbom, M. 2008. "Post-conflict risks." *Journal of Peace Research*, 45(4), 461–478.
- Collyer, M., & Wimalasena, P. 2007. "Linking Migration Sub-systems in Sri Lanka." *Sri Lanka Journal of Population Studies*, 10, 25–47.
- Corak, M. 2006. *Do poor children become poor adults? Lessons from a cross-country comparison of generational earnings mobility* (IZA Discussion Papers No. 1993). Institute for the Study of Labor (IZA).
- David, A. C., Bastos, F. R., & Mills, M. 2011. *Post-conflict Recovery: Institutions, Aid, or Luck?* (WP/11/149). International Monetary Fund.
- Fielding, A. J. 1995. "Migration and social change: A longitudinal study of the social mobility of 'immigrants' in England and Wales." *European Journal of Population/Revue Européenne de Démographie*, 11(2), 107–121.
- Ghorpade, Y. 2012. *Coping Strategies in Natural Disasters and under Conflict: A Review of Household Responses and Notes for Public Policy*. Households in Conflict Network. <http://ideas.repec.org/p/hic/wpaper/136.html>
- Gupta, P. 2006. "Macroeconomic Determinants of Remittances: Evidence from India." *Economic and Political Weekly*, 41(26), 2769–2775.

- Gupta, S., Pattillo, C. A., & Wagh, S. 2009. "Effect of remittances on poverty and financial development in Sub-Saharan Africa." *World Development*, 37(1), 104–115.
- Halsey, A. H., Heath, A. F., & Ridge, J. M. 1980. *Origins and destinations: Family, class, and education in modern Britain*. Clarendon Press.
- Justino, P., & Shemyakina, O. N. 2012. "Remittances and Labour Supply in Post-Conflict Tajikistan." *IDS Working Papers*, 2012(388), 1–37.
- Keles, J. 2015. "Diaspora, the Internet and social capital." In *Migrant capital* (pp. 102–116). Springer.
- Kulatunga, S. T., & Lakshman, R. W. 2013. "Responding to security threats: Livelihoods under protracted conflict in Sri Lanka." *Disasters*, 37(4), 604–626.
- Lakshman, R. W. D., Perera, S., & Sangasumana, P. 2014. "The Children Left Behind by International Migrants from Sri Lanka: Victims or Beneficiaries of Globalization?" In A. Veale & G. Dona (Eds.), *Child and Youth Migration: Mobility-in-Migration in an Era of Globalization* (pp. 162–185). Palgrave Macmillan.
- Musterd, S., Ostendorf, W., & De Vos, S. 2003. "Neighbourhood effects and social mobility: A longitudinal analysis." *Housing Studies*, 18(6), 877–892.
- Nunn, A., Johnson, S., Monro, S., Bickerstaffe, T., & Kelsey, S. 2007. *Factors influencing social mobility* (No. 450). Department for Work and Pensions.
- Osella, F., & Osella, C. 2000. *Social mobility in Kerala: Modernity and identity in conflict*. Pluto Press.
- Perera, S. 2009. *International Contract Labor Migration and Children Left Behind in Sri Lanka: The Impact on Children's Education* [PhD Thesis]. Mahidol University.
- Reeves, P. 2014. *The Encyclopedia of the Sri Lankan Diaspora*. Editions Didier Millet.
- Scott, J., & Marshall, G. 2009. *A dictionary of sociology*. Oxford University Press.

- SLBFE. 2010. *Annual Statistical Report of Foreign Employment 2010*. Sri Lanka Bureau of Foreign Employment. <http://www.slbfe.lk/>
- SLBFE. 2012. *Annual Statistical Report of Foreign Employment 2012*. Sri Lanka Bureau of Foreign Employment. <http://www.slbfe.lk/>
- Spencer, J. 1990. "Collective Violence and Everyday Practice in Sri Lanka." *Modern Asian Studies*, 24(3), 603–623.
- Tölölyan, K. 1991. "The nation-state and its others: In lieu of a preface." *Diaspora: A Journal of Transnational Studies*, 1(1), 3–7.
- Van Hear, N. 1998. *New diasporas: The mass exodus, dispersal and regrouping of migrant communities*. Routledge/ University College London Press.

ⁱ In addition to the data from Sri Lanka, we also collected data from diaspora members residing in London. This data was not used in this paper.

ⁱⁱ The land in Sampur had been acquired by the government for the use of the Board of Investment (BoI) through a gazette notification numbered 4/10/35833 and dated 19/07/2012. However, after the change in government in early 2015 this gazette was revoked by an extraordinary gazette notification dated 07/05/2015 (numbered 1913/19). At the time of writing the resettlement of Sampur people is complete.

³ In the Undiyal method, the diaspora/migrant member gives money to a known agent who in turn instructs his subagent in Sri Lanka to release the relevant amount to a person designated by the client. During the war in Sri Lanka, remittance recipients in Jaffna had to travel through LTTE-controlled areas in the Vanni to Colombo, stay in 'lodges' under tense (even risking arrest and interrogation) conditions in order to collect the remitted money.

⁴ A chi-square test was performed and no relationship was found between destination region and time $\chi^2=1.150$ ($p=0.886$). Similarly a chi-square test was performed and no relationship was found between value of remittances and time $\chi^2=2.897$ ($p=0.575$).

⁵ One needs to be careful in attributing the end of the war as the only reason for this change in destination as the changes outside of Sri Lanka may also have influenced the first-time migrants to change the destination region.

⁶ CDMA is a fixed line telecommunication system based on a wireless technology.

⁷ We called the younger brother on 30/10/2015 to clarify some the issues discussed here. It is interesting that he did not pick up the phone to answer us until our identity and the details of our 2011 interview with him was send via a Tamil language text message.