

Remittances in Ukraine Using Household Data

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Abstract

This paper analyzes remittances sent by Ukrainian emigrants to their country of origin. It explores the main factors influencing the probability of obtaining remittances from abroad as well as the amount of remittances. We investigate how the planned future usage of remittances affects the likelihood of receiving them. The results of a survey of households in Ukraine were used to investigate the main defining factors for obtaining financial inflows from abroad, in addition to exploring the expenditures financed by remittances. Although the results of our analysis show that few factors have a significant influence on the probability of obtaining remittances and on their size, this topic warrants further investigation. The findings are important for policymakers as the Ukrainian government might design and implement policies that increase the development potential of remittances, while eliminating their negative side effects.

Keywords: remittances, remittance behavior, Ukraine, international migration

JEL code: F22, F24, O19

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