

Review of: "Analysis of Interconnectedness in Indian Subcontinent Remittances from the Gulf Cooperation Countries"

Ziaullah Khan¹

¹ Independent researcher

Potential competing interests: No potential competing interests to declare.

Reviewer Comments on the Paper

The work is well-written and deserving of publication. It conducts a relevant examination of labor migration and remittance trends, employing reliable methodology and providing clear, actionable recommendations. It makes a significant contribution to the area by addressing critical gaps in current research, as evidenced by a thorough literature review and policy implications. However, the writers should consider the reviewers' suggested amendments to improve the manuscript even further. Here are some specific changes and revised suggestions:

Introduction

Some sentences are overly complex, which may hinder understanding. Consider breaking them into shorter, more straightforward sentences to improve readability.

Original: "The only way to earn remittances, however, is to send domestic workforce abroad (Acosta et al. 2009)."

Revised: "Remittances can only be generated when domestic workers are employed abroad (Acosta et al., 2009)."

Ensure consistent formatting for all citations, particularly with punctuation.

Original: "Mughal and Makhoulf 2011"

Revised: "Mughal & Makhoulf, 2011"

Maintain uniformity in the terms used to describe workers (e.g., "emigrant workers," "expatriates," "guest workers") and define these terms early in the introduction.

Original: "These workers (aka, expatriates or guest workers) have no prospect of a permanent settlement via citizenship in the host countries."

Revised: "These individuals, referred to as emigrant workers or expatriates, lack the prospect of permanent settlement through citizenship in their host countries."

Consider establishing a clearer thematic structure in the introduction by defining key concepts, outlining the research gap,

and specifying the study's objectives more distinctly.

Original: "This paper aims to investigate the dynamics of Indian subcontinent workers in the Gulf Cooperation Countries."

Revised: "This paper investigates the dynamics of labor migration from the Indian subcontinent to the Gulf Cooperation Countries, focusing on the relationship between remittance inflows and labor interconnectedness."

Streamline repetitive ideas, particularly regarding remittances and the temporary status of workers.

Original: "Due to the temporary nature of the workplace, guest workers tend to remit a very significant amount of their income back home on a regular basis either for investment purposes or for altruistic reasons."

Revised: "Due to their temporary status, guest workers frequently remit a significant portion of their income back home for both investment and altruistic purposes."

Review of Literature

Original: "The literature on remittances is voluminous with analyses on a number of perspectives..."

Revised: "The literature on remittances is extensive, covering various perspectives. While we discuss several key studies, this review does not claim to be exhaustive due to the vastness of existing research."

Original: "remittances help recipients cope with natural disasters..."

Revised: "Remittances assist recipients in coping with natural disasters... In contrast, Buch and Kuckulenz (2010) argue that remittances represent a form of portfolio investment."

Original: "To address these issues, Nishat and Bilgrami (1993)..."

Revised: "Several studies address the motivations behind remittances. For example, Nishat and Bilgrami (1993)..."

Original: "The impact of remittances may also carry a time dependent component..."

Revised: "The impact of remittances may depend on timing. While sending labor abroad can reduce the domestic workforce, the inflow of remittances may enhance future labor quality through improved educational opportunities."

Original: "While Jijin et al. (2021) find some evidence of altruistic behaviour in remittances to India in particular..."

Revised: "Jijin et al. (2021) provide evidence of altruistic behavior in remittances specifically to India, while Dash (2020) offers a broader geographic analysis that supports similar conclusions."

Original: "Yet, there does not seem to be an abundance of studies concentrating on the Indian subcontinent countries from this perspective..."

Revised: "Despite extensive literature on remittances, studies focusing specifically on labor market interconnectedness in the Indian subcontinent are scarce. Notable exceptions include Mughal and Ahmed (2014) and Genc (2022)."

Original: "This does not mean that there are no papers analyzing the international connectedness..."

Revised: "However, numerous studies have explored international labor market interconnectedness, including Essaadi et al. (2009) and Capannelli et al. (2010)."

Revised: "In summary, while the literature on remittances presents diverse perspectives, significant gaps remain regarding labor market interconnectedness in the Indian subcontinent. This paper aims to address these gaps by examining the relationship between remittance flows and labor dynamics in the region."

Data, Variable Definitions, and Econometric Analysis

Original: "As far as our review of the literature is concerned..."

Revised: "In our literature review, the studies most closely related to ours are by Mughal and Ahmed (2014) and Genc (2022)."

Original: "The former uses a structural VAR (SVAR) method..."

Revised: "Mughal and Ahmed (2014) utilize a Structural VAR (SVAR) method to analyze the impact of host and home country business cycles on remittance inflows."

Original: "We differ from Mughal and Ahmed (2014)..."

Revised: "Our approach differs as Mughal and Ahmed (2014) impose an empirical structure on their VAR model..."

Original: "Secondly, we employ a different method for the econometric investigation..."

Revised: "Secondly, we utilize a different econometric method for analyzing connectedness, specifically the Barunik and Krehlik (BK) method."

Data Description:

Original: "As for the data, we collect remittance inflows data..."

Revised: "We sourced remittance inflow data from the November 2021 version of the World Development Indicators by the World Bank."

Variable Definitions:

Original: "We define log-level remittance inflows with respect to the GDP as..."

Revised: "We define the log-level of remittance inflows relative to GDP as follows..."

Economic Implications:

Original: "While international labor market information may help designing better policies..."

Revised: "According to Lubambu (2014), while international labor market information can facilitate better policy design, remittances also serve as a vital channel for disseminating information."

Figures and Analysis:

Original: "As shown in Figure 1 and Figure 2..."

Revised: "Figures 1 and 2 illustrate that the share of remittances relative to GDP exhibits a trending behavior, while the growth rate appears to be stationary."

Testing Procedures

Clarity in Testing Procedures:

Original: "We formally test this via the ADF (Table 5)..."

Revised: "We conduct formal testing using the ADF (Table 5) and KPSS (Table 6) tests, determining optimal lag length through the Schwarz criterion (BIC)."

Interpreting Test Results:

Original: "It is clear that all growth rate variables are stationary for both tests..."

Revised: "Results indicate that all growth rate variables are stationary according to both tests at the conventional five percent significance level, a prerequisite for the connectivity analysis."

Table Explanation:

Revised: | Variables | Constant/Trend | Opt Lag | Test Stat | 5% CV | UR/NoUR | |-----|-----|-----|-----|-----|
|-----|

Clarification on Variable Representation:

Original: "LRY_{ti} refers to the log-level of remittance inflows of Country i..."

Revised: "In this context, LRY_{ti} represents the log-level of remittance inflows for Country i, with abbreviations: IND for India, PAK for Pakistan, BGD for Bangladesh, and LKA for Sri Lanka."

Connection to Further Analysis:

Original: "Next, we estimate a VAR with FLRY_{t,ind}..."

Revised: "We then estimate a VAR model using FLRY_{t,ind}, FLRY_{t,pak}, FLRY_{t,bgd}, and FLRY_{t,lka} to analyze the interconnectedness among remittance flows."

Conclusions and Implications

Final Observations:

Original: "In conclusion, our findings suggest that..."

Revised: "In summary, our findings indicate that interconnectedness in remittance flows varies significantly, with substantial implications for policy-making and future research."

Recommendations for Future Research:

Original: "Future research should focus on..."

Revised: "We recommend that future research explore the nuances of labor migration dynamics, particularly the effects of socio-political factors on remittance behavior."

Missing References

Ensure to include the full reference for "Mishra, 2005" to maintain academic integrity and completeness.

Overall Suggestions

- Improve clarity and readability by reducing jargon and avoiding overly complex statements.
- Ensure consistency in language, citation structure, and presentation throughout the article.
- Contextualize findings using existing literature and techniques to create a cohesive argument.

These suggestions aim to improve the clarity, coherence, and general quality of your writing. Thank you for letting me review this work.