RUGBY AND REMITTANCES IN THE SOUTH PACIFIC – AN EXPLORATION
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Brown Bag Seminar, School of Economics and Finance, Wednesday 3 August, 12:30pm, SST4.21

Abstract

Remittances are a rising and important source of external funding for developing countries. The relationship between sports and remittances in the South Pacific has come under increased scrutiny with the advent of professional rugby in the mid-1990s. Pacific athletes, rugby players in particular, are in high demand (Horton, 2012). Promising local players are often signed by overseas clubs at young ages to play professionally, and many choose to remit some of their salaries back to family who remain at home. The decision to remit is a complex issue, involving many dimensions, and as a result there are (sometimes significant) pressures placed on the athletes to meet the expectations of family and communities who depend on these remittances. This paper seeks to explore the potential relationship between athletes’ exposure to the rugby world at the highest level (specifically, participation in the Rugby World Cup) and remittances received by the home country. To do this, a model of remittances (based on Buch and Kuckulenz, 2010) utilising macroeconomic factors identified within the literature is built, and the linkage between Rugby World Cup participation and remittances is examined for six South Pacific nations. Several additional context-specific explanatory variables are added to the base model specification in order to test for the robustness of the participation coefficient.

REFERENCES