

Diploma thesis “Remittances in Mexico: Instrument for Poverty Reduction?” deals with the problem of remittances sent by Mexican migrants from USA to their families and their potential impact on poverty reduction. Remittances represent the second largest source of external finances for Mexico- right after revenues from oil exports. They even exceed incomes from tourism and foreign direct investments. Mexican government, together with migrant clubs in USA launched a program to promote more effective use of remittances.

The aim of my thesis is to evaluate the impact of remittances on Mexican economy, concretely on poverty reduction. Firstly I will focus on Mexican migration trends in the context of Latin American and Caribbean region, because remittances are the most tangible demonstration of international labor migration. The second chapter addresses to remittances in general and in the next part I will focus on situation in Mexico in three partial periods: the beginning of 21. century, then I evaluate the circumstances after the terrorist attacks in 2001 and third period deals with the upcoming financial crisis and its impact on the flows of remittances. Last chapter involves evaluation of the impact of remittances on sending and receiving countries and Mexico and appraisal of successfulness of the governmental social program for poverty reduction by means of collective remittances.