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**School of Economics and Management**  
Department of Economics

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Supervisor: Inga Persson

# **Migration, Remittances and Gender**

**- a case study of the Dominican Republic**

Author: Jennie Hokander

## **ABSTRACT**

International migration is a way to find work and support family members for many people in developing countries where income opportunities are few. The number of female migrants have grown and women migrate increasingly as main providers for their families or as heads of households. This thesis uses qualitative analysis to explore the migration process by comparing the reasons behind the migration decision with the outcome of the migration. Focus is on female migrants and gender dimensions and concerning the outcome the essay centres on remittances. Through a theoretical framework the general motives and determinants for migration and remittances, as well as their impacts are explored. To further explore how the migration and remittance behaviour of women and men differ and what the impacts of that may be, the theoretical framework is highlighted in a case study of the Dominican Republic. This case was selected because of its specific characteristics of migration and remittances and its recent trend of feminisation among migrants in particular. Out of the general situation of migration and remittances in this case, I choose to analyse migration to Spain from the community of Vicente Noble, to answer the questions of this thesis more in detail. Individual aspects are important, yet migration as a household strategy is most relevant to explain migration and remittances in this essay. This study shows that gender affects the whole migration process. Likewise, migration and remittances influence gender roles. In the case analysed, migration takes place to sustain the family. The high remittances sent by the female migrants, both as a share of income and in absolute terms, meet the expected outcome of the migration. There are signs of changes in gender roles, though there is variation.

**KEYWORDS:** Migration, Remittances, Gender, NELM, The Dominican Republic

## **LIST OF ABBREVIATIONS**

FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
INSTRAW	United Nations International Research and Training Institute for the Advancement of Women
IOM	International Organization for Migration
MDG	Millennium Development Goal
NELM	New Economics of Labour Migration
ODA	Official Development Aid
UN	The United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
US	The United States

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# 1 INTRODUCTION

For many people in developing countries who face a severe lack of income opportunities, migration is a way to find work and support family members. At the same time developed countries need migrant labour. Since 1960 the number of international migrants in the world has more than doubled, comprising between 185 and 192 million migrants in 2005, representing three percent of the global population.<sup>1</sup> Related to the increasing migration are the growing remittances which can be defined as the share of international migrants' earnings that are sent back to household members in the country of origin.<sup>2</sup> For developing countries remittances constitute the second largest capital flow, behind Foreign Direct Investment (FDI) and before Official Development Assistance (ODA). They also receive a lot of attention due to their development potential.<sup>3</sup> Remittances are the sum of millions of individuals' decisions, and they target the receivers directly in contrast to FDI and ODA.

“The basic economic equation in the Americas, as for the rest of the world, is quite simple: developed countries need migrant labour, and families back home need the remittances that come from migrant earnings. Each year millions of individuals, both men and women, continue to leave their villages and hometowns to seek jobs and better lives for themselves and their families.” (Inter-American Development Bank, 2006: 13)

The number of female migrants has increased and women now constitute 49.6 percent of all international migrants worldwide<sup>4</sup>, yet migrant women have only recently been acknowledged by the international community. Not only has the number of female migrants grown, the character of migration has also changed. The *feminisation* of migration refers more to that women are increasingly migrating independently as main providers for their families or as heads of households.<sup>5</sup> Before, they were either invisible or viewed only as wives or children of male migrants.<sup>6</sup> Consequently, migrant women's contribution to the economic development of their families and countries of origin through remittances has increased.

Migration, remittances and gender is a relatively new area of research. Gender as a social construction that organizes relations between men and women can greatly differentiate the causes, processes and impacts of migration. These differences can affect the achievement of

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<sup>1</sup> United Nations, 2006a

<sup>2</sup> See for example International Organization for Migration (IOM), 2003: 226

<sup>3</sup> United Nations, 2005: 41

<sup>4</sup> United Nations, 2006a

<sup>5</sup> Paiewonsky, 2007: 1

<sup>6</sup> Escrivá and Ribas 2004

both the first and third Millennium Development Goal (MDG). The first goal addresses poverty reduction, to be achieved both through increased income and empowerment, opportunities and capacities of poor people. These aspects are also central causes and effects of migration. The third goal is about promoting gender equality and empowering women, as a way of enhancing economic growth and reducing poverty.<sup>7</sup> Analysis with a focus on household and gender economics, which highlight decision-making at the household level, can contribute to a better understanding of the field.

In regional terms the Caribbean<sup>8</sup> has the highest migration rate and is the largest recipient of remittances as a share of GDP in the world.<sup>9</sup> Belonging to the Caribbean, the Dominican Republic has a long experience of migration. Approximately 1.5 million Dominicans live abroad out of a population of 8.5 million.<sup>10</sup> Remittances are crucial at both the household and the national level of the country, and constituted 12.1 percent of GDP in 2004.<sup>11</sup> Migrants generally do not come from rural, poorer households, but this applies primarily to migrants to the US. Migrants to Europe tend to be less educated and to come from rural areas.<sup>12</sup> The trend of feminisation of migrants and remittance senders is new. The share of female migrants began to rise in the 1980s as migration to Europe was primarily female. Women represented 69 percent of all migrants arriving to Spain in 2001.<sup>13</sup> According to one of the few studies analysing gender, a total of 55 percent of the remittances received were sent by women, while 45 percent were sent by men.<sup>14</sup> This seems to be unique to the Dominican Republic.

Few studies of migration and remittances have been conducted in the Caribbean despite its specific characteristics. A case study of the determinants and effects of migration and remittances in the Dominican Republic with a gender perspective is further motivated by the trend of feminisation among migrants. My interest in the subject comes from spending time in Latin America where the field of migration and remittances is a reality in many societies. My interest grew during an internship at the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW) in the Dominican Republic in 2006.

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<sup>7</sup> Omelaniuk, 2005: 1

<sup>8</sup> The Caribbean includes Antigua and Barbuda, Barbados, Belize, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

<sup>9</sup> IMF, 2005: 74

<sup>10</sup> Suki, 2004: 10

<sup>11</sup> The World Bank, 2006a: 17

<sup>12</sup> UNDP, 2005: 131

<sup>13</sup> Pellegrino, 2004: 30

<sup>14</sup> Ortiz, 1997: 15



## 1.1 Problem and aim

Little is known about what determines migration and female migrants' economic contribution to the maintenance of their families through remittances, issues which refer to the decision-making within the household concerning who migrates and remits. Aspects such as who receives remittances in the household and who decides how they are used are linked to who migrates and remits.

The objective of this essay is to *explore the migration process by comparing the reasons behind the migration decision with the outcome of the migration*. It thus covers two stages. The first deals with expectations leading to migration and the second deals with the actual outcome. Focus is on female migrants and gender dimensions and concerning the outcome the essay will centre on remittances. The aim is not to give a comprehensive picture of the field of migration and remittances, but to highlight how the migration and remittance behaviour of women and men differ and what the impacts of that may be at the household level.

In order to reach my objective I will address the following questions:

- ***What motivates and determines migration?***
  - Who migrates? Which women migrate?
  - Why do women migrate independently?
- ***What motivates and determines the sending and use of remittances?***
  - Who sends remittances? Which women send remittances?
  - What are the characteristics of the sending and use of remittances?
- ***How are gender relations at the household level affected by migration and remittances?***

## 1.2 Methodology, data and delimitations

Qualitative rather than quantitative analysis is chosen in this paper, which is appropriate when trying to explore questions of the character why and how.<sup>15</sup> The theoretical framework on migration and remittances is based on economic theories, first focusing on migration and thereafter on remittance behaviour. Special attention is paid to family and gender aspects. The findings in the theoretical framework will be highlighted in the case study of the Dominican

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<sup>15</sup> Merriam, 2003: 22-23

Republic, based primarily on qualitative data. The empirical parts are based on secondary data and references since I have not been able to conduct primary research due to limited resources. Studies using secondary sources are also useful within this field. The main sources for this essay are earlier published studies, UN agencies and international organisations such as the International Organization for Migration (IOM). The field is under-investigated, and sources such as household surveys generally have not distinguished information for men and women. Thus, this essay will not be based on household surveys.

International migration has many different dimensions; the focus of this essay is on labour migration. A further delimitation is that it concentrates on international migration from developing countries to developed countries, although national migration is important as well. Micro aspects are in focus, but macro aspects are also central and will be mentioned. I am aware that there are many factors that influence both the decision to migrate and the decision to remit and this study can only cover a few of them.

### **1.3 Outline of the thesis**

This study is structured as follows: In the first two chapters, migration and remittances are explored in a theoretical framework where general theories and data are focused at. Reasons for migration and characteristics of migrants are presented in chapter two, while remittances are examined in chapter three. In chapter four, the case of the Dominican Republic is analysed through the theoretical framework set up. Conclusions of the essay are finally presented in chapter five.

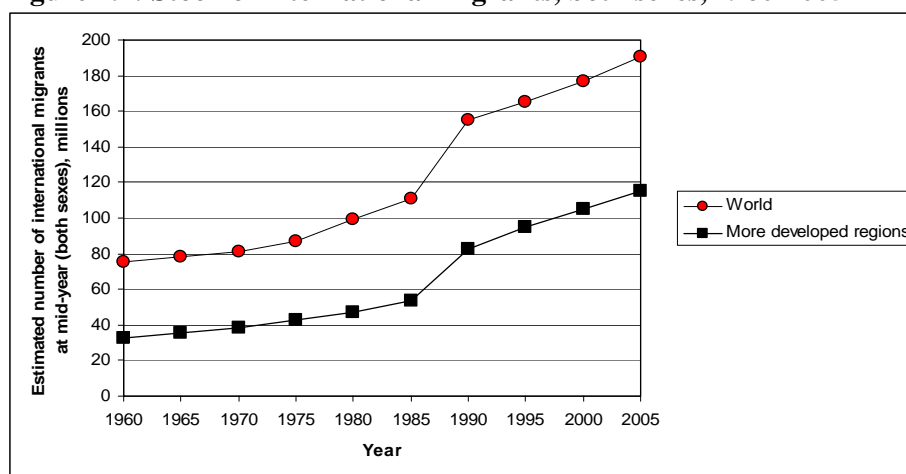
## 2 MIGRATION

This chapter attempts to explain why international migration takes place and who migrates, which are central aspects when wanting to understand the outcomes thereof, such as remittances. Migration and remittances are closely related; without migration no remittances, but remittances can also spur migration. First, a brief overview is given of global and regional trends of total migration as well as female migration. Thereafter economic theories of the migration decision and its determinants are presented. Migration theory highlighting the household is focused at especially, and this is followed up by a section that takes a closer look at the household unit. Last, migrant selection and profile is looked into.

### 2.1 Global and regional trends

Between 1960 and 2005 the number of international migrants in the world, defined as people living outside their country of birth, more than doubled, passing from an estimated 75 million to 191 million. International migrants would constitute the fifth most populous country in the world.<sup>16</sup> Total migration has slowed as new migrants have decreased from 41 million (1975-1990) to 36 million (1990-2005), partly due to fewer refugees. However, labour migration has been a major feature in the growing migration to developed countries. 33 million out of a total of 36 million migrants moved to industrialised countries 1990-2005.<sup>17</sup> Figure 2.1 shows the trends in the stock of international migrants in the world and in more developed regions (all regions of Europe, North America, Australia/New Zealand and Japan). The stock in the more developed regions has passed from an estimated 32 million to 115 million.<sup>18</sup>

**Figure 2.1: Stock of international migrants, both sexes, 1960-2005**



Source: United Nations, 2006a. World Migrant Stock: The 2005 Revision Population Database

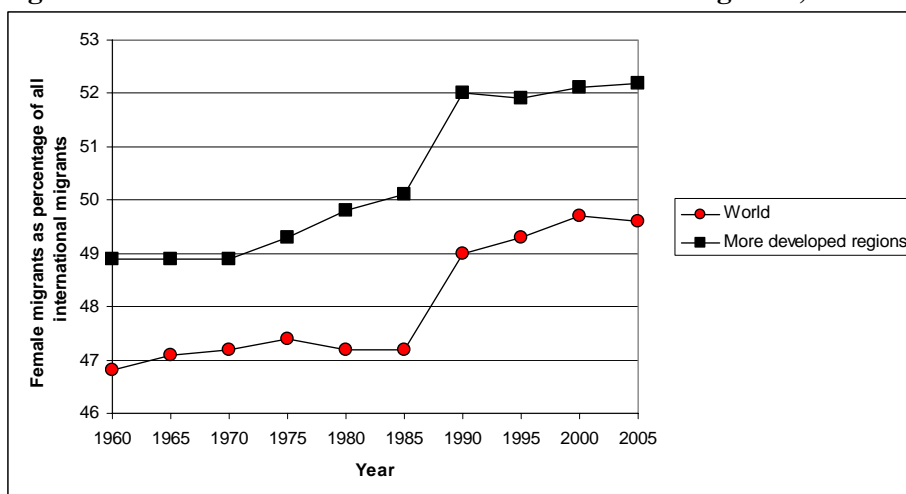
<sup>16</sup> United Nations, 2006a

<sup>17</sup> United Nations, 2006b: 3-4

<sup>18</sup> United Nations, 2006a

Nearly half of all migrants are women, 94.5 million – 49.6 percent, and they dominate the migration to developed countries.<sup>19</sup> In the more developed regions female migrants have represented more than half of the total for a longer time than in the world, as shown in figure 2.2.

**Figure 2.2: Share of females in stock of international migrants, 1960-2005**



Source: United Nations, 2006a. World Migrant Stock: The 2005 Revision Population Database

Female immigrants have outnumbered male immigrants in the US since 1930, while this is true for Europe since 2000. Historically women have migrated for marriage or family reunification, but increasing numbers of women are now migrating on their own in search of employment. Migrant women from Latin America and the Caribbean were the first in the developing world to reach parity with male migrants by 1990.<sup>20</sup>

## 2.2 Determinants of migration

As mentioned, international labour migration is far from a new phenomenon. The traditional view has been that labour votes with its feet, from areas of low earnings to areas with higher earnings, in search of better employment opportunities. Labour migration is a labour market phenomenon, yet migration can be a consequence of constraints in capital, commodity or financial markets. Individual migration can be attributed to the set of opportunities and constraints that individuals and/or their families face.<sup>21</sup>

<sup>19</sup> United Nations, 2006a

<sup>20</sup> UNFPA, 2006: 23

<sup>21</sup> Stark, 1992: 1, 11

### 2.2.1 The neo-classical model of labour mobility

The traditional neoclassical economic model of labour mobility proposes that differences in net economic advantages are what mainly cause migration. Out of this, migration of workers is viewed as one type of human capital investment. The migration decision is viewed as a calculated strategy based on a cost-benefit estimation rather than as an act of desperation or optimism. The worker is assumed to choose the option that will maximise the net present value of lifetime earnings after having calculated the value of available opportunities for employment in alternative labour markets and considered the costs of making the move. This basic model focuses at the rational individual and assumes complete information when considering two specific labour markets where the worker can be employed. These markets can be positioned in different cities, regions or countries as in this essay. Assuming that the worker is 25 years old, then earnings at home are  $w_{25}^H$ , while the earnings at the destination would be  $w_{25}^D$ . The migration decision is based on expected earnings and costs, comparing the present value of lifetime earnings in alternative employment opportunities. The present value of earnings of staying at home includes the discount rate  $r$  and the sum continues until retirement:

$$PV^H = w_{25}^H + \frac{w_{26}^H}{(1+r)} + \frac{w_{27}^H}{(1+r)^2} + \dots$$

The present value of earnings if the individual moves is given by  $PV^D$  in the same way. The basic factors influencing the net present value of earnings from migration thus are differences in expected earnings, the time horizon and discount factors. The costs of migration  $M$ , involve the expenditures linked to the transport, as well as psychological costs that naturally occur when the migrant moves away from family, friends and social networks. The net gain to migration is  $PV^D - PV^H - M$  and if it is positive, the worker moves. As the worker seeks to maximise the present value of lifetime earnings, some predictions follow. If economic opportunities at the destination improve, the net return to migration increases and migration is more likely to occur. Likewise, if economic opportunities where the worker resides improve, migration is less likely to take place. If  $M$  increases, the probability of migration is reduced and if  $M$  instead decreases, migration is more likely to occur.<sup>22</sup> Geographic differences in economic conditions (e.g. wages and unemployment rates) between origin and destination countries are a major factor in individual migration decisions. If no differentials existed, international migration would not occur, as one can assume that people attach a high utility to social and cultural amenities and prefer to stay rather than move. Aspects such as human

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<sup>22</sup> Borjas, 2008: 322-323

capital characteristics that raise potential benefits of migration and lower costs of migration due to individual, social or technological aspects, lead to greater migration.<sup>23</sup>

### **2.2.2 Push and pull factors versus costs and risks**

International migration is stimulated by the combination of push and pull factors. Push and pull factors are often complicated to separate, but pull factors differ from push factors as their foundation is expectations rather than experiences. Pull factors apply more to people who are better off, while push factors apply more to poor people who are more likely to be forced to migrate. The large differences in economic conditions between developed and developing countries create incentives to move and one can wonder why not more people migrate. The answer partly lies in the constraints through costs and risks associated with migration. The basic model of labour mobility assumes complete information, but in reality decisions to migrate are often made with inadequate information implying risks. Workers often do not know their own skills and abilities and have limited information on opportunities in other labour markets. The distance, legal restrictions and differences in culture and language between countries of origin and destination as well as information on possibilities of employment, can increase costs and risks. Poor people, who often have a weak position on the labour market, tend to face higher costs (financial, social and psychological) and risks. Risks can include aspects at the destination such as failure to find the expected employment, level of income and standard of living, as well as expulsion. If the combined effects of push and pull factors are larger than costs and risk, migration will take place.<sup>24</sup>

### ***Return migration***

Contemporary international migration differs from historical migration, as a large share of migrant workers does not move permanently but cyclically. An important factor is that travel costs have decreased, making it possible to move between distant places. Migrant workers are viewed as “income-generating units” rather than sojourners or settlers, in both sending and receiving countries.<sup>25</sup>

Workers who have recently migrated have a very large probability to move back to their original locations. If there are no drastic changes in the economic conditions at the place of origin and destination, return migration does not follow the income-maximisation model. The

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<sup>23</sup> Stanton Russell, 1995: 4-5

<sup>24</sup> Ramamurthy, 2003: 9; The World Bank, 2006b: 61

<sup>25</sup> IOM, 2004: 23

initial migration decision might have been a mistake as there is a lot of uncertainty about the economic conditions at the destination. Upon arrival the availability of employment opportunities may be worse than expected before the move. People who move far away tend to return to their origin as they probably have inadequate information about the true economic conditions at the destination. Return migration can also be seen as a choice that maximises the present value of lifetime earnings, also when there is no uncertainty about job opportunities. Temporary stays can provide workers with valuable human and/or financial capital including the ability to remit and may thus be planned rather than generated by mistakes.<sup>26</sup>

### **2.2.3 Further determinants of migration**

The literature suggests that the globalisation affects migration. The big gaps in economic development and differences between countries create incentives for migration from developing countries to high-income countries. The differences in supply and demand of labour within and between countries also spur migration. Employment opportunities are not growing sufficiently fast in many poor countries, while some developed countries need to import labour to prevent their labour force from shrinking.<sup>27</sup> Many high-income countries demand immigrant services due to the aging population that shrinks the workforce and increases the demand for services that immigrants can supply, such as nursing care. As care work still is a traditionally female role, this labour demand favours female migrants (further explored in 2.3.2). Rising incomes in developed countries also increases demand for household and restaurant services.

Better education leads to improved access to information about living conditions and job opportunities abroad as well as improved employability. The revolution in information and communication technology has increased cross-border contacts and decreased the psychological distance between countries. The improved communication possibilities make contact with family members staying in the country of origin easier for migrants, thereby decreasing the costs of migration.<sup>28</sup> The migrants can also function as incentive makers for potential migrants through making information and a network of contacts available. Earlier migrants thus create positive externalities for potential migrants from the place of origin. Through support with settlement and provision of jobs or information about job opportunities, the potential migrants' chances for employment are improved and costs and risks are reduced. Likewise, if the prospective migrant has few network connections, the costs and risks of

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<sup>26</sup> Borjas, 2008: 325-326

<sup>27</sup> Ramamurthy, 2003: 5-6

<sup>28</sup> The World Bank, 2006b: 28-29

migration are larger.<sup>29</sup> That explains why migrants from the same place of origin often settle in common cities although distant from their original home.<sup>30</sup>

Although travel costs have decreased, important determinants are still geographic proximity, e.g. Mexico to USA and North Africa to Southern Europe, as well as colonial ties e.g. Latin America to Spain.<sup>31</sup> Compared to the role international migration historically has played, there are few possibilities to reduce the pressure of overpopulation in developing countries through large-scale international migration today. Reasons are not lack of knowledge about opportunities abroad, but rather the combination of distance and the restrictions posed by immigration laws in developed countries, limiting legal migration.<sup>32</sup>

So far in this paper, migration has been viewed as an individual decision. Yet, most migration decisions are made by families rather than single workers, considering whether the family and not just the migrant is better off. Although the neo-classical model of labour migration offers many insights, it is too narrow and should be widened and complemented. The new economics of migration (NELM) sees migration as a group strategy to spread sources of income, minimise risks, and overcome limitations regarding credit and capital. International migration is viewed as a tool to compensate for the lack, or failure, of certain markets in developing countries (e.g. unemployment insurance or capital markets). In contrast to what is the case in the neo-classical theory, in the NELM theory wage differentials are not required for international migration. Hence, economic development in areas of origin or equalisation of wage differentials will not necessarily decrease the migration pressure.<sup>33</sup>

### **2.3 The new economics of migration – migration as a household strategy**

Since this model views migration as a group strategy rather than an individual strategy and includes remittances, it serves well to explain the migration in this essay. Stark (1991) has paid attention to *portfolio investment theory* in trying to understand why people migrate in developing economies and how and why they remit their earnings. He applies the theory on rural-urban national migration, but the core ideas can also be applied on international migration. The theory holds that migration decisions are based on family needs for stable

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<sup>29</sup> The World Bank, 2006b: 61-62

<sup>30</sup> Todaro and Smith, 2006: 343

<sup>31</sup> The World Bank, 2006b: 28

<sup>32</sup> Todaro and Smith, 2006: 75

<sup>33</sup> Stanton Russell, 1995: 4-5



income levels and the need to insure the family's well-being. Risk aversion is stressed as the family will send members to different areas as a portfolio diversification strategy that reduces the risks of not obtaining income. This means that migration and remittance behaviour is determined by decision-making and objectives of the group rather than by individual migrants' objectives only.

In order to handle and reduce risk, families allocate their labour assets over different geographical markets, according to the theory. After migration, family members pool and share their incomes.<sup>34</sup> This co-insurance covers risks of losing income in individual markets and implies that both parties are better off from migration. In this way migration of one part of the family, while one part still remains at home is explained. Besides co-insurance, the family can smooth its consumption path over time. Remittances therefore cannot be seen as a random by-product of migration by an individual, but should instead be viewed as an integral part of the family strategy leading to migration.<sup>35</sup>

The behaviour of individuals should not be ignored when the family is placed in the centre of the migration decision. Stark argues that individual behaviour ought to be explored in the context of the family. The basic motive for individuals to act together is the possibility to gain more together than if acting on their own. Migration outcomes partly depend on interactions within the family on how to share common income achieved through specialisation, where some migrate and others do not. Cooperation, which can be exchange of risks, is also central. Stark argues that as long as there is less than perfect positive correlation between the incomes of the migrant and the non-migrant, the variance of the family income is reduced. Migration of one member (or members) can therefore lower familial risk, making the family better off.

Migration alters the family's limited capacity of co-insurance or sharing of risks by simultaneous sampling from separate markets (investment is made in one market without entirely closing and shifting assets from another), as well as sharing both costs and rewards, which can be exemplified by the funding of the move and remittances. Through field studies Stark shows that closer family members (head, spouse and own children) care for each other and hence are more responsible and reliable co-insurers.<sup>36</sup>

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<sup>34</sup> Stark, 1992: 1-2

<sup>35</sup> Stark, 1991: 26

<sup>36</sup> Stark, 1992: 5-6, 8

This form of migration involves explicit or implicit contractual arrangements to manage intrafamily exchanges and transfers. As engagements between the migrant and her/his family are voluntary they have to be self-enforcing. Mutual altruism – the care and responsibility for one another - among close relations can be influential in avoiding misbehaviour and can explain that the family is central for such arrangements. The specific contractual arrangement is the result of bargaining between the migrant and the other family members. Both parties use their bargaining power in order to pursue their self-interest and prefer the arrangement that best suits their interests – selfish and altruistic – to get utility. The outcome of the bargaining process reflects the relative bargaining power of the parties to some extent. The bargaining power of the parties depends on the utility the other can be provided with, the costs involved in this provision of utility, and the willingness to risk conflict.<sup>37</sup>

### **2.3.1 The household and decision-making**

The household theory was an important departure from the traditional individual economic theory of migration. It recognizes that the relative control over resources by men and women has an important, and often gender differentiated impact, on family consumption and expenditures. However, it does not account for that unbalanced decision-making can occur in households. Gender inequality may influence the decision, process and effects of migration.<sup>38</sup> The transnational family as a phenomenon of international migration is different to the “common household” as it has members in two households, cultures and economies at the same time. It is characterised by accompanying changes in the sexual division of labour and heads of households.<sup>39</sup> Migration spurred by economic driving forces thus affects the household and gender roles.

There is wide agreement that Becker’s unitary model that treats the household as a single unit in relation to consumption and production decisions is problematic. The model assumes all household resources and incomes to be pooled and allocated by an altruistic household head. The head represents the household preferences and aims to maximise household utility. Alternative approaches to intra-household relations cover a diverse range of cooperative, non-cooperative, and collective models of household decision-making, or a mix of these. In most of them bargaining is central and intra-household relations thus involve both cooperation and conflict. Cooperation occurs as long as each member is made better off than from non-

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<sup>37</sup> Stark, 1991: 222-223

<sup>38</sup> United Nations, 2004

<sup>39</sup> UNFPA, 2006: 33

cooperation. A variety of outcomes is possible, linked to who does what, who gets what goods and services and how each member is treated. As some outcomes can imply a loss for one person, while another person may gain, possible conflict is underlying the cooperation. The outcome depends on the relative bargaining power of the household members. A member's bargaining power can be influenced by several factors, but the strength of a person's fall-back position (the outside options if cooperation fails) is central. If the fall-back position is enhanced, this would lead to improvement in the personal outcome in the household. Agarwal (1997) holds that gender dimensions are critical to bargaining outcomes and that qualitative aspects of power should be considered. Some factors affecting a person's bargaining power are quantifiable, such as economic assets; others are less so, such as social norms and perceptions of contribution and needs. Relative bargaining power is reflected in whose interests the outcomes of the decisions represent. Outcomes are exemplified through the intra-family division of resources, goods, services and tasks, as well as the control over resources. Relative bargaining power in the family is also reflected in who takes part in decision-making and what it is about. Female participants in decision-making concerning for example cash expenditure can be viewed as having greater bargaining strength compared to those excluded from such decision-making.<sup>40</sup>

One example of the importance of bargaining power linked to the migration decision is a survey showing that many Philippine and Sri Lankan women, contrary to household strategy theories, tend to take their own decision to migrate. The reason was that they already had considerable independence and decision-making power within the household, also concerning household finances.<sup>41</sup>

### **2.3.2 Feminised migration – the “global care chain”**

A combination of push and pull factors mentioned earlier influences the trend towards feminisation of migrant flows. Push factors such as family obligations, unemployment, low earnings, poverty and restricted social and economic opportunities influence women's migration decisions. For educated women who face employment discrimination in their home country, migration can lead to jobs better matching their skills.<sup>42</sup> The recent trend of feminised migration is directly linked to globalisation impacts such as the Structural Adjustment Policies on developing countries in the end of the twentieth century. Among effects were

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<sup>40</sup> Agarwal, 1997: 4-11

<sup>41</sup> Oishi, 2002

<sup>42</sup> UNFPA, 2006: 22-23

increasing unemployment and cuts in social services, worsening living conditions for the most vulnerable - women and children in particular.<sup>43</sup> High rates of male unemployment also undermined men's role as economic providers. This crisis of the reproductive model has not lead to a questioning of the sexual division of labour, but instead to many men taking on individualist strategies or leaving the household.<sup>44</sup> As a result many women have become in charge of maintaining the family and adopt the role as heads of households.<sup>45</sup>

As more women in North America, Western Europe and East Asia rapidly are joining the workforce, men are not taking on an equal share of the household responsibility. Childcare facilities are lacking and thus the need for hiring nannies and domestic workers drives international female labour migration from developing regions. The demand is further driven by rising incomes, declining social services and the ageing population. For example, about 50 percent of annual immigrant quotas in Spain are assigned to domestic workers.<sup>46</sup> The "global care chain" offers migrant women and their families benefits such as much higher wages, as well as personal and social gains through educational and health opportunities, but at the same time disadvantages (box 2.1).

**Box 2.1: The "global care chain": balancing productive and reproductive roles**

While leaving their homes to care for others abroad, migrants still have own children and elders to care for. Commonly this responsibility is passed on by migrant women to female relatives or lower-income domestic workers. Obviously, leaving one's family to maintain it implies enormous psychological and emotional costs. These women care for their employer's children in exchange for earnings that can improve the quality of life of their own children - whom they may not see for years. This phenomenon is called the "global care chain" - an international system of care-giving shaped by class and often ethnicity.<sup>47</sup> Often domestic workers run both their own and their employers' household. Both female workers and employers bear unbalanced responsibilities, spending 70 percent of their unpaid time at household work. This contribution to the global economy remains largely unrecognized.<sup>48</sup>

Source: UNFPA, 2006: 25

## 2.4 Who migrates – migrant profile

As finding general determinants of migration is complicated, so is finding general individual characteristics. Nevertheless, migration is a selective process where individual, family and community characteristics of migrants differ from those of non-migrants. Migrant selectivity

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<sup>43</sup> Pessar, 2005: 2

<sup>44</sup> Juliano (1999), cited in Ramírez et. al, 2005: 7

<sup>45</sup> Ramírez et. al, 2005: 7

<sup>46</sup> UNFPA, 2006: 25

<sup>47</sup> See for example Parreñas, 2000

<sup>48</sup> See for example UNDP, 2006: 3

varies for distinct destinations and different employment sectors at destinations.<sup>49</sup> The selectivity directly affects what benefits will be and who benefits, both in origin and destination communities. Those migrating for economic reasons tend to be self-selected in several ways. On average they are likely to be young, more ambitious, entrepreneurial and less risk averse than similar individuals that do not migrate. Migration as human capital investment implies that older workers are less likely to move, since their payoff period is shorter. Migrants' average level of education is often higher than the average level in the country of origin. Neither the least educated nor the poorest are thus most likely to migrate.<sup>50</sup> Low-skilled migrants are more likely than high-skilled migrants to migrate irregularly or temporarily. One reason is biased immigration policies in high-income countries, often favouring skilled migrants with legal entry and residence. High-skilled migrants face problems in practising their professions and often have more to lose at home than the low-skilled. Poor people have fewer options to bear the costs of education and legal migration.<sup>51</sup> Though poorer households, according to NELM, face the most severe capital and risk constraints and thus have the largest incentives to send migrants abroad, they are discouraged to send family members abroad due to the barriers to migration in the form of high costs, poor information, and uncertainty.<sup>52</sup>

When remittances are included in the decision to migrate, the selection of the migrant also reflects the future remitter. Female remitters are generally seen as more reliable remitters in the short term, leading to households' selecting single women to migrate. In a study focusing on migration by young women in the Philippines, households chose migrants according to who were most likely to be trusty remitters, and typically daughters were chosen. The labour market performance and the choice of a specific destination accounted for skill levels and endowments of the worker (standard human capital theory), but also the families' preference for less uncertain income rather than more income. This suggests that migration from poor households is indeed a group's rather than an individual's optimising strategy.<sup>53</sup>

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<sup>49</sup> Mora and Taylor, 2006: 21

<sup>50</sup> Stark, 1991: 371; Kapur, 2005: 345-347; Borjas, 2008: 324

<sup>51</sup> The World Bank, 2006b: 62-63

<sup>52</sup> Taylor, 1999: 79

<sup>53</sup> Stark, 1992: 9

### 3 REMITTANCES

In this chapter the outcomes of the migration-decision are explored. Focus will be on financial remittances and to start with global trends are presented. A brief introduction to the debate on the impact of remittances on development follows. Thereafter effects on the household are explored through the sending and use of remittances. Central for the sending and use of remittances are motives and determinants for remittances. The behaviour of both migrants and the recipient households matters. Further impacts of migration and remittances, such as gender dimensions and impacts of social remittances, are dealt with lastly.

#### 3.1 Global and regional trends

Recorded remittances sent to developing countries have more than doubled since 2000 and the flow is likely to continue to increase. If unrecorded transfers through unofficial and official channels were included, the amounts would be much larger. Although recorded remittances have grown in almost all regions, countries in Latin America and the Caribbean remain the main receivers. For regional comparisons, see table 3.1.<sup>54</sup>

**Table 3.1: Global flows of international migrant remittances, US\$ billions**

	2000	2001	2002	2003	2004	2005	2006e
<b>Total</b>	85	96	117	145	165	193	206
<i>By region</i>							
East Asia and Pacific	17	20	29	35	39	45	47
Europe and Central Asia	13	13	14	17	23	31	32
Latin America and the Caribbean	20	24	28	35	41	48	53
Middle East and North Africa	13	15	16	20	23	24	25
South Asia	17	19	24	31	31	36	41
Sub-Saharan Africa	5	5	5	6	8	9	9

Remittances are defined as the sum of workers' remittances, compensation of employees, and migrant transfers e = estimate<sup>55</sup>

Source: The World Bank, 2007: 54

The most important factor for the last years' growth of remittances is the growth of migration, especially from poor to rich countries (south-north). The flows of legal migrants have grown in fits and starts, but illegal migration and thus the stock of migrants has increased. Economic and financial crises in developing countries have occurred more often and intensely since 1985, leading not only to migration, but increased need for social safety, affecting demand for remittances. The increase in recorded remittances also depends on improved statistics and

<sup>54</sup> The World Bank, 2007: 54

<sup>55</sup> These sums are likely underestimated. In 2006, 150 million migrants worldwide sent more than US\$300 billion to their families in developing countries, according to the International Fund for Agricultural Development, 2007.

changes in economic policies in developing countries, as well as improvements of the infrastructure for remittance transfers, which have led to a shift from informal to formal sending.<sup>56</sup>

Remittances constitute the second largest source of external financing after FDI for developing countries and are considerably larger than ODA. Remittances are more stable than other private capital flows and can cushion from economic fluctuations and shocks, thereby providing a safety net for migrant households.<sup>57</sup> Remittances to Latin America and the Caribbean exceed the combined flows of FDI and ODA.<sup>58</sup> Although remittances are important for the whole region, they are most significant for the small and poor countries of Central America and the Caribbean.<sup>59</sup> As a share of GDP in 2004, remittances constituted 12.1 percent in the Dominican Republic, 15.3 percent in El Salvador and 17.1 percent in Jamaica.<sup>60</sup>

### **3.2 The impact of remittances**

The recent literature considers potential impacts of migration on development and emphasises positive aspects of high out-migration, where new capital is brought to the country of origin by remittances. There is a general consensus on the key role remittances can play for the survival of many poor households in developing countries. However, the effects on development in receiving countries are debated and both positive and negative aspects have been identified. Very briefly, positive effects are for instance increased national income, contribution to savings and increased demand for local goods and services. Negative effects are increased demand for imported goods, inflation and discouragement in the search for other income-generating activities. Some studies have pointed out that a growing number of young people lose interest in education and local income options, planning to emigrate. Effects of remittances are thus very complex and depend on variables such as the characteristics of the individual migrants and households (in both origin and destination countries), their motivations, how remittances are used, as well as on the local context and economic environment.<sup>61</sup> Factors that affect the migration decision also shape the effects of migration and remittances upon households and regions.<sup>62</sup> Although remittances are considered poor-friendly, if migrants are high-skilled, the remittance effects on the poorest can be restricted. Likewise, im-

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<sup>56</sup> Kapur, 2005: 339-340

<sup>57</sup> IOM, 2005a: 178-179

<sup>58</sup> Inter-American Development Bank, 2006: 11

<sup>59</sup> Orozco, 2005: 319

<sup>60</sup> The World Bank, 2006a: 17

<sup>61</sup> Ramirez et al, 2005: 16-17

<sup>62</sup> Taylor, 1999: 65

pacts of unskilled or low-skilled migrants' remittances on poverty and inequality are maximised, as remittances are targeted to the poorer households and the supply of unskilled labour is reduced, possibly increasing wages of the unskilled non-migrants.<sup>63</sup>

Much research on remittances has been carried out from a narrow economic perspective, for instance looking at remittance volume and contribution to local development through investments. Analysis including gender-related differences regarding amounts, frequency or use of remittances, as well as socio-economic impacts on the migrant and the recipient household, has been neglected. Despite the scarcity of systematic research on gender differences in remitting behaviour, there is evidence that migrant women and men have different remitting patterns and tend to prioritise differently when deciding how remittances are to be used. An important reason is that remittances, and their use, are influenced not only by the market economy, but also by negotiations within the household.<sup>64</sup>

### **3.3 The sending of remittances**

Migrant remittances are a combination of migrants earnings and the propensity that these earnings will be shared with the family members that stay behind. To understand remittances one must therefore consider the factors that shape the migrant's motives to remit as well as the determinants of migrant earnings.<sup>65</sup>

#### **3.3.1 Motives for sending remittances**

Primarily micro-economic analysis has been used to find the motives for sending remittances. Research by Lucas and Stark (1985) is still valid and most research on remittances refers to their approach. Testing different hypotheses on remittance behaviour in a study on Botswana, they found that altruism – the care for those left behind – did not explain the sending entirely. Altruism can be a reason to remit, but it still does not explain variation in remittance sending such as why some migrants remit more, why some remit for a longer time, or why some do not remit at all. Their interpretation was that motivations to remit range from *pure altruism* to *pure self-interest*. Pure altruism implies that migrants' concern for the income and consumption needs of remaining family members stimulates remittances. Remittances thus fulfill an obligation based on affection and responsibility. When altruism is the motivation, remittances

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<sup>63</sup> Kapur, 2005: 345-347

<sup>64</sup> Ramirez et al, 2005: 21

<sup>65</sup> Stark, 1991: 126



may vary due to the household's poverty status and number of migrants.<sup>66</sup> A model of pure altruism implies, *ceteris paribus*, higher remittances to households with lower income.<sup>67</sup>

Pure self-interest implies that remittances are motivated by intended investments as insurance for future returns as a part of a risk-sharing strategy. Remittances here benefit both the remitter who intends to return and the recipient household in the case of external shocks. Unemployment for the migrant or drought for the rural recipient are examples of such shocks. Remittances thus constitute a contract between remitter and recipient by mutual benefit. In this approach migrants remit aiming at buying long-lasting goods and investing in housing, land or a business at the place of origin.<sup>68</sup> The bargaining power of the family vis-à-vis the migrant is strengthened by greater family wealth, and a self-interest perspective predicts higher remittances to households with higher income.<sup>69</sup> The household's poverty status and number of migrants do not influence remittances and altruism is viewed as coincidental to personal self-interest. The migrant is assumed to be a rational economic individual, which is problematic, as some studies have shown that family bonds of trust and not only economic self-interest affect the remittance decision.<sup>70</sup>

A third approach is the combination of altruism and self interest called *tempered altruism or enlightened self-interest*. This theory clarifies migration and remitting as an agreement between the migrants and the family members that stay behind, with the objective to benefit both parties. Migrant interests such as aspiration to inherit, maintenance of previous investments and the intent to return, must be considered. By these interests the family is reassured that the migrant will not fail to pay and cooperative contracts are encouraged.<sup>71</sup> Gender differences in motives have been noticed as male migrants tend to follow self-interest more, while female migrants remit more out of altruism.<sup>72</sup>

The main difference between pure altruism and tempered altruism is that the income and the size of the receiving household influence the purely altruistic motives for remitting. That means that lower household income at the place of origin is compensated for by higher remittances by the purely altruistic remitter and the amount of money remitted increases when

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<sup>66</sup> Chimhowu, Piesse and Pinder 2005: 88-89

<sup>67</sup> Stark, 1992: 5-6

<sup>68</sup> Lucas and Stark, 1985: 913f

<sup>69</sup> Stark, 1992: 5-6

<sup>70</sup> Chimhowu, Piesse and Pinder 2005: 88-89

<sup>71</sup> Stark, 1992: 5-6

<sup>72</sup> Chimhowu, Piesse and Pinder 2005: 89

the salary of the migrant grows. In tempered altruism, the amount of remittances rises with higher education (linked to an increased salary), but is also affected by changes taking place in capital and insurance markets. When the motivation is self-interest, motives to remit are determined by the migrant's potential inheritance and possibility to return home in the future. Other factors are business and investment opportunities in the home region that can be protected by remaining family members. Remittances will rise with higher household income at the place of origin, possibility of returning home in the future and return on investments.<sup>73</sup>

### **3.3.2 Determinants of remittances**

Decisions regarding whether to remit or not, how remittances are to be sent, and what amount should be sent, are also affected by other factors. A review by Sorensen suggests that the determinants of amounts and characteristics of transfers are:

- Legal status of the migrant
- Marital status
- Household income level
- Level of employment and occupational status in the countries of origin and destination
- Length of stay abroad
- Labour market available to migrants
- Cost of living in the destination country
- Number of dependants in the household in the country of origin and family relationships
- Household members working abroad
- Wage rates
- Economic activity in the countries of origin and destination
- Facilities for money transfers
- Exchange rates between the country of origin and the destination country

(Sorensen, 2004: 18-19)

Factors expected to be positively correlated to remittances are: the number of workers abroad, the economic situation in both the destination country and the country of origin, the transfer facilities, and the marital status of the migrants. Married migrants tend to remit more money.

Likewise there are factors expected to be negatively correlated to remittances. The possibility to remit is reduced the greater the political risk factors in the country of origin are. The greater share of women in the migrant population at the destination, the smaller the amount of remittances. A possible explanation is that women often bring their children and thus the need to remit is less. The number of employees in the family, the education level and occupational level of migrants are other factors. The assumption is that poorer households send migrants with lower education and skill levels.

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<sup>73</sup> Stark, 1991: 237-239

Some factors can have a positive or negative impact on remittances depending on the situation of the individual country or household. Wage rates, exchange rates, relative interest rates and years since out-migration are examples of these factors.<sup>74</sup>

Employment opportunities in the country of destination affect income and remittances. Also, changes in the cost of living can influence the share that migrants are able to remit.<sup>75</sup> Because of the uncertain status of irregular or undocumented migrants, they tend to work in low-paying “cash-only jobs” and thereby they are more likely to be exploited, work long hours and suffer poor health.<sup>76</sup> Migrant men are more likely than migrant women to have high-skilled jobs with better wages. Women are often limited to traditionally “female” jobs such as work in the service sectors, domestic work and sex work. These jobs tend to be unstable, to have low wages, and poor working conditions and to lack access to social services.<sup>77</sup>

“Because they typically receive less pay for equal work (or are employed in sectors that offer poor remuneration), the total women remit may be less in comparison to men. Available data, however, shows that women send a higher *proportion* of their earnings – regularly and consistently.”  
(UNFPA, 2006: 29)

The sending of remittances is conditioned not only by the position migrant women hold on the labour market, but also by their position within the household in the country of origin.

Three groups (not excluding others) can be identified:

- *Migration to sustain the family*: women migrate as providers. Most remitters belong to this group and economic strategies aim at optimising resources in order to save and remit as much money as possible. The obligation to maintain the family both economically and emotionally out-conquers more personal objectives.
- *Autonomous migration*: migration is not based on the need to sustain a family and thus the propensity to remit is less, though these migrants tend to contribute to family investments.
- *Migration as dependents of husbands*: little relevance in terms of remitting, but economic and social contribution through reproductive labour.  
(Ramirez et al, 2005: 26)

The intention to return increases temporary migrants’ probability to remit more than those who have integrated on a permanent basis in the destination country, implying that remittances can decrease as ties weaken over time. Family reunification may also have taken place, changing the need for remittances. Although the share of income remitted can decline over time, remittances seldom stop as first-generation and second-generation migrants keep on

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<sup>74</sup> Stanton Russell, 1986: 679f

<sup>75</sup> The World Bank, 2006b: 93

<sup>76</sup> UNFPA, 2006: 9

<sup>77</sup> Ibid: 22, 34

remitting. Although the propensity to remit decreases, the remittance volume is still likely to increase as the income levels of migrants rise over time.<sup>78</sup>

### **3.4 The use of remittances**

The impacts that remittances have on the household largely depend on how they are used. The use of remittances is linked to the migrants' motives to migrate and remit. Therefore motives must be considered when one is interested in knowing effects on remittance receivers. Most research divides the use of remittances into consumption use and investment use.

#### **3.4.1 Consumption and investment**

Maimbo and Sander (2005) mean that the primary uses of remittances are for basic consumption and welfare-enhancing consumption which here includes investment in human capital (education, health and better nutrition). That a large share of the remittances is used for general consumption matches the idea of migration and remittances as a strategy for reducing poverty and improving quality of life of the migrants and their families that stay behind.<sup>79</sup> Households risk becoming too dependant on the inflow of remittances. If the remittances are unpredictable, the vulnerability increases. The receiving households are concerned directly, but there can also be implications for the national economy, considering that remittances often represent more than 50 percent of household income for consumption. Thus, a decline in remittances implies that consumption would decrease drastically.<sup>80</sup>

Relatively common is investing in land, livestock and housing, which are typical ways of saving and investment in many developing countries, but only after having satisfied daily needs and expenses linked to human capital. A smaller share is allocated to investments in either savings (linked to the financial system of banks), business or to repay debts that could come from the costs of the migrant's move.<sup>81</sup> The investment in real estate many times indicates a wish to improve the standard of living for those staying behind as well as a lack of other investment opportunities in the recipient community.<sup>82</sup> Further in this thesis, productive investment refers to land, livestock, housing, business and savings linked to a financial system.

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<sup>78</sup> Maimbo and Ratha (eds), 2005: 5

<sup>79</sup> Maimbo and Sander, 2005: 63

<sup>80</sup> IOM, 2003: 230

<sup>81</sup> Maimbo and Sander, 2005: 63

<sup>82</sup> Maimbo and Ratha (eds), 2005: 5

McKenzie and Sasin (2007) question why remittances would be spent differently than ordinary income, since money is fungible. Asking how remittances are spent seldom shows the true marginal effect on spending, since remittances can free up other resources. To evaluate the impact of remittances, comparison with the alternative is desirable when looking for the overall effect of migration on the remaining household. However, the overall outcome depends not only on remittances.<sup>83</sup> Increased income would in theory lead to more consumption of all normal goods, including health and education. The consumption behaviour of a poor household would thus not alter by remittances. If 80 percent of total income is consumed, 80 percent of remittances would also be consumed. Still, two possible although poorly measured motives exist for why the consumption of remittances can vary from that of labour income. The first reason is the permanent income hypothesis, suggesting that temporary income raises the odds that it will be saved (or invested). Research has shown that both migrants and their families expect that remittances will decrease over time. The second reason is that remittances can be put aside for a specific purpose, possibly investment instead of consumption.<sup>84</sup>

According to the World Bank the rate of investment of remittance income will be high when:

- Remittance flows are viewed by the household as transitory rather than permanent and thus should be saved (and invested) rather than spent.
- The sender conditions the remittance for special purposes, which are more likely to be investment than current consumption. Examples are education or new farm machinery.
- The remittance is targeted (or “tagged”) to household members more likely to use the funds for investment purposes. These members are women rather than men.
- Households practice a form of mental accounting with their overall budget, with remittances being disproportionately put in accounts set aside for investment purposes.

(The World Bank, 2006b: 125)

Previously, migrants were believed unlikely to create new businesses in their countries of origin, either through remittances or upon return. That view has shifted to that migration and remittances encourage entrepreneurship and that the effects of remittances are larger among low- to middle-income households, which are most likely to face credit constraints.<sup>85</sup> As poorer women are often discriminated by traditional credit and property systems, remittances can benefit them in particular.<sup>86</sup>

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<sup>83</sup> The World Bank, 2006b: 118

<sup>84</sup> McKenzie and Sasin, 2007: 6

<sup>85</sup> The World Bank, 2006b: 126-127

<sup>86</sup> UNFPA, 2006: 29

### ***Remittances – a productive or unproductive source of income?***

Whether remittances are a productive or unproductive source of income is still discussed. The main part of remittance flows goes to current consumption and therefore remittances have been viewed as unproductive. Remittance-receiving households in comparison to non-remittance-receiving ones spend more on consumption, which can be expected since their total income is larger, allowing higher consumption. Even if the main share of remittances is used for consumption, it does not need to be unproductive, as health and education – representing human capital investment – is included. Consumption can also stimulate the local, regional and national industry through the increased demand for domestic goods. When considering multiplier effects, non-receiving families also benefit from remittances. Although the poorest seldom can migrate, remittances have had a key role in poverty alleviation.

Policymakers debate if remittances should be encouraged for more productive purposes than consumption or investment in housing. The discussion can be appropriate when dealing with aid flows, but remittances are private and personal money. If senders and receivers make rational decisions over consumption and saving, policymakers cannot make them act differently, since this would reduce individual consumer welfare. Yet, investment can be encouraged through improving the investment climate and offering bank services in recipient communities, encouraging development impacts of remittances indirectly.<sup>87</sup>

#### **3.4.2 Gender differences**

How remittances are used depends not least on how the household resources are controlled and clear gender differences exist in most cases. Gender relations within families and communities of origin affect the decisions regarding how and for what remittances are used and which family members will benefit. As mentioned, outcomes depend on intra-household bargaining power, which is not gender neutral.<sup>88</sup>

Gender roles make women responsible for the family welfare and influence the investment pattern of men and women. Women generally tend to invest more in their children than men and they often lack control of financial decision-making, assets and property.<sup>89</sup> This is evident as many women remit a greater share of their lesser earnings than men<sup>90</sup>, and exercise control

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<sup>87</sup> Maimbo and Ratha (eds), 2005: 7

<sup>88</sup> Ramirez et al, 2005: 31-32

<sup>89</sup> Ibid: 32-33

<sup>90</sup> See for example Piper, 2005: 12

of their household's income by ensuring that remittances are spent on food and clothes.<sup>91</sup> Female migrants have also been noted to influence the use of their remittances for welfare-enhancing consumption such as education for younger siblings and health care for parents. This is a general pattern, despite that migrant women often do not have the same labour market opportunities abroad and tend to earn less than men.<sup>92</sup> One example is a study of Bangladeshi women working in the Middle East, showing that on average 72 percent of their wages were remitted and 56 percent of these were used for daily needs, education and health care.<sup>93</sup> Female remitters tend to contribute to household consumption needs as a risk-reduction strategy, while the male remitters are more likely to invest in productive activities or risk management. Male migrants tend to remit to saving accounts for themselves or investment in land and housing for their future. Consumer goods for the migrant's own use, such as televisions and cars, are more often bought by males.<sup>94</sup> There are different explanations for this pattern, where one factor may be that women more often settle in the destination country. Men often intend to return home or follow the changes in the international labour demand. However, women do not use remittances only for consumption. According to a study of Ghanaian women in Canada, many were planning to invest in housing in Ghana and that process was already initiated by 56 percent of them.<sup>95</sup>

Migration and remittances are likely to lead to changes of the division of labour within the remittance-receiving households. With at least one member absent due to migration, the roles and responsibilities have to be rearranged. This in turn affects how remittances are used.

Women are heads of many remittance-receiving households, and when women decide remittance use can be different to that of households headed by men. Taking over the role as household head when the male head migrates, some women can influence the use of household funds more, even though they still depend on remittances.<sup>96</sup>

### **3.5 Further impacts of migration and remittances**

Migration and remittances have several expected and unexpected effects that go beyond the sending and use of remittances. This section looks at impacts through possible disadvantages, gender outcomes and social remittances.

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<sup>91</sup> See for example IOM, 2005b

<sup>92</sup> See for example International Labour Organization, 2004

<sup>93</sup> IOM, 2005c: 31-32

<sup>94</sup> Ramirez et al, 2005: 32; Chimhowu, Piesse and Pinder, 2005: 91-92

<sup>95</sup> Wong, 2000

<sup>96</sup> Zachariah et al (2001), cited in UNFPA, 2006: 30

### **3.5.1 Possible disadvantages - costs**

Although the benefits and the potential of migration and remittances are often emphasised, some aspects that can imply negative consequences need to be considered. Sending countries risk losing their best human resources through emigration, reflecting a transfer of educational investments from poor to rich countries. Many migrants represent the human capital that developing countries can least afford to lose – the highly educated and skilled. A great majority of these migrants migrate permanently and thus this brain drain represents a loss of valuable human resources. Whether or not emigration causes a "drain" of workers at any skill level that hinders development, depends on the available resources (human and others) to fill the gap. In the same way, migration may or may not result in gaining skills abroad.<sup>97</sup> In regions where remittances originally were a consequence of migration but have become its main driver, the regions are gradually undermined. What may be positive for individuals and households is thereby not necessarily as good for communities. The effects at the household level can also be unclear. Effects of absent parents and entrepreneurs in the community due to migration can impose costs on those remaining at home, particularly the children. One consideration is the many female migrants taking care of other children than their own who are left behind. Due to remittances the consumption level is higher in the household in the country of origin, but the children grow up without their mother being present. Kapur (2005) suggests that the migration decision of the mother thus can be viewed as a "revealed preference" of improved household welfare, to understand why she migrates.<sup>98</sup> Children of migrant parents from the Philippines were found to perform worse in school and be less socially adjusted, especially when the mother had migrated, than children with both parents at home.<sup>99</sup> Various consequences thus make it impossible to determine the direction of impacts of migration on poverty, inequality and human capital *à priori*.<sup>100</sup>

### **3.5.2 Gender outcomes**

Gender influences the migration process and at the same time gender relationships are reaffirmed, confronted and renegotiated by migration and remittance sending. Changes in the sexual division of labour are expected in the transnational household as roles and responsibilities must be rearranged when migration occurs. Upon return migration or reunification, intra-household roles and responsibilities can be expected to be rearranged once again.

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<sup>97</sup> Todaro and Smith, 2006: 76; Stanton Russell, 1995: 8-9

<sup>98</sup> Kapur, 2005: 348-349

<sup>99</sup> Battistella and Conaco, 1996

<sup>100</sup> McKenzie and Sasin, 2007: 3



Migration can improve or worsen the position of women in the household and society. The same is true for men, but often not in a way that is as gender-specific. For some women, an increase in social mobility, economic independence and relative autonomy can be the effect of migration, especially if their participation in the labour market increases. The distribution of power within the family may change as women become providers, resulting in greater intra-household negotiating power and control over the household's resources. This in turn leads to improved conditions for the family's other females. Migrant women who send money back home, acquire new roles as economic providers and transmit new images of female capacity, with effects on both the household and the community. Financial remittances contribute in a central way to the improvement of women's economic status in both countries of origin and destination. Access to the productive sphere allows social privileges that go beyond the reproductive role, such as participation in traditionally male activities.<sup>101</sup>

Women who remain at home and receive remittances also experience changes in their roles, when being obliged to take on more responsibilities and make decisions regarding the use of the new income.<sup>102</sup> Women staying behind in Kerala, India, enjoyed increasing authority and status through managing remittances from husbands in the Gulf States. This was exemplified by that 40 percent of them earned their own wage, 70 percent had opened bank accounts of their own and 50 percent held land or homes in their own names.<sup>103</sup> Women may also compensate for lost income if remittances are not sufficient or stop in different ways, which also may result in greater autonomy and status.<sup>104</sup>

Nevertheless, one must remember that female migrants' experiences show a great diversity. Access to the labour market does not automatically reduce women's domestic labour and the workload might instead grow by the combination of productive and reproductive tasks. While some women are empowered, others are overwhelmed by the larger workload and isolation. Most women experience a combination of gains and losses. Traditional male roles are also affected by migration, both when they migrate and when they stay behind.<sup>105</sup> Males remaining in communities where migration is predominantly female can be obliged to replace the work previously performed by the women. This is more likely if female networks are absent.<sup>106</sup>

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<sup>101</sup> UNFPA, 2006: 31; Boyd and Grieco, 2003

<sup>102</sup> Carling, 2005: 7

<sup>103</sup> Zachariah et al, 2001

<sup>104</sup> Adepouju, 2004

<sup>105</sup> UNFPA, 2006: 31

<sup>106</sup> Ramirez et al 2005: 36, 38-39

Work and income can be a key to increased independence of migrant women, while migrant men's experience may be downward mobility. Women may avoid returning to their countries of origin for fear of losing their autonomy, illustrated by studies of Mexican migrants in the US.<sup>107</sup> Female migrants are less likely to return home than male migrants from cultures limiting women's empowerment. Female migrants from more equitable societies are also less likely to return home if they risk losing their increased autonomy. However, the status of returning women may improve as a result of their financial contribution to the family, implying better employment or social position in the community.<sup>108</sup>

### **3.5.3 Social remittances**

"Social remittances" refer to the transfer of attitudes, information and behaviour patterns that can change social structures and cultural practices. Impacts of social remittances vary just as those of financial remittances and occur during migrants' contacts with communities of origin. Impacts are particularly evident when migrants return home. Social remittances can boost socio-economic development and be especially beneficial to furthering gender equality. Female remitters transmit a new view of the female role, which may affect the image of women in households and communities.<sup>109</sup> The money from remittances can lead to that girls can complete their schooling instead of dropping out early to do household work. Young women can be empowered and continue their education and training, making higher earnings possible in the future. Another impact of social remittances can be improved family health, such as better child health and lower mortality rates, in the home country through the knowledge acquired abroad. This has been reported by the World Bank for families in Guatemala, Mexico and Morocco. Health benefits are more likely to occur when mothers migrate than when fathers do.<sup>110</sup>

## **3.6 Concluding remarks of chapter two and three**

Labour migration plays a key role in recent migration from developing to developed countries and women dominate these flows. The main causes for international migration are differences in employment rates and wages between high-income and low-income countries, which in turn (together with other factors) affect the individuals' cost-benefit calculations, but also migration as a livelihood strategy for households. The migration decision is an investment

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<sup>107</sup> Hondagneu-Sotelo (1994), cited in UNFPA, 2006: 30; Pessar, 2005: 7

<sup>108</sup> Chimhowu, Piesse and Pinder, 2005: 91-92

<sup>109</sup> Ramirez et al, 2005: 35

<sup>110</sup> Hildebrandt and McKenzie, 2005

strategy based on expected earnings (or expected utility). If the combined effects of push and pull factors are greater than the migration costs and the risks involved, migration occurs. Although individual aspects matter, migration from poor households is a group rather than an individual optimising strategy, in which the family as a whole is better off through cooperation. However, the intra-household relations and labour division reflect the members' bargaining power and are not gender neutral. Women's migration often reflects push factors such as family obligations and lack of economic opportunities. Demand for migrant women in high-income countries, also affected by gender, constitutes a pull factor.

The outcome of migration has primarily been explored through the sending and use of remittances. Remittance flows to developing countries have steadily grown and reflect the steady growth of migration. The motives for sending and use of remittances range from pure altruism to pure self-interest. A combination of both, implying that both the migrant and the rest of the family benefit from remittances, seems most common. The sending also depends on further determinants such as the migrant's legal status, income and position in the original household. The use of remittances is divided mainly into consumption and investment. Differences in both the sending and the use exist between women and men. Migrant women tend to remit a larger share of their earnings than men, although they earn less. Women tend to choose consumption in food and clothes and invest more in education and health for children and elderly compared with men. This is explained by that women are responsible for the family welfare and lack access to other investment opportunities.

As seen, gender is an important factor affecting both the reasons to migrate and the outcomes thereof. Migration also has impacts on gender relations as the division of labour in migrant households is rearranged. Both costs and potential gains are involved in female migration. Migration and remittances can lead to more autonomy for women as they become economic providers and improve their bargaining power. Yet, the workload of many migrant women and women staying behind increases.

In the next chapter, the reasons behind the migration decision and the outcomes thereof will be looked into more closely in the case of the Dominican Republic.

## 4 THE CASE OF THE DOMINICAN REPUBLIC

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The theoretical insights from chapter two and three will now be applied on empirical data from the Dominican Republic. Focus is on the theory of NELM since it views migration as a household strategy and includes remittances. As migration is context-specific, the general historical context and dynamics of migration and remittances in the country are first looked into. Of several destinations, Spain is the one most characterised by feminisation and thus it will be in focus. A further choice is to analyse migration from the community of Vicente Noble, to highlight the thesis questions extra. Reflecting the theoretical framework, migration and remittance behaviour and lastly further impacts are explored.

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### 4.1 Historical context and dynamics of migration and remittances

The Dominican Republic has experienced substantial migration for a long time because of its historical and geographical context. Flows decreased as emigration was strictly regulated and limited during the Trujillo dictatorship (1930-1961), but thereafter flows have steadily grown. The departure rate of nationals has increased from 2.8 per thousand in 1960 to 105.7 per thousand in 2002. The modern period includes two different phases linked to the volume of migrants and the factors related to departure (box 4.1). Until 1979 the basis for modern Dominican migration was built, as about 300,000 individuals moved abroad. The main reasons resulting in migration over the past four decades are poverty, social exclusion and unequal income distribution that characterise the Dominican society. From 1980 onwards new dynamics related to destinations, composition of migration flows and migration strategies appeared and almost one million Dominicans left the country.<sup>111</sup>

#### Box: 4.1 Phases of Dominican migration, 1961-

**First phase (1961-1979):** The first half of the 1960s was characterised by political instability and civil war broke out in 1965. US troops intervened fearing a “new Cuba”, but withdrew after Balaquer was elected president. His authoritarian government 1966-1978 meant oppression and persecution of political dissidents. The US was established as the main destination for Dominican migrants as thousands of Dominicans trying to escape socio-economic instability and political persecution were granted visas. Further internal factors that caused migration were changes in the productive system creating imbalances in the labour markets and increasing expectations driven by fast urbanisation.

**Second phase (1980-):** In the early 1980s new factors appeared following the integration of the Dominican economy into the world economy. Central was the shift from agro-export and import-substitution to a service-based economy. Restructuring accelerated Dominican migration as shifts in the labour market increased unemployment and limited mobility between sectors. Structural adjustment programmes lead to currency devaluations, inflation and diminished public services, which worsened inequalities and reduced life quality for the majority of the population. Economic deterioration and political turmoil caused the largest emigration in modern history between 1987 and 1994. Migration dynamics through family reunification also played a role in the growth of migration.

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<sup>111</sup> UNDP, 2005: 120-127

Economic stability and growth in the second half of the 1990s slowed net though not gross migration. Destination countries changed their migration policies; The US tightened restrictions and Spain imposed visa requirements. The economic crisis of 2002-2004 (e.g. caused by the economic downturn in the US and bankruptcy of several Dominican banks) initiated new migration expansion. This wave tends to be characterised more toward illegal migration and trafficking of undocumented migrants.

Source: UNDP, 2005: 120-127

General reasons for migration of Dominicans are difficult to compile, since there is large variation in migrant households, migrant characteristics and destinations.

#### **4.1.1 Migrant characteristics**

Approximately 1.5 million Dominican nationals live abroad of a population of 8.5 million.<sup>112</sup> The main destinations are the US (73 percent), followed by Puerto Rico (8 percent) and Spain (5 percent). Of households with migrants abroad, 64 percent were urban and 36 rural, according to the 2002 Dominican census. Migrants generally come from middle-class rather than from poorer households and they have more education than the national average, but this profile corresponds primarily to migrants in the US. Migrants in Europe tend to be less educated and to come from rural areas.<sup>113</sup>

The trend of feminisation of migrants and remittance senders is recent. Between 1961 and 1980 an average of 80 female migrants per 100 male migrants was estimated. That share has changed and women constituted 52 percent of all migrants from the country in 2002.<sup>114</sup> The share of female migrants began to rise in the 1980s and grew sharply in the 1990s, as a consequence of the primarily female migration to Europe. The diaspora in the US was initially dominated by men and then by reunited families, while migration to Spain was initialised by women who migrated alone and often as breadwinners and heads of households.<sup>115</sup>

#### **4.1.2 Remittances**

Remittances have grown considerably since the early 1990s and are crucial at both the household and national level. The total sum, remittances per capita and remittances as percentage of certain socio-economic variables, increased significantly between 1993-2003, see table 4.1. This points out the key role remittances play at all levels in the country.

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<sup>112</sup> Suki, 2004: 10

<sup>113</sup> UNDP, 2005: 131

<sup>114</sup> Ibid.

<sup>115</sup> García and Paiewonsky, 2006: 46

**Table 4.1: Remittance income and remittances as share of some economic variables, 1993-2003**

Year	Rem. (millions of US\$)	Rem. per capita (US\$)	<i>Remittances as percentage of</i>						
			GDP	Exports	Imports	Foreign investment	Tourism	Trade deficit	Ext. public debt
1993	720.6	98.80	7.4	119.7	25.8	380.7	58.9	49.9	15.8
1995	794.5	105.12	6.6	91.1	25.1	191.8	50.6	57.1	19.9
2000	1,689.0	204.41	8.6	174.8	26.3	177.2	59.1	45.1	45.9
2001	1,807.9	214.94	8.3	227.5	30.4	167.5	64.6	51.6	43.7
2002	1,959.6	228.86	9.0	231.2	31.4	213.7	71.8	53.4	43.2
2003	2,060.5	236.39	12.2	198.0	49.1	664.9	66.3	84.3	34.9

Source: UNDP, 2005: 135 (based on data of the Central Bank of the Dominican Republic)

Of the remittance amounts received in 2004, 59 percent originated from the US, 30 percent from Spain and 9 percent from Puerto Rico.<sup>116</sup> In contrast to other countries, Dominican women remit more than men in both absolute and relative terms. Women account for 52.5 percent of migrants in the US and sent 58 percent of remittances.<sup>117</sup> In Spain women account for 61.4 percent of Dominican migrants, but sent 78 percent of remittances.<sup>118</sup>

10.2 percent of all households in the country are remittance recipients according to the 2002 Dominican census, but other estimates based on household surveys show a much higher share. According to the Inter-American Development Bank, 38 percent of adults receive remittances.<sup>119</sup> The importance and use of remittances in receiving households vary with their levels of income. 24 percent of households receive subsistence remittances which represent more than half of total income; 54.7 percent receive supplementary remittances, which account for less than 25 percent of total income; and 18.6 percent receive complementary remittances representing 25-50 percent of total income.<sup>120</sup> The use of remittances is similar to that of other countries in the region. Household consumption represents 60 percent, education 17 percent, savings 5 percent, business investment 5 percent and property purchases 4 percent.<sup>121</sup> An important effect of remittances in the context characterised by lack of employment and low wages is how a culture of migration has been created. Most of the population, and the youth in particular, do not see a chance to improve living conditions in the country. Migration is viewed as the best alternative, if not the only solution, for a better future.<sup>122</sup>

<sup>116</sup> Inter-American Development Bank, 2004: 2, cited in Suki, 2004: 10

<sup>117</sup> García and Paiewonsky, 2006: 29

<sup>118</sup> Lilón and Lantigua (2004) in Vargas and Petree, 2005: 43, cited in García and Paiewonsky, 2006: 29

<sup>119</sup> García and Paiewonsky, 2006: 28; Inter-American Development Bank, 2004: 2

<sup>120</sup> UNDP, 2005: 137

<sup>121</sup> Bendixen and Associates (2004), cited in Suki, 2004: 14

<sup>122</sup> García and Paiewonsky, 2006: 32

### 4.1.3 Migration with destination Spain

I have chosen to focus on migration to Spain in this essay because of its clear pattern of feminisation. Dominican migration to Europe, particularly Spain, emerged from 0 percent in 1980 to 5 percent in 2000, or from 1,000 individuals in 1980 to 6,776 in 1990 and almost 50,000 in 2000. In 2005 that figure had increased to 57,134.<sup>123</sup> However, as many Dominicans have become Spanish citizens, they cease to appear in statistics about foreigners. The number is very small compared to Dominicans in the US and to other foreigners in Spain, yet it stands out due to its high feminisation, rural background and regional origins. Female migrants represented 85 percent of Dominican migrants in the first years of migration and they migrated independently as economic providers. Male migrants have increased later on due to family reunification. The trend can be illustrated by the distribution of work permits, see table 4.2.

**Table 4.2: Distribution of work permits issued to Dominicans, percent**

	1991	1993	1998	2000	2001	2002
<b>Women</b>	84.2	85.2	84.4	77.9	71.6	61.1
<b>Men</b>	15.8	14.8	15.6	22.1	28.4	38.9

Source: Spanish Ministry of Labour and Social Security, in García and Paiewonsky, 2006: 26

Migrants are young and represent the economically active population as 70.4 percent are between the ages 15-40.<sup>124</sup> Although their level of education is generally higher than the national average in the Dominican Republic, it is lower than the average of the Spanish population and most Latin American migrants. Dominicans primarily reside in the large urban areas of Madrid and Barcelona. Of the Dominicans in Barcelona 62.4 percent had only primary education, 25.8 had secondary education and 9.6 percent had higher education.<sup>125</sup> Like most foreigners, the majority of Dominicans (76.5 percent) work in the service sector and 56 percent of them work in domestic service, a sector which is overwhelmingly female. Men primarily work in construction. Average income is relatively low, but higher than other Latin Americans' income, as Dominicans have resided longer in Spain.<sup>126</sup>

So far, general characteristics of migration, remittances and migrants to Spain have been presented. In order to explore the migration and remittance behaviour as well as the gender dimensions in more detail, material mainly from a case study of the community of Vicente Noble by INSTRAW, García and Paiewonsky (2006), is analysed. This community is a good

<sup>123</sup> National Institute of Statistics in Spain (2005), cited in García and Paiewonsky, 2006: 25

<sup>124</sup> National Institute of Statistics in Spain (2005), cited in García and Paiewonsky, 2006: 26

<sup>125</sup> Gil Araujo (2004), cited in García and Paiewonsky, 2006: 26

<sup>126</sup> Inter-American Development Bank – Spanish General Co-operation Fund (2002), cited in García and Paiewonsky, 2006: 26-27

example as it represents the region where migration to Spain took off initially. The study is based on interviews of both migrants residing in Spain and households, business owners and focus groups in Vicente Noble. The qualitative material has the advantage of considering both senders and receivers of households, in comparison to most studies which only look at one side. A disadvantage of the study is that it contains little quantitative information. I am aware that the study is a sample that does not represent the total Dominican female migration. However, since the aim is not to give a comprehensive picture, but rather to highlight the field, the material can be used. More sources would have been desirable, but unfortunately I have not found any that focus specifically on migration, remittances and gender.

## **4.2 Migration from Vicente Noble**

This part will concentrate on the determinants of migration, but also on who the migrants are. The section on who migrates focuses more closely on why women have migrated. The aspects of which women migrate and why they migrate independently are looked into.

### **4.2.1 Context of Vicente Noble**

Vicente Noble is a municipality situated in the province of Barahona in the south-western region of the country. It holds a population of 16,772 individuals. The region is predominantly agricultural and one of the poorest in the country. Households started to use migration as a maintenance strategy in the 1990s and the role of farming income has diminished. Migration from the community is widespread and entails primarily women. Initially, Spanish nuns in the region saw migration as a chance to find work for women and through their contacts with middle and upper class households, domestic jobs were arranged. In the first two years 3-4,000 women migrated and nearly 50 percent of the community's women lived in Madrid in the middle of the 1990s.<sup>127</sup>

### **4.2.2 Determinants of migration**

Behind the migration decision are both push and pull factors. The conditions in the country, and in the community of origin in particular, can be seen as strong push factors in this case. As a result of the crisis in the agricultural sector in the 1980s unemployment increased. The interviewed households all mentioned how this led to a lack of employment opportunities for men in the formal economy and instead sporadic work was the option. As the households' income decreased, women had to join the labour force for the survival of their families. In-

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<sup>127</sup> García and Paiewonsky, 2006: 33



come opportunities for women were scarce, especially due to the Structural Adjustment Policies which meant cutbacks in public spending and employment in the public sphere where many women were employed. The privatisation of healthcare and education put more pressure on households, and more on women than on men. In search of income opportunities to support their families, migration became an alternative. Migration represents a household strategy since the women migrated to support their families and not for their own benefit. Interviewed migrants mentioned that they migrated to relieve their mothers of a situation of very hard conditions. Some migrants had abandoned their studies for migration, although this was not their own first choice.<sup>128</sup> These examples show that migration occurs to meet household needs and not individual needs in this case. The theory of NELM is thus more applicable than the neo-classical theory that views migration as an individual strategy. Sending remittances was an important incentive in the decision to migrate to Spain. Again the theory of NELM is relevant as it sees remittances as part of the family strategy leading to migration. There were also more specific expectations involved in the decision to migrate. At the outset of migration, many of the interviewed women had set up goals for the migration such as building a house, saving money and establishing a small business.<sup>129</sup>

The migration can be explained through push factors - structural conditions in the Dominican Republic, but also through pull factors. While households face difficulties to earn an income in the Dominican Republic, income opportunities have been offered in Spain primarily for women. The demand for foreign and especially female labour, is based on its lower cost and that the main sector is domestic and care work, which is viewed as female work. Not only economic factors such as better employment opportunities and much better wages have created incentives for female migration. The annual quota system set up by Spain in 1993 further shaped this pattern. In order to control migration flows, a certain number of jobs for foreigners limited to sectors such as domestic help, agriculture and construction are offered each year. This system created a pull effect where women rather than men were encouraged to migrate, as women were in a better position for legalising their status.<sup>130</sup> The feminised migration from Vicente Noble to Spain is a clear example of the gendered “global care chain”. When the Spanish women join the labour force, their domestic work is replaced by migrant women as the men’s role does not change.

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<sup>128</sup> García and Paiewonsky, 2006: 35-36

<sup>129</sup> Ibid: 43

<sup>130</sup> Parella, 2000: 286

The role of contacts for migration is obvious in this case. When Spanish nuns originally saw migration as an income opportunity for women in the region and arranged domestic jobs through their contacts, the risks and costs of migration were reduced. The migrant women have then through their own contacts encouraged more women from the community of origin to migrate, through sharing information on job opportunities in social networks. The knowledge that the only work opportunities for female migrants in Spain include domestic help, care-giving and sex work, is widespread among women in Vicente Noble. A further determinant of the migration is socio-cultural aspects such as the colonial ties between the countries.

### **4.2.3 Who migrates**

Push and pull factors explain why primarily women have migrated to Spain. When migration was initiated, the migration of women was promoted by fathers, husbands and mothers. One reason could be that females are generally viewed as more reliable remitters in the short term, as suggested by the theory. Thereafter the specific demand for foreign women in the Spanish labour market had effects and females continued to dominate the migration flows.<sup>131</sup> However, there are further explanations to why women and not men have migrated. Recognising that migration is a household strategy, the structure and characteristics of the household is important to consider. Although the households studied vary, Dominican households are commonly extended ones that include different generations. The nuclear household, consisting of a couple and children, is not relevant. In rural and low-income urban areas, the head of the household is often a woman and strong ties exist between women. There are households in which the man cohabitates and contributes to the household, but this is not the general model. Family survival depends fundamentally on the mother-daughter bond and men play a secondary role in Afro-Caribbean families. The migrant woman can ensure family survival by sending remittances while her mother takes care of her children. When the children have grown up, the migrant returns and can take care of her grandchildren as her children migrate to ensure the continued survival of the family unit. This pattern can thus be seen as a generational replacement strategy and it has contributed to the chain of female migration.<sup>132</sup> Return migration and temporary stays are thus planned in this case. Migration of one family member makes the family better off, as cooperation between these close family members takes place. The person selected to migrate was a woman also when males were present in the household because of the basic reasons for migration. According to some interviews more women than men migrate since women, due to their gender role, are more responsible than

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<sup>131</sup> Gregorio (1998), cited in García and Paiewonsky, 2006: 35

<sup>132</sup> García and Paiewonsky, 2006: 40, 60

men for the children and the elderly. Seeing the household needs more closely than men, women are forced to seek better alternatives and see the need for migration.

The general characteristics of women who migrate to Spain are that they are young and more educated than the national average, which follows the theory of migrant profile. Still, they are less educated than the national average in Spain. As migrants are not high-skilled they are likely to migrate temporarily, which is seen here. Since social networks were created in which new migrants were helped to find jobs, costs and risks decreased and also the poorest women were enabled to migrate. Theory suggests that migrants are not likely to be the poorest, but in this case gender has been more central than socio-economic status in deciding who will migrate.<sup>133</sup> Women have migrated independently both because of labour opportunities for migrant women in Spain and the matrifocal household structure in the region of origin.

Several migrant women in Spain reunited with their daughters for different reasons. To have another family member abroad that could help finance the household was important. Another reason was the ability to protect daughters from early pregnancy. In the medium term another household member would allow the first migrant to return, making the daughter a substitute migrant.<sup>134</sup> Female migrants were brought as they could be integrated into domestic service. Bringing men would have meant risks as finding employment would be harder for them and they would depend financially on the female migrant. The arrival of men would have meant having to find an own home, as most of the women worked as live-in help, which would have increased costs and undermined the ability to remit. Female migrants would also risk losing the independence and power that their position as breadwinner had lead to.<sup>135</sup>

Although women have dominated the migration flows from Vicente Noble to Spain, men have also migrated. In the 1990s men only migrated as husbands, but examples were found of the more traditional pattern where men migrate and their wife and children stay behind. These men had only resided in Spain between one to two years and did not plan to bring their family. Their aim was rather to repay debts and save for a better position or to build a home, which is common during the first years after migration.

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<sup>133</sup> García and Paiewonsky, 2006: 34

<sup>134</sup> Ibid: 36

<sup>135</sup> Gregorio (1996), cited in García and Paiewonsky, 2006: 42

The increase in male migration to Spain is an effect of the women's changing networks and contacts. As the women got more contacts in Spain, their information on different types of jobs and opportunities for men increased. Households that are not matrifocal could choose male migrants when they realised that men can get better salaries than women.<sup>136</sup> However, as suggested in the theory, families may prefer less uncertain rather than more income and consider females as more reliable remitters.

### **4.3 Remittance behaviour**

Sending remittances was an important objective when the decision to migrate was taken. The outcome of the migration will now be examined through the migrants' remittance behaviour. This section will first examine the working conditions as a basis for sending remittances. The sending is then studied through amounts and regularity, but also in terms of how and to whom remittances are sent. Finally, the role remittances play in the households is looked at through consumption and investment.

#### **4.3.1 Labour conditions in Spain**

The context of the destination, such as the conditions on the labour market, is clearly linked to remittances. What type of job and level of salary the migrant will get, naturally affects the ability to remit. In Spain two specific sectors are set aside for migrant women: domestic and community service. Both belong to the secondary labour market characterised by low salaries, lack of status and tend to be irregular. Most Dominican women are legal, having entered legally or legalised their status in the different amnesty policies. Though there are Dominican sex workers, the majority are involved in domestic service. Job and social mobility of Dominicans in Spain is one of the lowest compared to other migrant groups and Dominicans tend to stay in domestic service. A small share has invested in their own businesses, generally a hair salon, but due to family and remittance obligations, resources have been restricted.<sup>137</sup> During the first years in Spain the majority of the women were employed as domestic live-in help. That way they did not have to pay for a living on their own and could save more money working long hours. Later on many women worked on an hourly basis and combined different households with other unstable jobs, such as the hotel business. Workers in these positions are easily replaced by other migrants willing to do the work, implying that the bargaining power of these migrant women is limited even if they wish to improve their working conditions. The

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<sup>136</sup> García and Paiewonsky, 2006: 37

<sup>137</sup> Ibid: 39

interviewed women expressed how working conditions involve informality, lack of regulation, discrimination, pointing out the harsh conditions they face.<sup>138</sup>

### **4.3.2 The sending of remittances**

All studies on Dominican migration to Spain point out the high share of migrants remitting and this is also the case here. This case confirms the theory of that women who migrate to sustain their families are expected to save and remit as much money as possible. The high income share remitted suggests that remittances are motivated by altruism. All migrants interviewed remit a set amount at the beginning of every month and the average amount was € 200 per month, which accounts for 25 percent of the wage on average. 33 percent of the migrants work as live-ins with a salary of €600 per month on average. Some women send € 250 and € 300 per month. Besides the monthly remittances, money is sent sporadically in emergencies or to meet additional, mostly health-related expenses. Not only are the shares sent larger, the larger amounts sent by women contrasts with other studies showing that men remit more in absolute terms than women. These women do not have larger salaries than at other destinations and despite their low salaries, they send more money than Dominicans in the US. The authors mean that as women and breadwinners these migrants are willing to make greater sacrifices. According to the theory female migrants remit more out of altruism than men. Pure self-interest is not a motive, but tempered altruism is relevant as migrants intend to return and meet goals of investments and savings.

Migration to Spain is recent and is not as characterised by family reunification. The generational replacement strategy is likely to maintain the sending of remittances, as a decrease in remittances is prevented when family reunification does not take place.<sup>139</sup> Remitting is thus affected by the intention to stay or return. Women without intention to settle in Spain do not bring their children, but if they do, they bring their daughters. Women who will settle in Spain on a longer term, but not necessarily permanently, have chosen to bring their spouse and children. Most children had been reunited as adolescents and were thus able to join the labour force. Male migrants instead tend to bring their wives when debts are repaid to secure a second income and the domestic chores.<sup>140</sup> The women sending higher sums had resided in Spain for more years and had stopped working as live-ins to work as live-outs on an hourly basis, having to pay for rent and other living expenses. Increasing costs would mean that the

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<sup>138</sup> Ibid: 38

<sup>139</sup> García and Paiewonsky, 2006: 60

<sup>140</sup> Ibid: 42

share they can remit would shrink, but the better working conditions following length of residency and stability of legal status, can have opposite effects. These migrants seem to remit out of the pure altruism motive. All interviewed had one or more relatives in Spain, which implies that the amount that has to be remitted can be shared among several remitters. As the purchasing power by the money sent is affected by the instability of the Dominican peso, and the currency of the remittances, migrants that remit in pesos may be required to send more money to meet the needs of their households. This is a challenge as migrant wages are low. Remittances sent in euros benefit from a devalued peso, but transfer companies tend to charge more per order when placed in euros.<sup>141</sup>

The sending of remittances can also be seen in the strength of the ties in transnational households, especially as remittances do not seem to decrease although the migrant has stayed for a long time. Of Dominicans living in the US, 75 percent call family members at least once a week and 50 percent visit their place of origin at least once a year. As the income level of Dominicans compared to other Latin Americans is lower, this behaviour is a sign of the strength of family ties.<sup>142</sup> The migrant community from Vicente Noble shows similarities. Households received on average a phone call per week and the migrant women travel to Vicente Noble at least once (some twice) a year.<sup>143</sup> The regular communication enables migrants to know whether remittances are sufficient or if extra money is needed.

Initially remittances were transferred through informal channels – people carried money when travelling. Money transfer companies have since then started to operate in the market and all migrants interviewed use these. This way was preferred because of security, trust and speed, and the home delivery offered. Dominican banks are usually not involved in the remittance sending and this is also the case in Vicente Noble. Formal financial institutions did not exist in rural areas when migration began and the one located in the community now is local.<sup>144</sup>

The set amount is targeted at one recipient, but smaller amounts can be sent to other family members. The receivers of remittances in the study were mainly women – mothers, sisters and daughters. Initially money was sent to husbands, but as they managed the money poorly, using it for individual desires instead of household needs, this strategy was changed. Both sending and receiving women pointed out risks with sending the money to the men who tend

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<sup>141</sup> García and Paiewonsky, 2006: 47-48

<sup>142</sup> Inter-American Development Bank, 2004: 3, cited in García and Paiewonsky, 2006: 41

<sup>143</sup> García and Paiewonsky, 2006: 41

<sup>144</sup> Ibid: 49

to view remittances as a personal asset, while women see them as a collective good. Sending money to women was thus a guarantee for good use of remittances. Not all men misuse remittances, but interviews focused more on men's misuse than good management.<sup>145</sup>

### **4.3.3 The use of remittances**

Undoubtedly remittances play a key role in the receiving households. As remittances are sent to the poorest rural areas in the country, the impact of remittances is much greater than compared to remittances from the US that are destined at urban areas and groups with higher income. More than two thirds of the households in the sample use remittances for subsistence – remittances constitute more than half of their total income. In the country 24 percent of households depend on remittances to such an extent, which means the remittance effect on poverty is larger in this case.<sup>146</sup> Remittances make up the total income in a large share of the interviewed households. Any other use than basic necessities is thus very difficult, as chances to earn an income in the formal economy are very scarce for the recipient woman and the key aim of remittances is to ensure survival. In households that do not rely only on remittance income, remittances are complementary. As income of household members working as agricultural day labourers or in the informal sector is not sufficient to cover basic necessities due to underemployment, remittances play a central role also in this case. Both when remittances are the total and complementary income, the level of remittances show that these households are dependant on remittances as the main source of income. Though they are dependant households, they are privileged in the community and often move above the poverty line.<sup>147</sup> How the remittances are used is a decision made by the sending and receiving women. Commonly a certain amount goes to the migrant's project (e.g. housing), another goes to individuals chosen by the migrant and one share is left to the decision of the recipient. Being a woman and in charge of the household, she is trusted to see the needs and prioritise well.<sup>148</sup>

#### **4.3.3.1 Consumption**

Both migrants and the receiving household agreed that the primary use of remittances is subsistence – food and clothing – as well as goods such as a telephone line and household machines. The remittances are viewed as wages and thus their use should be expected to be the same as that of other salary. They cannot be expected to be used for productive investment to a larger extent than other income, as seen in the theory. The money is spent on basic

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<sup>145</sup> Ibid: 50

<sup>146</sup> García and Paiewonsky, 2006: 46

<sup>147</sup> Ibid: 52

<sup>148</sup> Ibid, 2006: 50

necessities and services that otherwise would not have been available to the households, such as private health care and schooling. The interviewed migrants hoped their children and siblings would get the education and training they themselves did not get. This spending pattern follows the theory on how gender roles make women more responsible for family welfare and therefore choose welfare-enhancing consumption such as education. The children in school-age in the recipient households are all studying and many in the university-age have continued to study rather than joining the labour force. Remittances have made this possible as not every household member has to work. The service distribution of public health care is in bad shape in the country and therefore private alternatives are selected by people who can pay. Remittances were also used to cover for unemployment, retirement or illness, thus providing social services not provided by the state.<sup>149</sup> Other uses were unforeseen events and guarantees for small loans in emergency situations. This spending can be viewed as risk-reduction which migration is an important tool for in the NELM theory.

#### ***4.3.3.2 Investment***

Remittances were not only consumed, but also invested in several ways. The large majority has invested a large share of remittances in improving their home or building a house, which is a top priority when saving money. This outcome often fulfils the plan made before migration. Migrants who did not own a house aimed at getting rid of the burden to rent. House owners undertook home improvements. The investment in housing reflects the wish to improve the standard of living for those remaining and the lack of other investment opportunities. The construction sector in Vicente Noble is due to remittances very dynamic, which is positive, but households that do not receive remittances have problems to buy any property.<sup>150</sup>

Few households in the sample allocated remittances to productive investment besides housing, but there are two types of such investment: small investments for one household member to enter the informal economy or improve the current self-employment position; larger investments to establish a business. Small investments could be a vehicle to generate income from transporting cargo or passengers, as transportation is especially limited in rural areas. Investment in land was rare, due to problems in the community preventing land development such as lack of water for irrigation. Migration itself favours urban life and devalues

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<sup>149</sup> García and Paiewonsky, 2006: 51, 59

<sup>150</sup> Ibid: 52-53



rural life and agriculture, and climate changes make the agricultural sector more vulnerable. Only two households invested in land for farming as a supplementary income.<sup>151</sup>

The community has many businesses and two main categories were found: those created in response to the demand for housing and construction and those created due to the increased consumption (e.g. supermarkets, money transfer companies). Although the expansion of businesses stem from remittances, most business owners were previously set up in the region. 11 of 31 businesses were owned by migrants and/or people who receive remittances from Spain. Of these owners 54 percent were female, 37 percent male and 9 percent were a couple. Of owners of businesses established without remittances 55 percent were female, 45 percent male and 0 percent were a couple. These owners had more education than the owners of remittance-financed businesses. 50 percent of the former had a university degree, while only 9 percent of the latter had this. 55 percent of the latter had primary education. The high share of female ownership contrasts with other studies in which men tend to benefit the most from productive investments. However, in the Dominican Republic women commonly open a small business as a subsistence strategy when facing economic crisis.<sup>152</sup>

Businesses financed with remittances were small family businesses common in rural areas – grocery stores, restaurants and night clubs etc. 81 percent of these businesses had operated for less than six years, while 80 percent of the others had operated for more than six years. Of households that had set up a business, 50 percent had been receiving money for more than seven years. As more money is needed for this investment, the migrant has to stay away longer to accumulate capital. During the first years after migration, the largest share of the money was aimed at repaying debts.<sup>153</sup> Access to credit and loans was found to be relatively low – only 25 percent of the male owners and 34 percent of female owners had access to credit. Half of the owners had no bank account, but they had diversified their investments through buying houses for rent, land for agricultural production or minibuses for transportation.<sup>154</sup> Migration and remittances encourage entrepreneurship, as suggested by theory. Remittances especially benefit low-income households and women who lack access to credit.

Compared with their expectations at the decision to migrate, most women had stayed abroad longer than they had planned, because their set goals had not yet been achieved. The building

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<sup>151</sup> Ibid: 53, 55

<sup>152</sup> García and Paiewonsky, 2006: 54-55

<sup>153</sup> Ibid: 48

<sup>154</sup> Ibid: 55-56

of a house was not finished; the savings that they considered sufficient to return and create a business were not achieved. Some women regretted that more personal goals had not been achieved. Some women aim to spend their working life in Spain and retire in the Dominican Republic. Many studies show that women are more likely than men to stay at the destination, but in this case women do not tend to prefer to stay longer than men.<sup>155</sup>

#### **4.4 Further impacts of migration and remittances**

In this part further outcomes are highlighted, first looking at social benefits and advantages. Gender outcomes follow and they are specifically looked at through reunification in Spain. At last social remittances are considered.

##### **4.4.1 Social benefits and disadvantages**

The interviewed households highly value the decrease in poverty and the economic progress that has been the result of migration and remittances. Better quality of life, increased purchasing power of the household, improved housing, expanding businesses and decreased rates of malnutrition and infant mortality in the community are some aspects. At the same time, the departure of women has led to costs on children left behind and a breakdown of family structures. The restructuring of the household, putting a lot of responsibility on grandmothers, is not always successful as mothers' role as care givers and child raisers is not easy to fill. "Loss of values" was mentioned leading to teen pregnancies and increased drug use as grandmothers cannot fully control grandchildren. In the community migrant women are blamed for "abandoning" their households and being responsible for break up of marriages and poor behaviour of children.<sup>156</sup> The researchers point out that the correlation between family breakdown and crime could be a view promoted by public and religious institutions, as no specific signs of such associations were seen in the community. The supposed rise in teen pregnancy (data was not available) has more to do with daughters failing to live up to their mothers' expectations of higher education and pregnancy at later age. The negative impacts concern youth especially in the area of education. The lack of motivation to study and high dropout rates of those planning to migrate to Spain through family reunification reflects the idea that migration is the alternative for a better future. Young people's desire to migrate thus contrasts with migrants who want their children to complete their studies before helping them to migrate. If they migrate after finishing their training, a brain-drain effect clearly arises. The

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<sup>155</sup> Ibid: 43-44

<sup>156</sup> García and Paiewonsky, 2006: 59-60

loss of human capital in the community development is the result of that many women who were leaders and active participants have migrated. Reduced involvement by remaining women depends on that they take care of migrants' households.<sup>157</sup>

#### **4.4.2 Gender outcomes**

Effects on gender relations are tightly linked to social and cultural conditions and the female migrant's position before migration. When a man migrates he goes on being the breadwinner and the sexual division of labour does not change, but when a woman migrates the chores must be restructured. As matrifocal households dominate in Vicente Noble, the pattern in which men contribute less and women become responsible for both productive and reproductive work has been strengthened by migration. The remaining husbands of migrants did not change their traditional roles and instead other women took on tasks, as remaining children were left in care of a female relative.<sup>158</sup>

As many of the migrant women were heads of households before migrating, their benefits of achieving this position are not so obvious. However, migration has allowed them to fulfil the role of breadwinner as their earnings earlier just met basic needs. In this case gender roles have not been renegotiated and female migration has led to more work for the women remaining as care-givers. The matrifocal family paradigm and the male role as irrelevant or secondary have been reinforced, as the men temporarily linked to these households have gradually lost their providing role. The women who became heads of households when migrating left economic dependency on their husbands. Thereby their ability to generate income has increased, which has given them greater autonomy and increased bargaining power within household decision-making.<sup>159</sup>

When migration to Spain started, both households and migrant women saw their work as extra help. The women wanted to return to the model where men were breadwinners and women were not forced to work outside the home to contribute to household income. The value of being a wage-earner was seen in the income, and working outside the home was not viewed as valuable in itself. Compared to middle-class women in the Dominican Republic and Spain, these women did not value the development as "personal fulfilment".<sup>160</sup> Now there is awareness of the women's critical economic contribution which gives them autonomy. The

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<sup>157</sup> Ibid: 57-59

<sup>158</sup> García and Paiewonsky, 2006: 40

<sup>159</sup> Ibid: 61, 65

<sup>160</sup> Ibid: 61-62

migrant women know they are the household providers and the importance of this in defining household gender relations. Their bargaining power in decisions regarding household expenses and use of the remittances has increased. The strategy of sending the money to other women to ensure their preferences of use, has reinforced their negotiating power. However, this change has not only implied a positive change and one example is how gender inequalities in the division of labour have been reaffirmed. Women's new role as breadwinner has not put their household role into question as this role passed to other women instead of being assumed by men. The gender norm that makes women responsible for child care is understood as natural. The men were criticised in interviews, but primarily for misuse of remittances and not for lack of responsibility for their children.<sup>161</sup> This confirms the theory of that males are less likely to replace the work previously performed by migrant women when female networks are present. Greater bargaining power was the result of women becoming breadwinners, but restructuring the roles and labour division within the household was more complicated, which shows the strength of gender norms in this context. It is obvious that changes in gender norms and roles take time. However, household renegotiation clearly occurred upon reunification in Spain.

### ***Reunification in Spain***

Among the women who had reunited with their husbands, two situations emerged. Either reunification was successful as the couple stayed together and gender roles changed becoming more egalitarian. Reunification had also been a source of conflict, resulting in break up. In couples who reunited successfully, migration was initiated either by the man or the woman (while the husband remained and took care of the household). These households were originally more similar to the nuclear family model put into practice in Spain. In unsuccessful cases of reunification, households were originally matrifocal and the man had not taken responsibility for the household after the woman migrated. Before reunification, the man was economically dependant on the woman which made the bond last. When the man gained economic independence in Spain, he ended the relationship.

The reorganisation of the household labour upon successful reunification, was caused by the women's participation in the labour market (extra burden of domestic work in her own home as well as in other homes) as well as more recognition of women's economic contribution. That both spouses work outside the home had a great impact on the change, as it increased

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<sup>161</sup> García and Paiewonsky, 2006: 60

women's ability to demand a more equitable division of domestic tasks. Coordination of work and family life was more complicated, as family networks are not available for childcare. The division of expenses changed as members working outside the household contributed equally to maintenance, which is uncommon in the Dominican Republic. Some women had started to see that men should take on equal responsibilities for childcare. Yet, women's remunerated work was viewed as help for the male and the men's domestic tasks were seen as help for the female.<sup>162</sup> In some couples the management of the man's income had changed as he gives money to the woman who is in charge. Before migration he would contribute a part of his wage for household expenses and keep the rest for personal expenses. This outcome clearly shows that women's bargaining power has grown. Women mean that they spend the budget more rationally with a long term focus involving saving and investment of remittances, and that men focus more on present spending and to show that migration was successful.<sup>163</sup>

#### **4.4.3 Social remittances**

The impacts of social remittances, which refer to the transfer of attitudes and behaviour, can be viewed through empowerment of women who stay in or return to Vicente Noble. For example migrants' daughters have access to higher levels of education compared to their mothers. Yet, as employment opportunities are limited for qualified women in rural areas and the idea of motherhood being women's fulfilment still exists, educational attainment is counteracted.

Empowerment is evident among the women who have become business owners through remittances when returning home. The economic independence granted by the business is valued by the women, but there are gender aspects to consider. Most female owners were the head of the household as no man was present. Single-parent and female-headed households are poorer and thus the capital earned through migration to establish a business is restricted, leading to the creation of small businesses depending on family labour. This type of business - a hair salon, store for food or clothing - is often viewed more proper for women by society. Compared to businesses set up by men they are commonly less profitable and durable.<sup>164</sup>

Female remitters do transmit new views of the female role as economic providers, which affect the image of women in the households and community of Vicente Noble. Yet, the gen-

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<sup>162</sup> García and Paiewonsky, 2006: 63

<sup>163</sup> Ibid

<sup>164</sup> Ibid: 64

dered view of women needing a man for protection and honour continues. Female business owners and breadwinners emphasize the need to have a husband, though he may not live in the household nor contribute very little or not at all economically, to keep the image as a “respectable woman”.

#### **4.5 Concluding remarks of chapter four**

The main reasons for migration in the Dominican Republic are poverty, social exclusion and unequal income distribution. Remittances play a key role both at the household and the national level. Migration to Spain is the one most dominated by feminisation. The case of migration from Vicente Noble was further analysed.

In this case migration is a household strategy and it was initiated because of push factors such as lack of income opportunities. Pull factors also mattered as jobs were offered specifically for women in the domestic and community service in Spain. Social networks are essential and have enabled also the poorest women to migrate. As the matrifocal household structure dominates, many women were heads of households already before migration. Most migrants did not reunite their families and migration is a generational replacement strategy. The migrant returns to take care of her grandchildren as her children migrate to support the family.

Though the migrants’ labour conditions are characterised by low salaries and tend to be irregular, all migrants send remittances that represent a high share of wages. The amounts are also large in absolute terms. Remittances are sent to females, as men had misused the money. Remittances are crucial for the receiving households, and this is reflected in that their key aim is to ensure survival. Education and health are prioritised uses. However, investment mainly in housing but also in businesses is found.

Further impacts of migration and remittances are also noticed. The decrease in poverty is highly valued by the households, but the departure of mothers and active leaders in the community also implies costs. Gender roles were influenced but did not necessarily change as the matrifocal household was reaffirmed. Greater bargaining power was the result for women becoming breadwinners. Migrants who were breadwinners before migration, could fulfil this role through migration, which has given them more autonomy. To restructure the roles and labour division within the household was more complex, which shows the strength of gender norms in this context.

## 5 CONCLUSIONS

The aim of this thesis has been to *explore the migration process by comparing the reasons behind the migration decision with the outcome of the migration*. Female migrants, gender dimensions and remittances have been in centre. Through questions presented in the introduction, motives and determinants for migration and remittances, as well as their impacts have been explored. To highlight how the migration and remittance behaviour of women and men differ and what the impacts of that may be at the household level, the theoretical framework was highlighted in the case of the Dominican Republic. Migration to Spain from the community of Vicente Noble was focused at to answer the questions of this thesis more in detail. The conclusions are presented in sections of migration, remittances and gender outcomes.

### *Migration*

To better understand the current labour migration from developing countries to high-income countries, one must consider the transnational family unit, as theories that only consider the individual worker cannot explain this type of migration. As the theory of NELM views migration as a household strategy and includes remittances, it serves to explain migration in this essay. Gender dimensions influence the whole process of migration, from the reasons to migrate to the decision of who actually migrates. The traditional theories have ignored these when viewing the migrant as a neutral agent without considering its sex. Women's migration decisions are influenced by push factors such as family obligations and restricted social and economic opportunities.

Migrants are generally young and their level of education is often higher than the average in the country of origin. Neither the least educated nor the poorest are most likely to migrate as they cannot bear the costs of migration. The trend of that women increasingly migrate independently can be explained by the worsening living conditions following the Structural Adjustment Policies on developing countries. Male unemployment, has resulted in women becoming main providers and heads of households. The demand for female migrants in the service sector in developed countries is also a factor.

The migration in the case study is clearly a household strategy as the primary motive for migration was to sustain the family. Main determinants for migration were push factors reflecting the lack of income-opportunities in Vicente Noble, and the demand for specifically women in the domestic and service sector in Spain. This is a clear case of the "global care

chain” as the domestic work of Spanish women joining the labour force is replaced by migrant women. Social networks also played a key role in reducing costs and risks of migration.

Migrants were young and more educated than the national average, but they were less educated than the national average in Spain. In contrast to theory, also the poorest women have migrated. Gender was more central than socio-economic status in the migrant decision. Women’s independent migration was caused mainly by their household position as well as labour opportunities for migrant women in Spain. Many women were main providers already before they migrated.

### ***Remittances***

The outcome of migration is linked to the reasons for migration. The sending and the use of remittances depend on motives ranging from pure altruism to pure self-interest. Most common seems a combination of both, benefiting the migrant and the family. Further determinants are the migrant’s income, position in the original household and intention to return. Migrant women tend to send a larger share of their earnings than men, although they earn less. The use of remittances, consumption and investment, also differ between women and men. As women are responsible for family welfare and lack access to other investment opportunities, they tend to prioritise food, clothes and investment in education and health for children and elderly.

Remittances were part of the migration decision and thus an expected outcome of migration in this case. All the migrants remit on average 25 percent of their low wages once a month, but extra money is sent if emergencies occur. This confirms that women who migrate to sustain their families and intend to return are expected to save and remit as much money as possible. What stands out is that the amounts sent are not only larger considered as a share of income, but also in absolute terms, compared to studies of male migrants. As women and breadwinners these migrants are willing to make great sacrifices, which suggests that remittances are motivated by altruism. Noticeable is also that remittances are sent to other women, as they are viewed more reliable than men in using the money as agreed.

The use of remittances reflects the key role remittances play in the receiving households. As the primary aim of remittance is to ensure survival, any other use than basic necessities is very hard. Food and clothes, and education and health are prioritised, which follows the theory. Investments were also seen in housing, which is an outcome that fulfils the plan made



before migration. Though only few households invested in further productive investment, one can notice that remittances encourage entrepreneurship and that female ownership of businesses is relatively high. Remittances can serve a special role in the lack of financial credit.

### ***Gender outcomes***

Migration spurred by economic driving forces influences gender roles, although this outcome does not belong to migrants' expected outcomes of migration. The transnational family is characterised by changes in the sexual division of labour and heads of households. Female migration involves both gains and costs and a combination is likely. Migration and remittances can give women (both remittance senders and receivers) more autonomy as their economic role changes and their bargaining power improves. Yet, the workload of many migrant women and women staying behind increases. Costs are obvious as children their and mothers do not live together for years.

The gender outcomes in this case depend on the household position migrants held before migration. Many women were already providers and thus they did not become head of their households. Yet, migration implied that they could fulfil their role as breadwinner as previous earnings just met basic needs. Women who became breadwinners through the migration were given more autonomy and bargaining power. Compared to when migration from Vicente Noble to Spain started, both the migrants themselves and the community are now aware of the migrants' critical economic contribution, which empowers them. Female remitters transmit new views of the female role to the community, but it is obvious that changes in gender roles take time. The domestic role of the migrant women were replaced by their female relatives, which did not imply a change in gender roles, but rather that the matrifocal household model was reaffirmed. The fathers' absence from childcare was never questioned in interviews. However, in couples that stayed together upon reunification in Spain, the women's increased bargaining power lead to changes. Domestic tasks are shared more equitably and the women control the economic resources.

### **Future research**

First of all more research is needed on the field of migration, remittances and gender as the field is relatively new. Additional research is needed for better understanding of the causes of

female migration, its impact on women, and source and destination countries. A lot of the literature focuses on the vulnerability of female migrants, but migrant women as active economic agents have not been recognised sufficiently and a nuanced picture is needed. This paper has mainly focused on qualitative data, but quantitative data is needed to study this field more thoroughly. Preferably a combination of qualitative and quantitative analysis would be used to a larger extent as many gender aspects are difficult to explore only through quantitative analysis. Key actions are to include gender dimensions by collecting data on both sexes in all relevant national censuses and household and labour surveys, both in the origin and destination countries.

Recognising the important role that international migration plays for many households, one must bear in mind that international migration cannot replace the need for good economic policies in developing countries. Better ways to promote development in migrants' communities of origin that will provide women with income opportunities, education, health care and other services and legal rights etc. remain fundamental. Migration should take place by choice, not by necessity.

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