



Migration Trends and Remittances: Findings from Mexico

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International Migration and Development

- ◆ A vast subject, puzzles and myths re:
determinants and impacts
- ◆ Data vacuum

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Mexico National Rural Household Survey of 2003 (ENHRUM*)

- ◆ UC Davis and El Colegio de Mexico
- ◆ 14 Mexican universities, 100 university students
- ◆ Sample designed with INEGI
- ◆ 2 visits: Community (Summer 2002) and Household (January-February 2003) Surveys
- ◆ 1760 households, 80 villages

* Encuesta Nacional a Hogares Rurales de Mexico

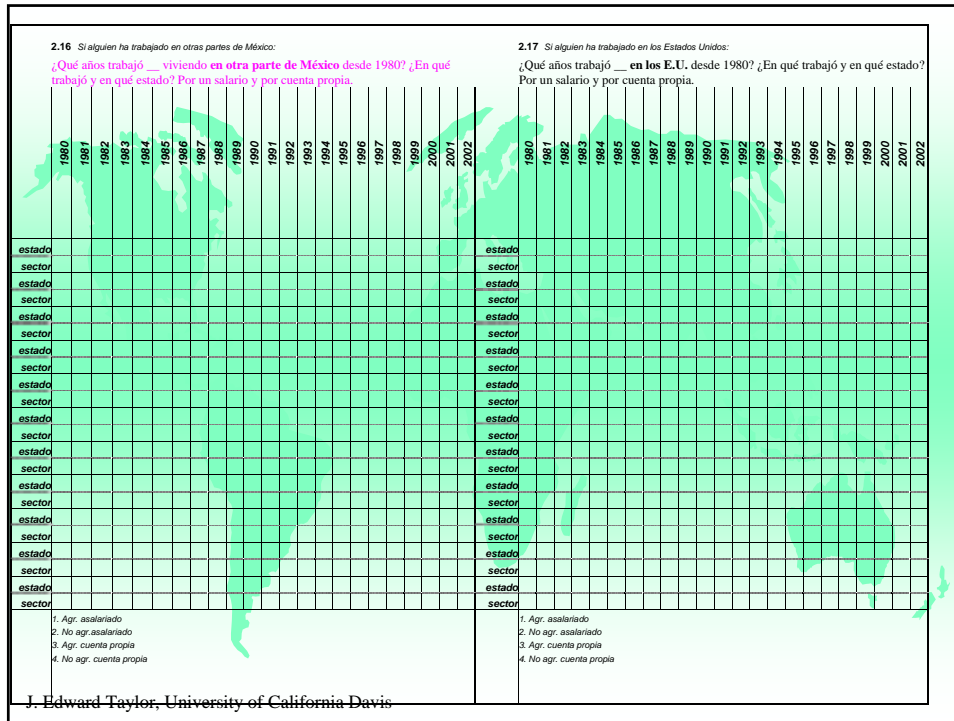


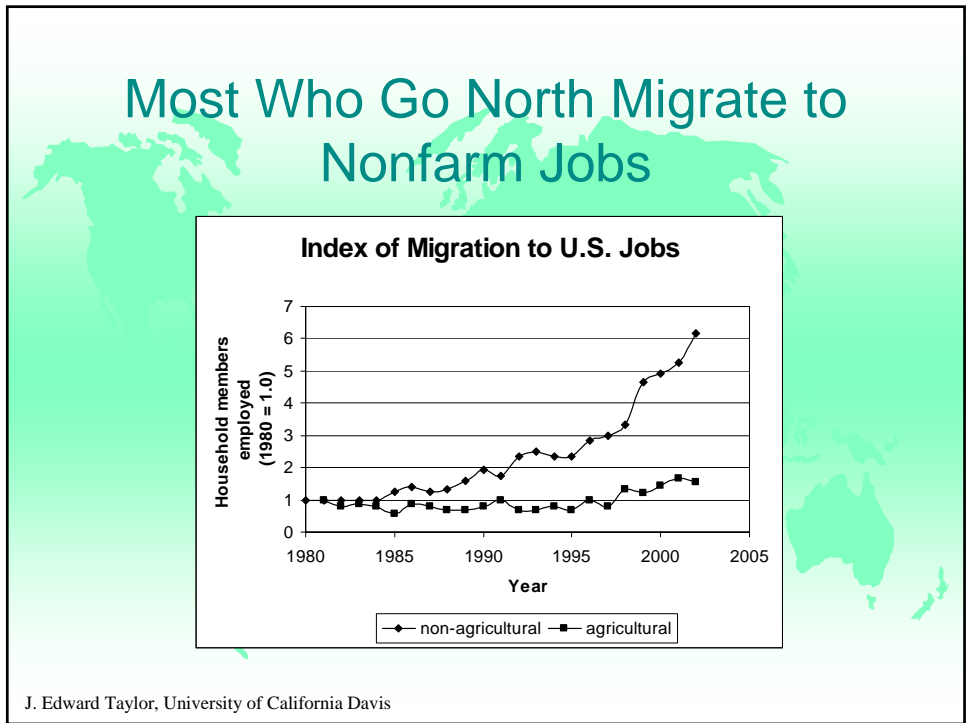
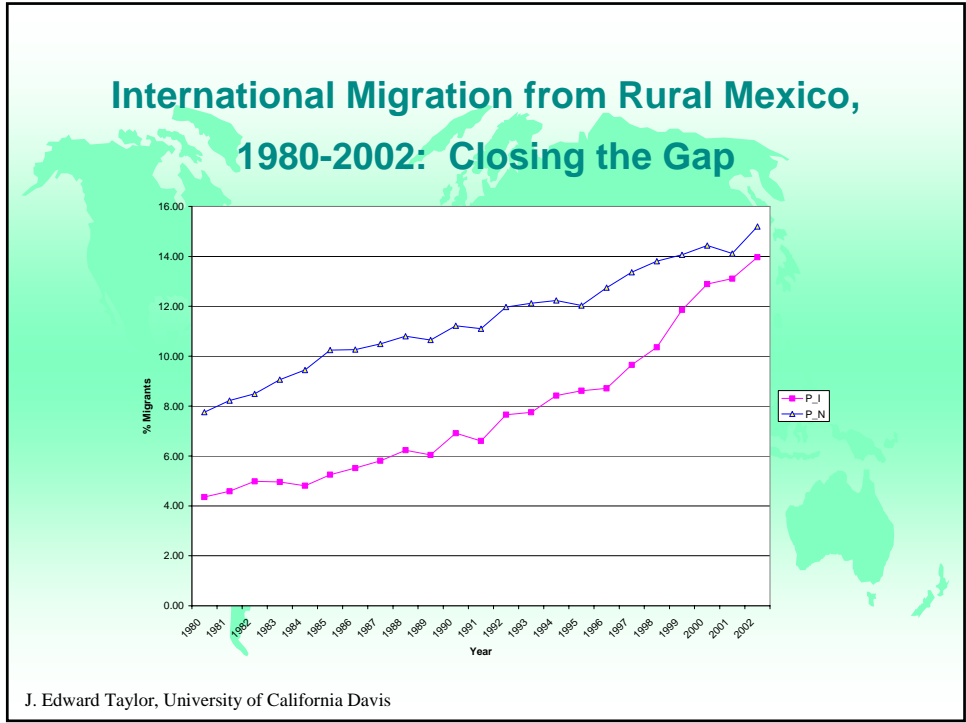
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Data from the ENHRUM

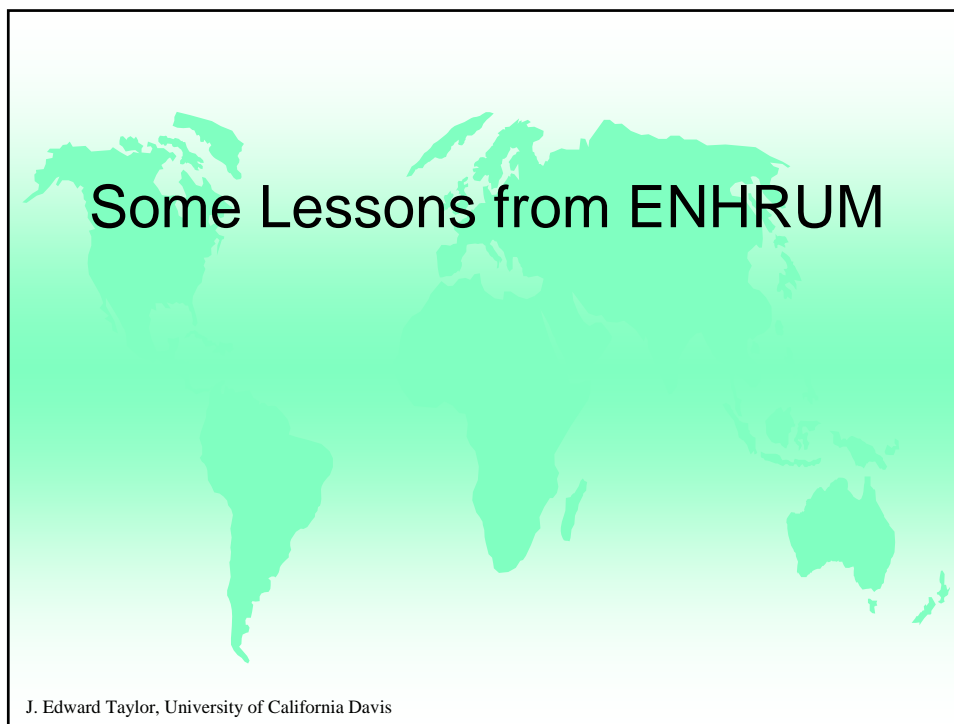
- ◆ Socio-demographics of all family members
- ◆ Income from all activities (plot by plot!)
- ◆ Migration, wage, and remittance data for all family members in 2002
- ◆ Migration and work histories covering 1980-2002 for:
 - All household members
 - Sons and daughters who were living outside the household in 2002

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1. Trade Integration Will Not Necessarily Reduce Migration

- ◆ Trade integration may reduce out-migration pressures in long run.
- ◆ ...but may intensify pressures in short run
 - Transition, importables to exportables
 - Hard to teach an old maize farmer new tricks
 - Income growth and mobility

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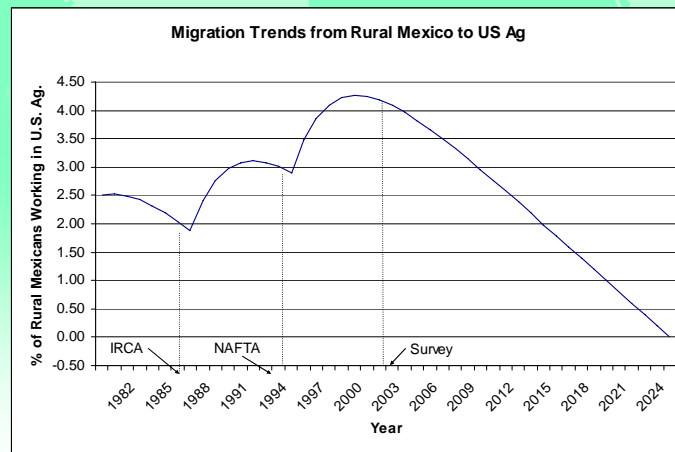
A world map with a light blue background and dark blue outlines of continents. The title "1. Trade Integration Will Not Necessarily Reduce Migration" is centered over the map in a large, black, sans-serif font. Below the title, there are two bullet points, each starting with a blue diamond symbol. The first bullet point is "Trade integration may reduce out-migration pressures in long run." The second bullet point is "...but may intensify pressures in short run" followed by three sub-bullets: "Transition, importables to exportables", "Hard to teach an old maize farmer new tricks", and "Income growth and mobility". At the bottom left of the map, the text "J. Edward Taylor, University of California Davis" is written in a smaller, black, sans-serif font.

Effects of Immigration Policies Are Also Contradictory

- ◆ IRCA employer sanctions vs. amnesty
- ◆ Border enforcement: barricade or sea wall?
 - Crossing vs. staying

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Trend in US Farm Labor Supply from Rural Mexico is Downward, but Effects of Policies are Positive



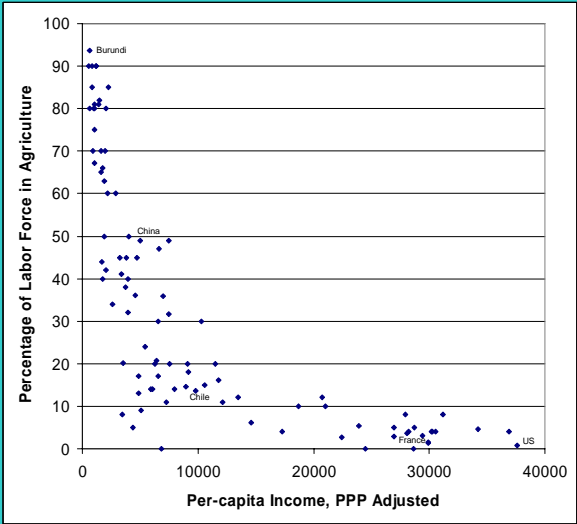
J. Edward Taylor, Source: Analysis of 2003 Mexico National Rural Household Survey data

Leaky Fences

- ◆ Increased expenditures in U.S. border enforcement did not have a significant effect on migration from rural Mexico to the U.S.
- ◆ By gender: enforcement decreased migration by women (a little)
 - ...but not by men
 - Exchange rates vs. enforcement

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2. The Alternative of Not Migrating Abroad Is to Go Somewhere Else



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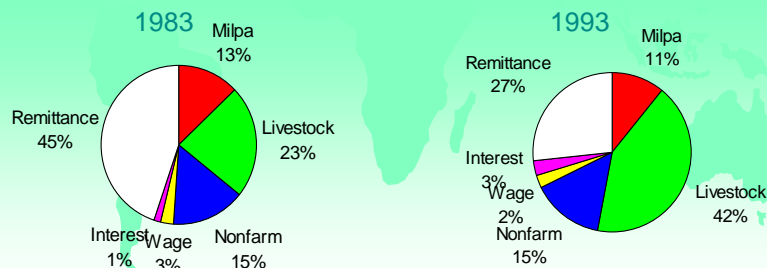
3. Don't Think Income Growth Will Keep People at Home

- ◆ As incomes rise, people become more mobile, not less
- ◆ They move out of rural areas and farm jobs
- ◆ ...to cities
- ◆ ...and abroad

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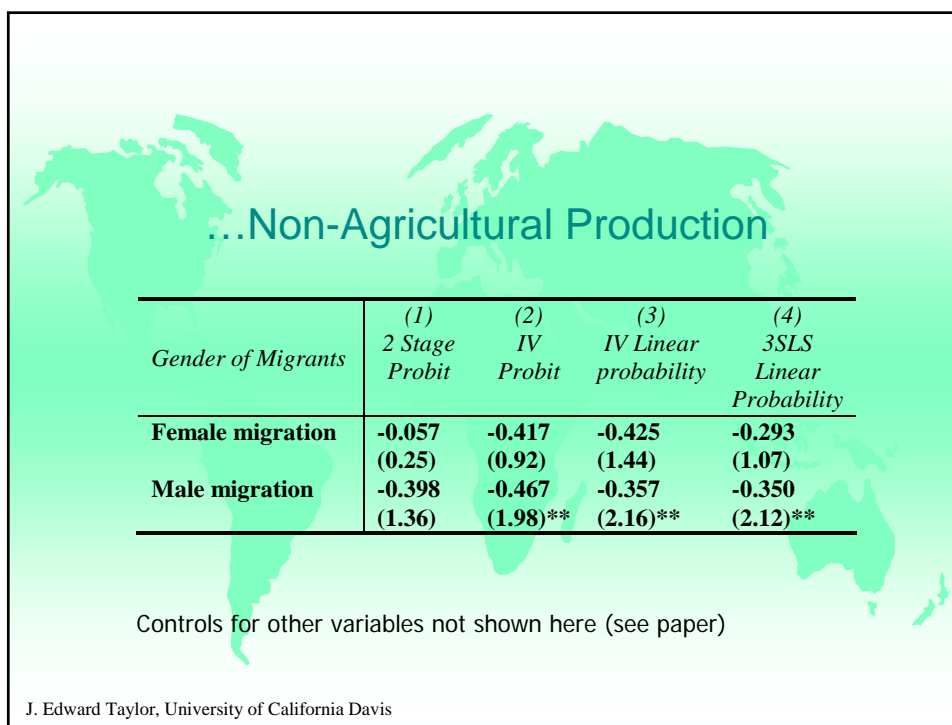
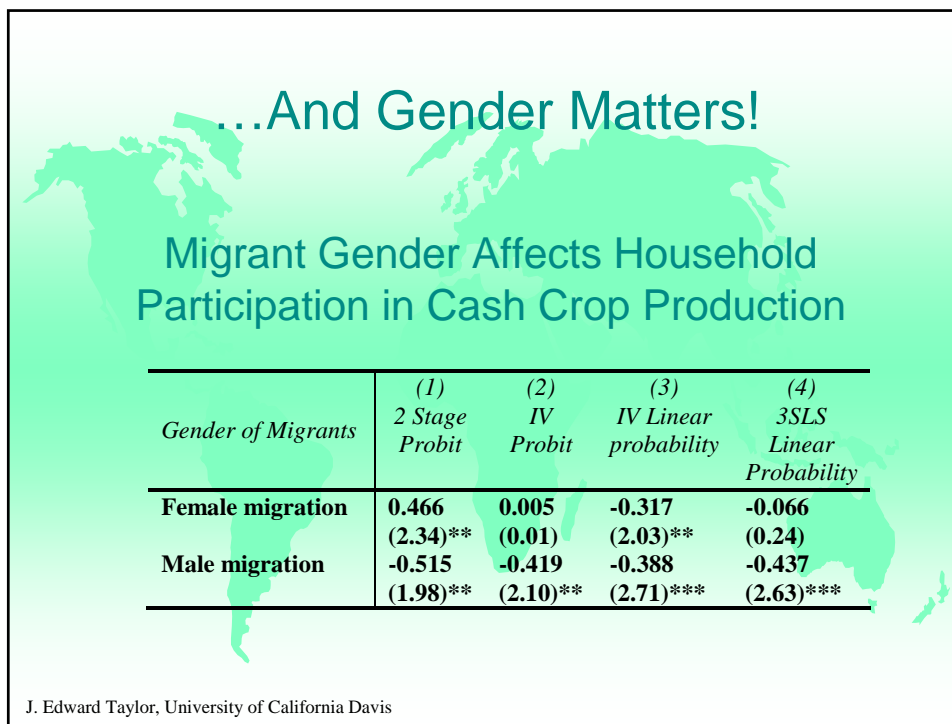
4. Migration Transforms Household Economies in Mexico

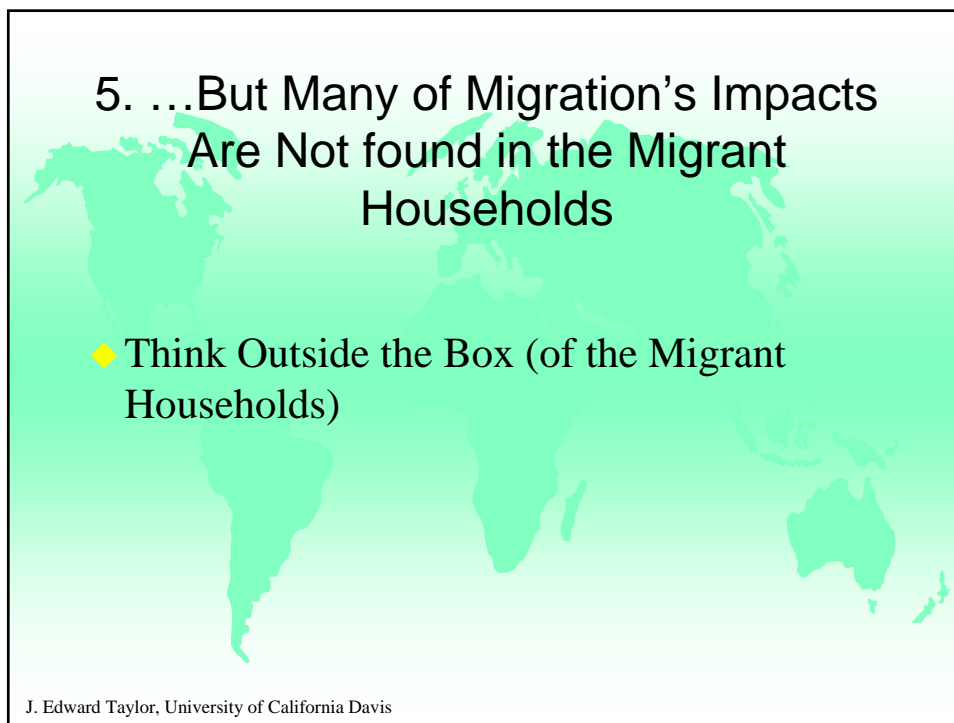
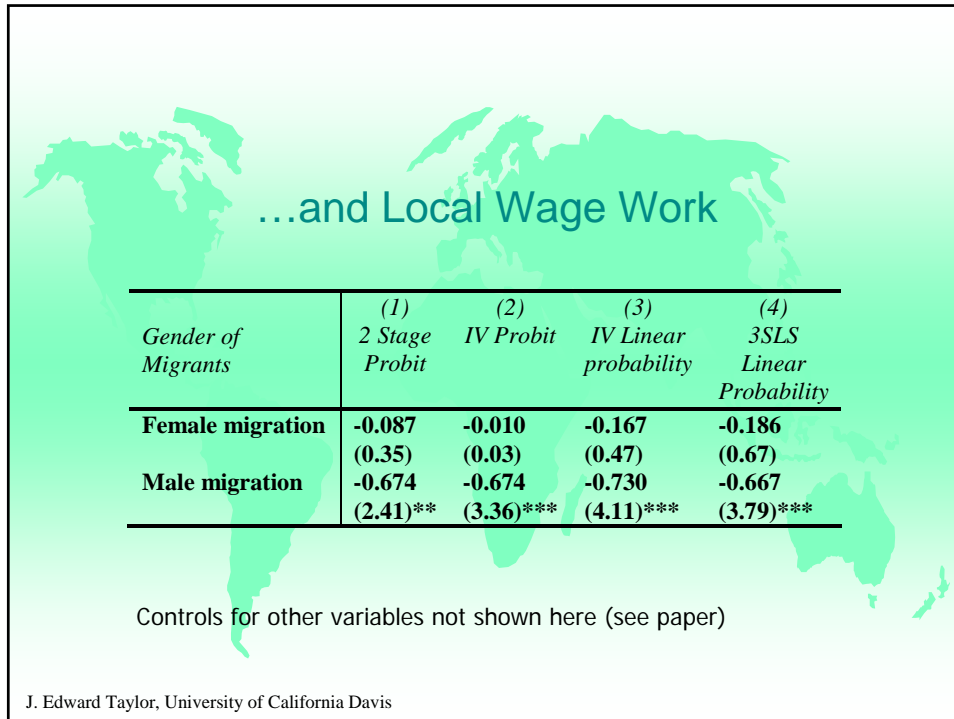
Changing Composition of Average Household Income in a Michoacán Village



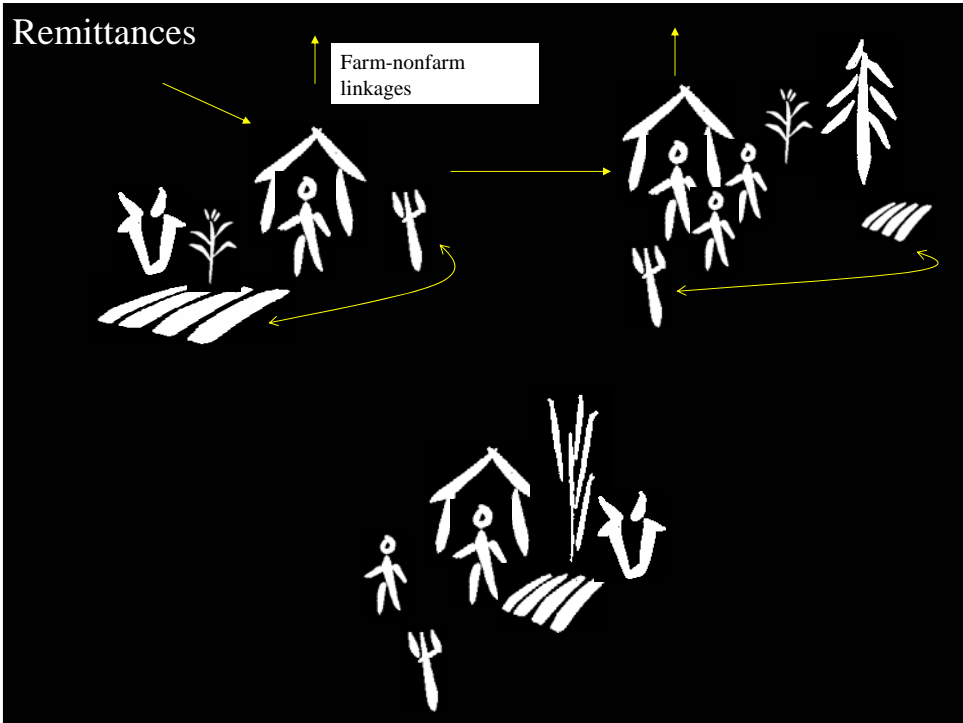
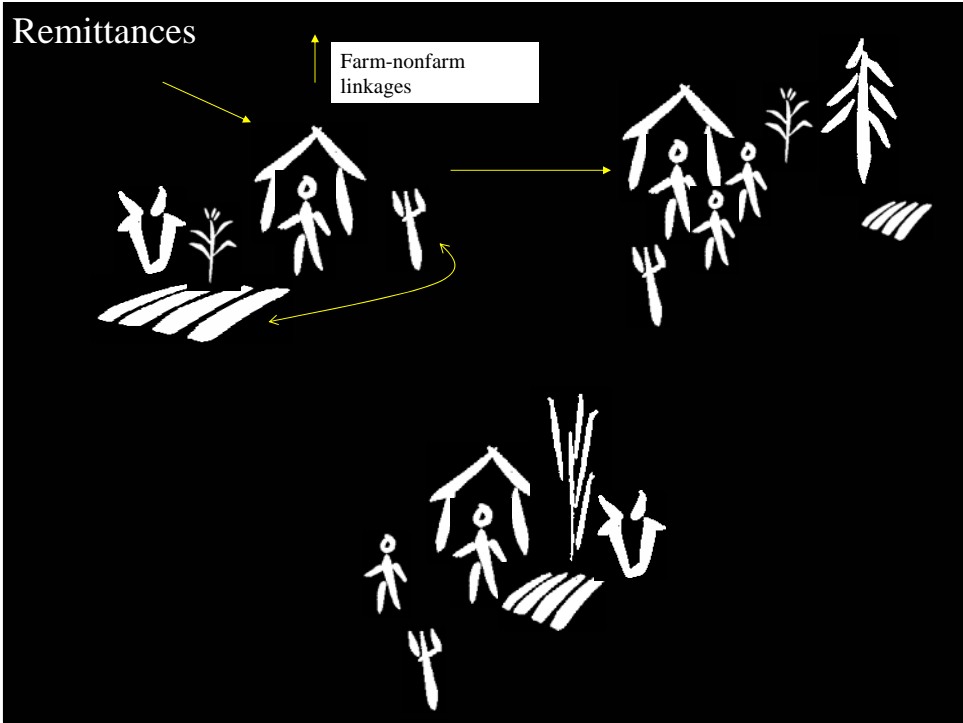
Fletcher, 1999

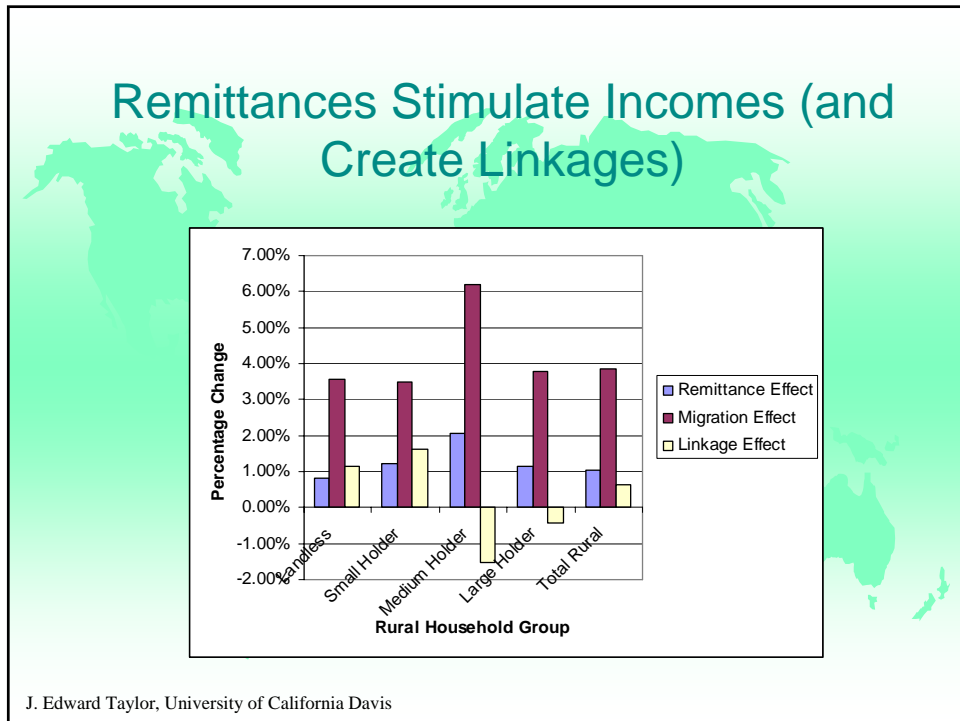
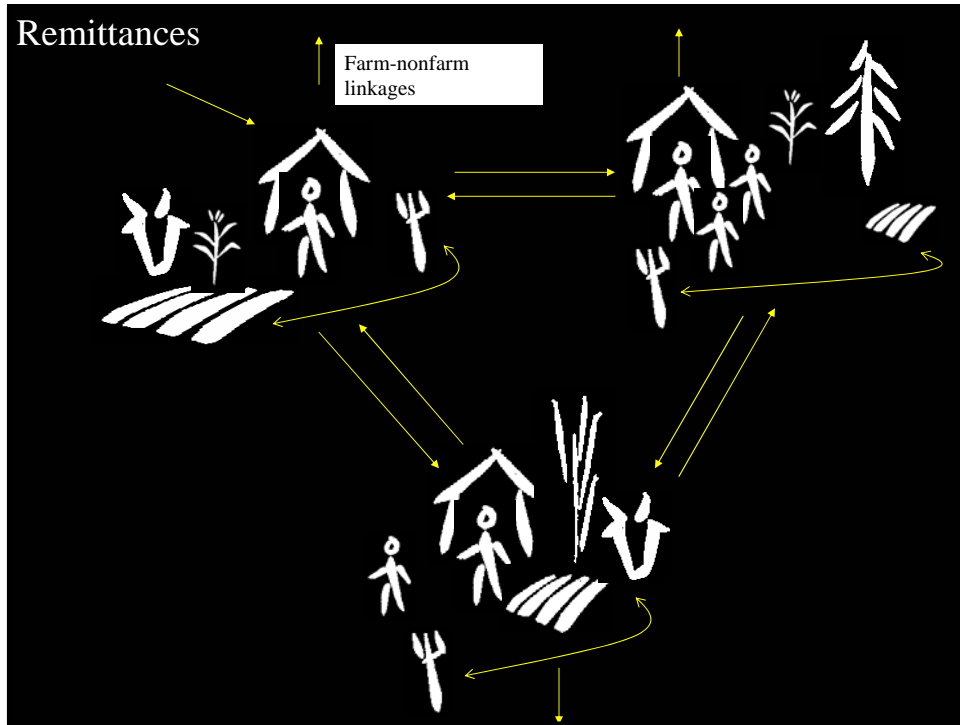
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The Remittance Multiplier

- ◆ Each additional dollar remitted increases Mexico's GDP by \$2.69 to \$3.17 (depending on who in Mexico receives it)

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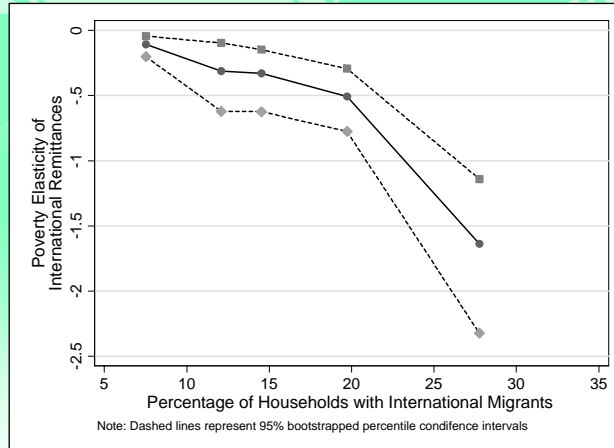
6. Migration Is Driven By Networks

A bar chart titled '6. Migration Is Driven By Networks' showing the 'Percentage Effect on Log-Odds of New Migration' on the y-axis (ranging from -50% to 350%) against 'Gender and Destination of Network' on the x-axis. The x-axis categories are 'US Female', 'US Male', 'Internal Female', and 'Internal Male'. A legend indicates that blue bars represent 'Female' and red bars represent 'Male'.

Gender and Destination of Network	Female (%)	Male (%)
US Female	~280	~190
US Male	~270	~270
Internal Female	~-10	~10
Internal Male	~-5	~-5

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7. Poverty Effects Depend on How Extensive Networks Are

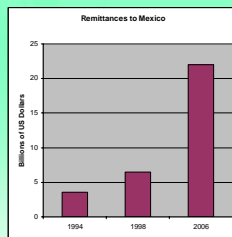
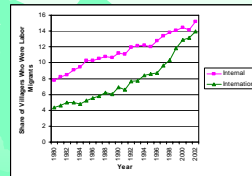


Findings for Rural Mexico. Source: Taylor, Mora, Adams and Lopez-Feldman (2005)

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In short...

- Migration is increasing, driven by networks (and policies do funny things to it)



- Remittances are increasing faster

- The impacts are pervasive and bigger than the remittances, themselves

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