



**Labor Migration in Latin  
America and the  
Caribbean:  
A Look at New Trends and  
Policies**

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Development Bank**

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## EXECUTIVE SUMMARY

International headlines often focus on the drama of U.S.-Mexico border, obscuring often emerging trends reshaping labor markets in the broader Latin American and Caribbean region. The borders *within* Latin America, as documented in this technical note, are becoming more active transit points for workers transiting and migrating to work within the region or to new destinations. Today, migration officials are noting labor movements inconceivable as little as 15 years ago: Hondurans and Guatemalans crossing to El Salvador for agriculture and construction work; Bolivians and Paraguayans working in large numbers in Argentina; Mexicans from the state of Chiapas moving to the Yucatan for work, with Guatemalans replacing them to harvest local crops. The Caribbean as well is noting greater movements between island nations, with Trinidad and Barbados becoming virtual hubs for migrants from other islands. These new patterns signal a changing, more regionally connected labor market in line with a global marketplace.

Documenting and understanding these trends is constrained by limited and less than up to date data which migration officials believe continue to underestimate the size and nature of new flows. While the United States continues to hold the largest “stock” of regional migrants -- Mexico, Central America and the Caribbean the majority – these levels appear to be stabilizing relative to two new growth trends. First, the growth of new developed country destinations up to the 2009 global crisis – Spain and Japan – with a slowdown associated with the worldwide recession. Second, greater diversity and likely larger flows of intraregional migration – migrants moving for work in other Latin American or Caribbean countries. While the 2000 census put intraregional migration at 13% (three million), most believe it continues to be highly underreported aided by long border areas and seasonal work.

Intraregional migration appears to be highly concentrated in the lower skilled occupations and in the sectors of agriculture, domestic service and construction with tourism emerging as another area of migratory work. Key corridors continue to dominate intraregional migration – Bolivia-Paraguay to Argentina; Nicaragua-Costa Rica; Guatemala-Mexico – but this migration is no

longer just to the higher income Latin American countries. As a percentage of its workforce, Costa Rica's Nicaraguan and other Latin American migrants approximates a similar percentage as the United States in terms of foreign born. Also changing is the nature of countries as either a sender or receiver of migrants, Mexico most notably is the region's top sender of migrants and also a top receiver from Central America and other LAC nations.

Policies to facilitate and protect intraregional migrants are taking on different forms by sub-regions, with Central America largely managing flows through bilateral agreements or national initiatives such as Costa Rica's efforts to "regularize" Nicaraguan workers; Mercosur, but particularly Argentina and Brazil, are taking steps to regularize and provide work protections and program eligibility to Mercosur-member migrants. The Caribbean has created a system to facilitate high-skilled labor movements, but low-skilled workers largely move on an undocumented basis. Temporary work programs with the United States and Canada, once confined largely to the agriculture sector, are opening up to the services and higher-skilled occupations in countries such as Mexico, Colombia, Ecuador and Jamaica. These measures again work on a bilateral basis on a relatively smaller scale.

"Win-win" approaches to labor migration in the region might begin with a fresh perspective on the advantages of the movement of workers across borders as part of a strategy to maximize subregional comparative advantage and employment growth, for example, seeing and developing a Caribbean labor force to serve a regional marketplace. Latin America and the Caribbean's future growth lies in more systematic and regionwide protections and human capital investments that will enable the region to garner greater gains from globalization and address skill shortages and employment growth for the region as one.

## INTRODUCTION

Latin American and Caribbean migration has long been stuck in stereotypes of the pre-globalization era. While the largest stock of migrants in the Hemisphere continues to be Mexican, Central American and Caribbean workers in the United States; more rapidly growing trends (on a percentage basis) can be seen in the movement of Latin American and Caribbean workers to non-US destinations, and importantly, *between* Latin American and Caribbean countries.

The data challenges are many in documenting and analyzing these new labor trends in Latin America and the Caribbean. Still today, the most current and complete migration data is in the receiving developed countries. Much of what we know about Latin America and the Caribbean relies on national censuses, currently the 2000 round of national censuses as the 2010 data is not yet published for all nations, in either case, woefully limited to document these new interregional flows that national migration authorities are observing.

Adapting to these challenges, this technical note surveys and analyzes current knowledge about the changing flows of labor migration, but with particular emphasis on largely national information on the movements of workers *between* Latin American and Caribbean (LAC) nations, so-called intraregional migration. In order to get behind current trends, it examines both historic and more recent patterns, as well as the labor dimension of this migration. The upswing in intraregional migration appears to principally involve workers of lower skill levels but to a wider range of countries in the region than in the past; key intraregional corridors, however, continue to dominate. This work also appears highly concentrated in sectors such as construction, domestic service and agriculture. High rates of outmigration of skilled labor is particularly characteristic of the Caribbean, not only to traditional extra-regional markets such as Canada and the United States, but also now to higher income Caribbean countries.

Intraregional migration in Latin America should be seen as part of a wider global trend in “south-south” migration. On a worldwide basis, south-south migrants account for 40% of all

international migrants.<sup>1</sup> The region of the largest aggregate number of developing country migrants – 27.8 million people – is Europe and Central Asia.<sup>2</sup> While the numbers of intra-Latin American and Caribbean migrants are smaller on an aggregate level when compared to other regions, they can be relatively large as a percentage of the regional workforce, and as such appear to signal a greater trend towards the changing integration of some regional labor markets. The large existing stock of Mexican and other Latin American migrants in the U.S. has tended to overshadow both the growth in intraregional migration and the even larger growth in extra-regional migration to non-U.S. destinations, most predominantly Spain and Japan. Official statistics from the 2000 round of censuses (latest available region wide) show that approximately 13% of migration in Latin America and the Caribbean is intraregional, involving approximately three million migrants.

Previous migration literature applying to the Latin American and Caribbean region has been dominated by two types of analysis: Mexican and Latin American migration to the United States and the potential “brain drain” loss of skilled labor to OECD countries.<sup>3</sup> This technical note draws on literature and special surveys to piece together a more complete picture of migration within the Americas. To do so, the analysis draws additionally on national data sets and case studies of Argentina and Costa Rica as the two largest intraregional migrant-receiving countries; Costa Rica as the highest recipient as a percentage of population and Argentina in absolute numbers of immigrants (see section III).

This note begins with a brief historical overview of migration in Latin America and the Caribbean (Section I), focusing particularly on the more recent extra-regional trends. Section II examines intraregional migration structured in three subsections: an overview section of key trends; an occupational and human capital analysis of intraregional migrants; and a policy section of the principal regional policy frameworks governing intraregional labor migrants in the LAC region. Case studies of Costa Rica and Argentina are provided as a third section with concluding remarks in section IV.

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<sup>1</sup> Ratha and Shaw (2007).

<sup>2</sup> After the breakup of the Soviet Union, formerly internal migrants were reclassified as international migrants, and many additional people moved to the countries with which they identified.

<sup>3</sup> See, for example, Douglas Massey, Jorge Durand and George Borjas (on Mexican and Latin American migration to the United States, and Frédéric Docquier and Abdeslam Marfouk (2006), and Çağlar Özden, (2006) on the brain drain in Latin America.

## **I. LABOR MIGRATION IN LATIN AMERICA AND THE CARIBBEAN: HISTORIC AND EXTRA-REGIONAL TRENDS**

Perhaps more than any other developing region, Latin America and the Caribbean has been shaped from its origins by migration. The role and nature of migrating labor, however, has changed and evolved in unrecognizable ways over the centuries. The initial development of Latin America and the Caribbean was marked by more than four hundred years of European immigration, followed by a century or two of Asian immigration and African slavery. European immigration – by far the largest cohort -- was formally initiated with the arrival of Columbus, and brought with it the forced importation of African slaves which reshaped nations in the Caribbean and on the continent, particularly in countries such as Brazil, Colombia, and Venezuela with now large Afro-descendent populations. Asians began to arrive in the region in the 16<sup>th</sup> century, beginning with Filipino free immigrants, sailors, and slaves, and later, in greater numbers from India, China and Japan (largely to Brazil and Peru). Many Asian immigrants came as indentured servants, others as free immigrants during the 19<sup>th</sup> century to work on railroads and ports. These trends shifted as slavery was gradually abolished throughout the Western Hemisphere and Asian outflows slowed.

The region continued to be a net receiver of migrants well into the 20<sup>th</sup> century, as Europeans and Asians arrived in large numbers particularly to countries such as Argentina, Brazil, Chile, Mexico and Venezuela. This is a period during which many Latin American countries experienced immigration similar to the United States, being seen as well as “lands of opportunity”. A labor market turning point came after World War II and subsequent decades, as the region’s economies failed to generate large-scale labor demand on par with reconstructing Europe. European migration to most of the region (Venezuela is among the exceptions) slowed to insignificant numbers after the late 1950s and early 1960s, as Latin America, mired in dictatorship and slow growth, became a much less attractive place for immigrants from outside the region. Internal crises –economic and political – prompted large, new outflows of Latin Americans and Caribbean nationals to developed countries.

Mexican and United States labor markets in the border and Western states began integrated. Mexicans became “instant migrants” to California, Texas and the American

Southwest when Mexico ceded vast territory to the United States in the War of 1848. Long-standing market ties, physical proximity and labor demand have continued to render the United States the principal destination of migrants from Mexico and the Caribbean. Beginning in the 1970s, however, there were more rapid increases in outflows from Latin America to the United States, accelerating with refugees from the civil wars in Central America in the 1980s. In just ten years – from 1980 to 1990 – the stock of Latin American and Caribbean-born migrants in the United States doubled, reaching nearly 8.4 million persons, or 43% of the total foreign-born population.<sup>4</sup> During this same period, intraregional labor flows within Latin America continued to be principally either trans-border and traditional (e.g. indigenous peoples across the Mexican or Panamanian borders) or politically-motivated such as the increased flows within and out of South America in the 1970s and Central America in the 1980s (to Costa Rica and other nations).

#### ***A. Recent Extra-Regional Migration Flows***

In terms of raw numbers, the United States continues to hold the largest stock of migrants from Latin America and the Caribbean, with Mexicans comprising the single largest national group. Flows to the United States, however, appear to be leveling off, and the 1990s onward registered faster growth of LAC migration to new OECD country destinations, most notably Spain and Japan. The recent recession appears to have had the most significant impact in the slowdown of Latin American migration to Spain.

In the past five years, the once rapidly increasing inflow of Mexicans to the United States appears to be stabilizing. The continued poor employment performance of the United States seems to have led to fewer Latin Americans coming to the United States. Annual immigration flows from Mexico to the U.S. dropped from 1 million in 2006 to approximately 600,000 in 2009<sup>5</sup> based on U.S. surveys. This is affecting, overtime, the stock of the Mexican-born population of the U.S., which reached 12 million in 2006, but fell to 11.5 million in 2009, the most recent year for which data is available.<sup>6</sup> The slowdown in Mexican emigration to the U.S. is largely a result of a decrease in undocumented migrant inflows, which has proven sensitive to this and earlier recessions. Many analysts believe the more recent tightening of U.S. border

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<sup>4</sup> Martínez, Pizarro and Villa (2005)

<sup>5</sup> Passel and Cohn (2009).

<sup>6</sup> American Community Survey (2009).

restrictions may have only had a limited or little effect on this slowdown, but clearly has affected the cyclical and seasonal return migration, as undocumented migrants stay put in the U.S. or move to lower-paying jobs in other U.S. states rather than risk the trip home and reentry. Overall, the recent decline in the stock of Mexicans in the United States has been attributed to a combination of return migration (including students), deportations, and natural population decline.

After Mexico, migrants from the Caribbean – as of 2010 – formed the second-largest regional group of emigrants from the region – an estimated 3.5 million. Those born in Central America make up the third-largest group, about 2.9 million. The South Americans follow with nearly 2.6 million, with the largest numbers coming from Colombia and Ecuador. Altogether, the Latin American cohort – even excluding those born in the Caribbean – comprise the single largest group of foreign-born in the United States and more than 5.5 percent of the total US population.<sup>7</sup>

Concerns about losing higher-skilled labor to developed countries, commonly termed “brain drain” receives much attention from national governments. Key studies by economists on the “brain drain” using data from the 1990 and 2000 rounds of censuses show that the region is highly heterogeneous.<sup>8</sup> Overall, Latin America has smaller outflows of those with bachelor's degrees than other developing regions, though the Caribbean and Central America have higher rates of skilled emigration.<sup>9</sup>

Finally, *Canada* is also an important but relatively steady destination for migrants from the region, forming a pole of attraction for different countries in different periods. The country hosts tens of thousands of seasonal agricultural workers each year from Mexico and the Caribbean, among others, and there is also a significant permanent population of immigrants born in Latin America and the Caribbean. The largest group from the region overall are the Jamaican-born (123,000), 68 percent of whom entered before 1991. Recent migration from the region has shifted in origin, however, with new inflows from Latin America. While their populations are less than half the size of the Jamaican-born, one-third of Mexican immigrants

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<sup>7</sup> American Community Survey One-Year Estimates (2009).

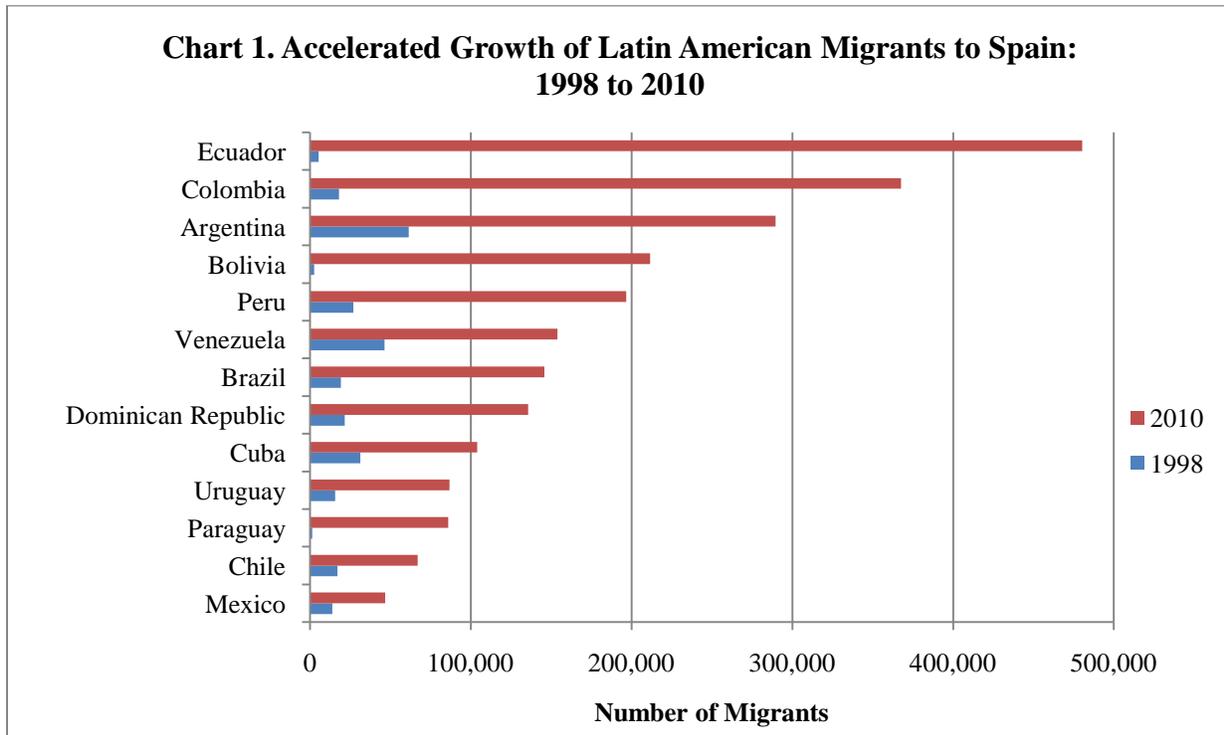
<sup>8</sup> Özden (2006); Docquier and Marfouk (2006).

<sup>9</sup> Ibid.

and nearly two-thirds of Colombian immigrants entered Canada between 2001 and 2006, and both populations appear to be growing.

**B. Shift to New Destination Countries: Spain and Japan.**

A shift in destination countries began in the 1990s and gained momentum during higher growth years in the mid-2000s. During this most recent decade, migration from Latin America to newer destination countries in the OECD – in particular Spain and Japan, and to a lesser extent Italy – increased at a faster rate than migration from the region to the United States. Indeed, migration from Latin America and the Caribbean to Spain has increased nearly eightfold in the last decade, with most of the flows originating in South America.



Source: National Statistics Institute, Spain [http://www.ine.es/en/welcome\\_en.htm](http://www.ine.es/en/welcome_en.htm).

*Spain.* Aggregate national flows to Spain are presented in Chart 1 with the notable jump in Ecuadorian and Colombian migrant stocks -- reaching over 450,000 and 350,000 respectively by 2010. Latin American migration to Spain started an upward climb in 1999, with the *stock* of

Latin American-born residents growing over 700% to 2.4 million by 2010. Migration accelerated via both push and pull factors: on the pull side, rapid Spanish growth with bilateral agreements facilitating greater regular and authorized movements and the push side, economic and political conditions and diaspora links, again in particular with Colombia and Ecuador. Over the past decade, bilateral agreements between Spain and individual Latin American countries were broad in scope and solidified migration by regularizing large numbers of undocumented migrants, including establishing temporary work and recruiting programs, establishing provisions for family reunification, and mechanisms for voluntary return.

This early (1990s) Latin American migration to Spain was comparatively well educated. A 2000 survey – before the large increase – found that irregular Latin American migrants in Spain had comparatively high educational levels – 21% had university diplomas and another 54 percent had completed secondary school; other studies at the time which include authorized migrants show similar education levels.<sup>10</sup> Despite their relatively high levels of education, though, most Latin American and Caribbean immigrants ended up working in low-skilled jobs. The International Organization for Migration (IOM) has documented the higher proportion of college-educated Colombian women employed as domestic servants.<sup>11</sup> Migrants were further concentrated in lower skilled occupations by the lack of transferability of migrants’ skills and credentials from Latin America.

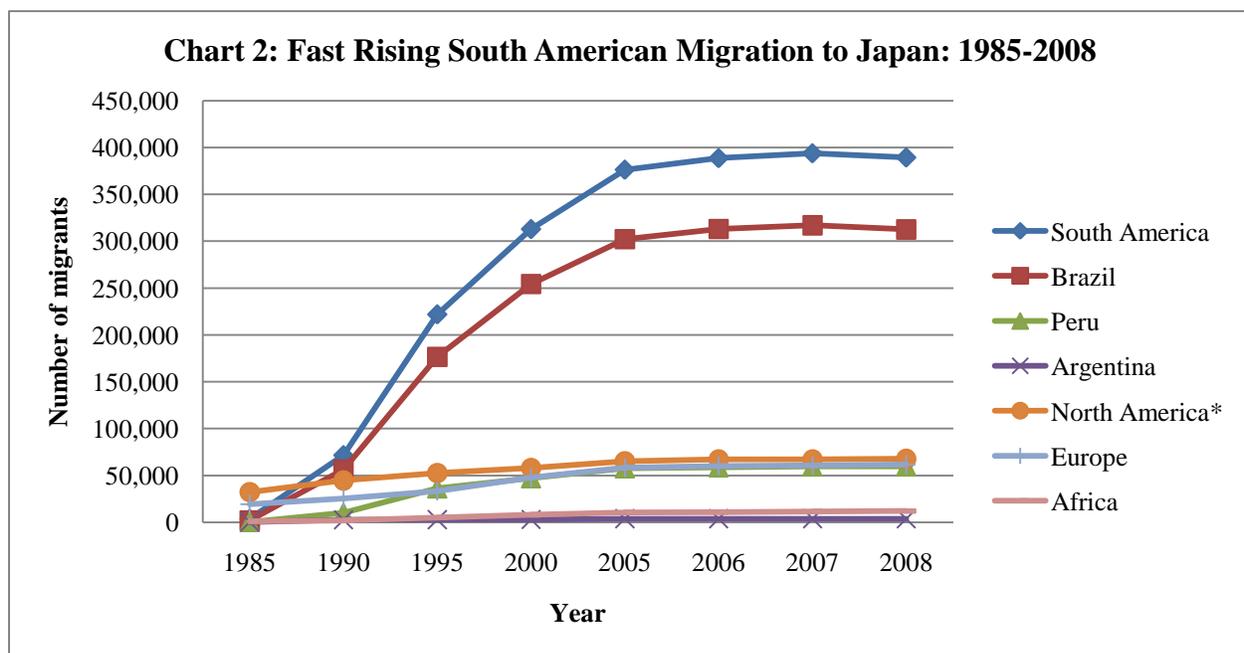
The big jump in Ecuadorian migration to Spain (largely undocumented) was spurred not only by Spain’s growth but also the push factor of an economic crisis in Ecuador beginning in 2000. During the early part of the decade, Ecuadorians (like most other Latin Americans) were not required to obtain tourist visas to enter Spain. From 2005 to 2007, stocks of Colombian and Ecuadorian immigrants in Spain leveled off — and even, in the case of Ecuadorians, appear to have decreased during the time period, as economic conditions improved at home. Of note, migration from Bolivia, Peru, Venezuela, and Paraguay increased during the same period, despite the absence of comprehensive bilateral migration agreements.

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<sup>10</sup> Martínez Buján (2003) shows not only that Ecuadorian migrants in Spain had a higher educational level than Ecuadorians in Ecuador, but also that their educational level were higher than the level of migrants from other countries such as Morocco.

<sup>11</sup> International Organization for Migration (2003).

**Japan.** Latin American emigration to Japan also increased during the last two decades but it was concentrated specifically in migrants of Japanese ancestry who were responding to incentives provided by the Japanese government. In 1990, Japan established legal provisions for foreigners of Japanese descent (known as “*nikkeijin*”) and their families to live and work in Japan. Migration from Brazil and Peru – home to the largest numbers of Latin Americans of Japanese descent – increased sharply with these incentives. As shown in Chart 2, overall flows of Latin American migrants continued to far out surpass other regions accelerating after 1990 to nearly 400,000 just before the recession hit in 2008. Stocks of Brazilians – the largest cohort of Latin American migrants -- jumped nearly 2800% from 1985 to 1990 (from just 2,000 migrants to 56,000), another 213% from 1990-1995, and 44% from 1995-2000, leveling out around 315,000 through the 2005-2008 period<sup>12</sup>. The majority of Latin American migrants worked in low-skilled jobs, and was then subject to greater job losses when the economic recession hit in 2008. Unemployment rates of Latin American immigrants reached 40% in 2008.<sup>13</sup> In response to the recession, Japan implemented its own “pay-to-go” return migration program, attracting more than 13,000 applications by late 2009, mostly Brazilians.<sup>14</sup>



<sup>12</sup> Statistical Research and Training Institute, Ministry of Internal Affairs and Communications, Japan (2011).

<sup>13</sup> Higuki, 2009.

<sup>14</sup> McCabe, Lin, Tanaka, et al. (2009).

Source: Judicial System and Research Department, Minister's Secretariat, Japanese Ministry of Justice.

### ***C. Impact of the Recession on Extraregional Latin American Migration.***

Migration from Latin America to both the United States and Europe appears to have slowed in the crisis' wake, but stock levels remain relatively stable, though they have fallen somewhat in the United States.<sup>15</sup>

The global recession clearly marked its most significant extra-regional shift halting the large migration of Latin Americans to Spain. From 2008-2010, Latin American migration to Spain grew only 6% and actually declined from South America. Unemployment skyrocketed in Spain during this period, with unemployment even higher among immigrants than among nationals. In the second quarter of 2010, for example, almost 30% of Latin Americans were unemployed, compared to 18% of native-born Spaniards. In November of 2008, Spain proposed a voluntary return incentive program: migrants were allowed to receive their accumulated unemployment insurance benefits if they returned to their countries of origin; a key provision was that migrants would lose the right to return legally. In its first year, only 8,724 migrants participated, with observers arguing that the condition of renouncing the right to return to Spain was the biggest factor keeping migrants from signing up for voluntary return.<sup>16</sup> Some Latin American nationals did leave Spain in 2009 – most of them independent of the unemployment insurance program and many of them possibly undocumented – including 27,000 Ecuadorians, 20,000 Bolivians, and 12,000 Argentineans, according to Spain's National Statistical Institute<sup>17</sup>. Dominicans and Paraguayan populations stayed relatively stable, increasing slightly by 2.4 and 4 percent, respectively.<sup>18</sup>

In the Western Hemisphere, while outmigration from Latin America to the United States has slowed, return migration to the region appears to be limited. It is more likely that the recession coupled with the increased border controls have had a more significant effect on circular migration; Many are no longer returning seasonally back to Mexico for fear of re-

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<sup>15</sup> Papademetriou et al. (2010).

<sup>16</sup> McCabe, Lin, Tanaka, et al. (2009).

<sup>17</sup> National Statistical Institute (INE), Spain (2009)

<sup>18</sup> *El Pais* (2010).

crossing the border. The impact of the recession on intraregional migration is harder to assess given more undocumented flows and data limitations as well as that the crisis was relatively short-lived in the region. Employment losses among intraregional migrants is likely to be further limited by the non-export oriented nature of much intraregional work (with the exception of agriculture).

## **II. INTRAREGIONAL MIGRATION: DIMENSIONS AND TRENDS**

For centuries, Latin America and the Caribbean has had intraregional labor flows based largely on agricultural patterns, markets, and the movements of indigenous peoples. Cross-border flows between Guatemala and Mexico, or Paraguay and Argentina developed over centuries, demonstrate how intraregional migration can blur national distinctions between labor markets. Over the last twenty years, historic patterns of cross-border migration are taking a more minor role relative to an increase of workers crossing borders into cities and agricultural regions for longer-term employment. Particularly in the last decade, migrant flows *between* Latin American and Caribbean nations appear, from different sets of national evidence, to be taking on a larger role in labor markets in the region. This section looks at intraregional migration first through regional and national trends, then examines some evidence of the labor markets dimension of intraregional migration before looking at the different policy frameworks among sub-regions.

### ***A. Overall Trends***

Official migration statistics highly underestimate intraregional flows and are typically highly outdated as regional comparisons are dependent on data from census rounds. Still awaiting regional data from 2010, figures from the 2000 Census round finds that just 13% of all migration originates within Latin America and the Caribbean. These figures, however, likely belie both the level and the importance of migration to local labor markets in key sectors of the Latin American and Caribbean economy. Global figures, for example, do not demonstrate the proportion of migrant workers as a percentage of the sectoral labor force, which in sectors such as domestic service, agriculture and construction can be well in excess of 50%.

In 2000, intraregional migrants in Latin America, based on official statistics, exceeded 3.5 million. The top five originating countries were Colombia (713,000 individuals, or 43

percent of all regional emigrants), Paraguay (362,000, 10 percent), Bolivia (275,000, 8 percent), Chile (271,000, 8 percent), and Nicaragua (256,000, 7 percent).<sup>19</sup> The destination countries with the highest numbers of intraregional migrants during this 10-year census period were Argentina (1,043,000), Venezuela (762,000), Costa Rica (280,000), Paraguay (156,000), and Chile (134,000). Altogether, roughly two-thirds of all intraregional migrants in Latin America resided in one of these top five countries in 2000; with fully one-half living in either Argentina or Venezuela. Undocumented intraregional migration is believed to be significant in the region, but no estimates have been undertaken on a region-wide basis or in countries like Venezuela where such undocumented migration is believed to be particularly high.

There are no region-wide estimates of the number of undocumented intraregional migrants. Rough insights can be gleaned from national processes to “regularize” undocumented intraregional migrants. Argentina’s program, *Patria Grande*, which provided documents to over 216,000 intraregional migrants from 2007 to 2009, was estimated to comprise 10-15% of the resident immigrant population.<sup>20</sup> An additional 54,000 were regularized in the countries of Mexico, Chile and Colombia in the years 2007-9.<sup>21</sup>

While region-wide analysis is still confined to the census periods, we can observe an increase in documented intraregional migration from just the period between 1990-2000. Table 1 provides a look at selected countries in the region, where typically the immigrant stock from within the region grew faster than that outside Latin America; among the growth countries were Belize, Bolivia, Brazil, Chile, Costa Rica, and Venezuela. Costa Rica showed the most rapid growth (270%) over ten years, but on a percentage point basis we can see that the composition of intraregional to other migrants shifted more sharply in Chile (13.3%) and Argentina (14%). The relative shift in stocks is likely principally due to a drop-off in emigration of OECD nationals to the region and a relative growth in intraregional migration. The major corridors within Latin America, some established for many decades, include Guatemala to Mexico (now one of top

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<sup>19</sup> Authors’ calculations using data from the Global Migrant Origin Database, version 4 (constructed from 2000-2001 census round), University of Sussex Development Research Centre on Migration, Globalization and Poverty.

<sup>20</sup> *Sistema Continuo de Reportes de Migración Internacional en las Américas (SICREMI)*, Organization of American States, July 2011.

<sup>21</sup> National statistics compiled in SICREMI, 2011, table 4.

corridors worldwide), Haiti to the Dominican Republic, Nicaragua to Costa Rica, Bolivia and Paraguay to Argentina, Colombia to Venezuela and Ecuador, Paraguay to Brazil and vice versa, and Peru to Chile and Ecuador. This data would not capture the new corridors that appear to be emerging post-2000, including Nicaragua, Honduras and Guatemala to El Salvador, and Nicaragua to Panama.

Country	All Foreign-Born			Born in Latin America and the Caribbean			Percent of Regional Migrants (%)		
	1990	2000	Intercensal growth 1990-2000 (in percentages %)	1990	2000	Intercensal growth 1990-2000 (in percentages %)	1990	2000	Percentage point change
<b>Argentina</b>	1,605,871	1,517,907	-5.5	849,547	1,018,993	19.9	52.9	67.1	14.2
<b>Belize</b>	25,746	34,279	33.1	19,732	29,305	48.5	76.6	85.5	8.8
<b>Bolivia</b>	59,807	95,764	60.1	46,623	76,380	63.8	78.0	79.8	1.8
<b>Brazil</b>	767,780	683,769	-10.9	116,417	144,470	24.1	15.2	21.1	6.0
<b>Chile</b>	114,597	195,320	70.4	66,405	139,082	109.4	57.9	71.2	13.3
<b>Costa Rica</b>	88,954	296,461	233.3	73,754	272,591	269.6	82.9	91.9	9.0
<b>Ecuador</b>	73,179	104,130	42.3	53,165	74,363	39.9	72.7	71.4	-1.2
<b>Honduras</b>	34,387	27,976	-18.6	29,392	20,097	-31.6	85.5	71.8	-13.6
<b>Mexico</b>	340,824	519,707	52.5	86,880	91,057	4.8	25.5	17.5	-8.0
<b>Panama</b>	61,400	86,014	40.1	38,747	53,322	37.6	63.1	62.0	-1.1
<b>Paraguay</b>	187,372	169,011	-9.8	166,430	152,273	-8.5	88.8	90.1	1.3
<b>Venezuela</b>	1,024,121	1,014,318	-1.0	669,355	752,819	12.5	65.4	74.2	8.9

*Source:* Latin American Demographic Center, Economic Commission on Latin America and the Caribbean. Research Project on International Migration in Latin America and the Caribbean ("IMILA").

While the 2000 census round recorded an overall increase in the volume of intraregional migration over the 1990s, the data demonstrates that intraregional migration while still highly concentrated along the top corridors (eg. Guatemala-Mexico, Dominican Republic-Haiti) has begun to diversify to additional routes. Government officials are observing greater movements to higher income countries (e.g. Argentina, Brazil, Mexico) but also diversification among the low-income countries, particularly in the sectors of agriculture and domestic services (interviews with author, 2010-2011). Within the last ten years, and bolstered by the Central American-4 (CA-4)

agreements on free mobility of persons, Central American countries are also experiencing greater intraregional flows: El Salvador has seen an influx of Nicaraguan and Honduran workers, while Guatemalan officials note increased inflows from El Salvador.<sup>22</sup>

The Caribbean over the last decade also has seen an increase in the volume of intra-regional migration, similarly motivated largely by economic factors (Ratha and Shaw 2007).. Although migration to the developed world continues to exceed intra-Caribbean migration, both the size and nature of intra-Caribbean labor migration is changing, supported by an evolving policy framework among CARICOM nations. Haitians to the Dominican Republic continues to be, on a percentage basis, one of the top intraregional corridors in the region. To a lesser extent Haitian migrants use other Caribbean islands as stopover countries to potentially gain entry into the United States. An additional more recent feature of the Haitian migration flow is the move to countries in the Caribbean archipelago with similar French- and Creole-based lingua franca, such as Martinique, Guadeloupe, French Guinea, St. Martin and Dominica.

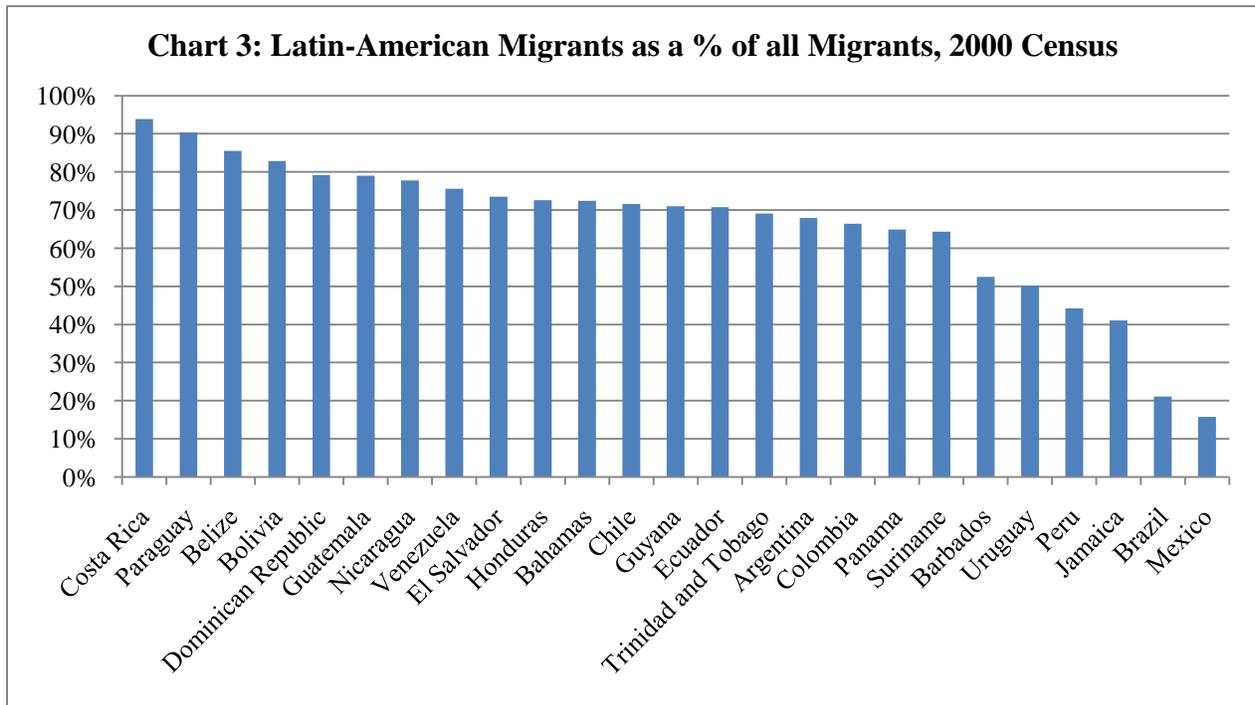
Proximity and contiguity is another contributing factor in the intra-regional relocation decision. Of the total migrants to the Dominican Republic about three-fifths (279,216) are from the neighboring Haiti. An estimated two-fifths (14,719) of entrants into the Cayman Islands are from the island of Jamaica. About one-quarter of immigrants in Suriname are Guyanese nationals. The location of Belize in Central America, its direct access corridors to the United States and the unavailability of transportation networks to the rest of the Caribbean community (CARICOM) results in limited migration flows between Belize and other CARICOM countries. However, given its porous borders, Belize has an active inflow of migrants from Guatemala, Honduras and El Salvador. The foreign born population in Belize accounts for 14.8 percent of the total population, with an estimated 38 percent of these migrants entering after 2000 (see Belize Census 2010).

Chart 3 below shows how the growing numbers of intraregional migrants are reshaping the composition of non-national populations in Latin America for many, but not all, countries in the region. In particular, 9 out of 10 migrants that live in Costa Rica or Paraguay come from a LAC country. The largest countries in the region, Brazil and Mexico have large immigrant

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<sup>22</sup> Dilip Ratha, Sanket Mohapatra, and Ani Silwal (2011).

population but from a more diverse range of countries, including the United States (in the case of Mexico) and Portugal and Japan (in the case of Brazil).



Source: Latin-American foreign-born population as a percent of all foreign-born. Author's calculation based on Global Migrant Origin Database, version 4 (constructed from data from the 2000-2001 census round), University of Sussex Development Research Centre on Migration, Globalization and Poverty.

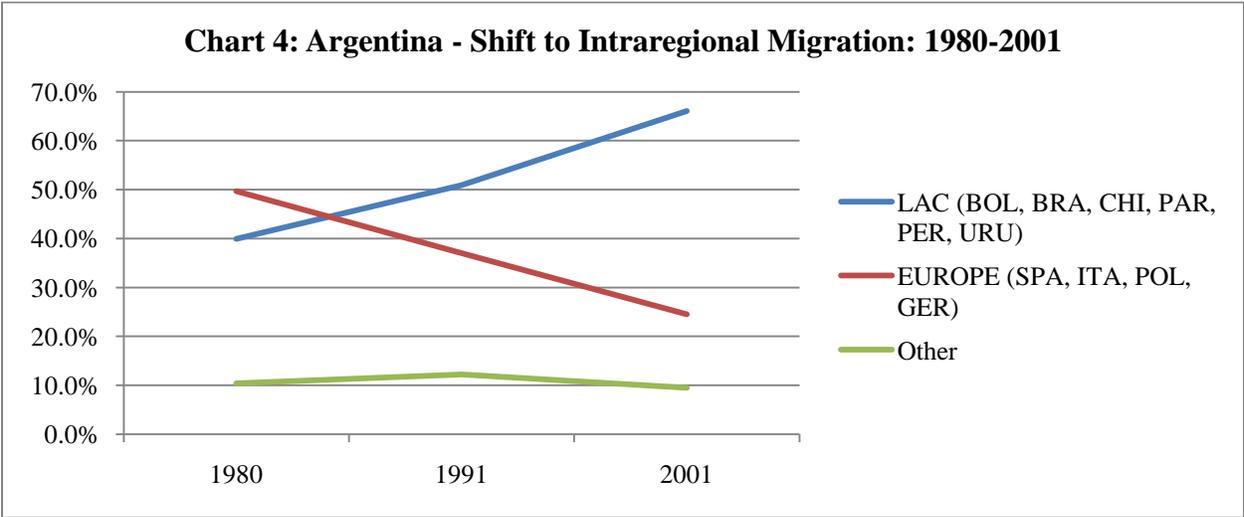
### Historic Change from European to Intra-regional Immigration

While we can note that the compositional change is evolving more slowly in the larger population countries, overall one can note an historic shift in Latin America and the Caribbean from predominantly European-based immigration to an intra-regional one. In 1970, seventy-five percent of immigrants living in Latin America had come from outside the region, most of them from Europe. However, by 2000, intra-regional migrants (officially recorded) had become the majority, accounting for more than 60 percent of flows to most individual countries in Latin America and the Caribbean.<sup>23</sup>

Mexico and Brazil appear to be exceptions; in addition to attracting new intra-regional migrants, they continue to attract immigrants from outside the region. In 2000, 56 percent of the

<sup>23</sup> Martínez Pizarro (2008).

foreign-born in Brazil were from Europe, 21 percent from Central or South America; and 18 percent from Asia. The top countries of origin were Portugal (31 percent of the total), Japan (10 percent), Italy (8 percent), Paraguay (4 percent), and Argentina (4 percent). More recent flows to Brazil, including the arrival of high-skilled temporary workers, is increasingly originating from within the region (particularly from Paraguay and Argentina) as well as from new source countries to a lesser extent (such as the United States and China). In 2000, 47 percent of officially-recorded recent immigrants to Brazil — defined as those who entered within the previous decade — came from elsewhere in Latin America: 12 percent from Paraguay, 9 percent from Argentina, and 7 percent from Bolivia. Only 23 percent came from Europe (5 percent from Portugal); while 16 percent were from Asia (6 percent from Japan).<sup>24</sup>



Source: INDEC. Censo Nacional de Población, Hogares y Viviendas 1980 / 1991 / 2001.

In Mexico, immigrants accounted for just half of one percent of the country's population in the year 2000; nearly 70 percent of these immigrants were born in the United States. Intraregional migrants accounted for another 17 percent of the total, the largest group from Guatemala; another 10 percent of immigrants were European, the majority of these Spanish.<sup>25</sup> Mexico is also host to a large number of unauthorized migrants from Central America, whom the census may not capture, particularly the large number of migrants who cross seasonally. Mexico, more than any other country in the region, is experiencing increases in migrants in transit (known

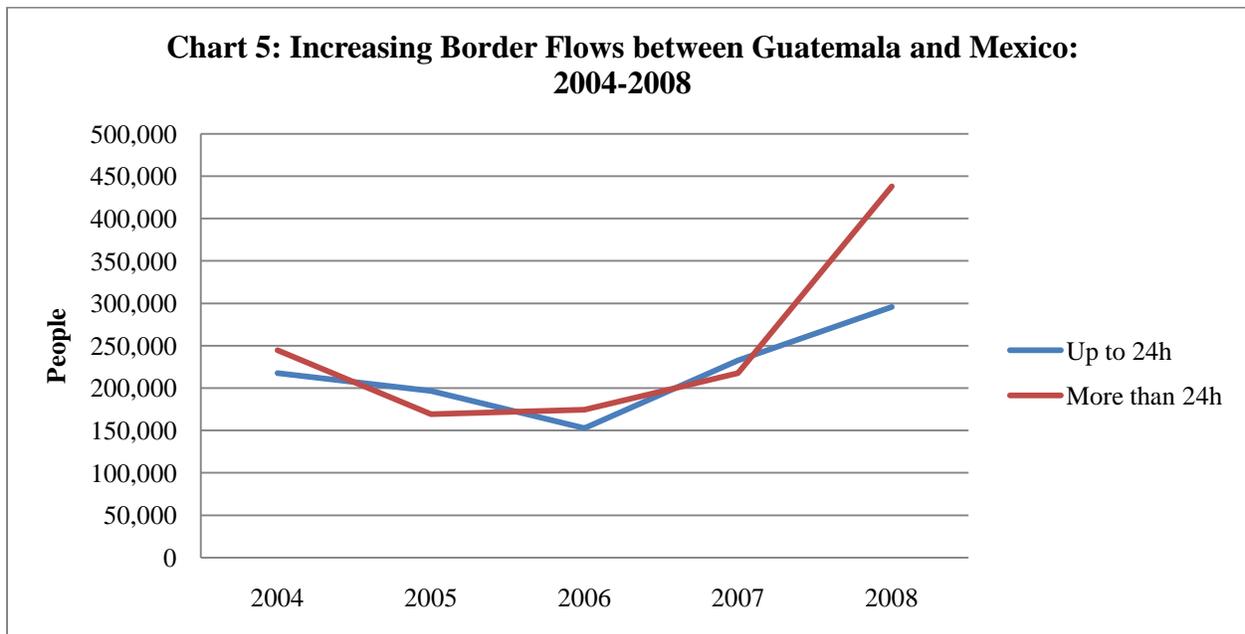
<sup>24</sup> Demographic Census, Brazil (2000)

<sup>25</sup> Population and Housing Census, Mexico (2000)

as transmigrants) both from the region and increasingly from Africa and Asia (see below). These migrants use Mexico as a transit point to get to the United States or Canada, and are rarely captured in census or border data.

### **Increased Transit Migration/Continued Traditional Flows**

Within the last ten years, migration for the motive of transit to the United States appears to have increased as well, largely for Central Americans traveling through Mexico, but also for new groups from Asia and Africa. The Mexican government estimates, however, that the volume of transmigrants on the northern border with the United States hit a peak of 500,000 in 2005, but that this figure has come down to an annual average of 140,000 to 150,000 as a result of the recession and greater border enforcement.<sup>26</sup> The Mexican government has noted a sharp rise in migrant flows across the Guatemala border, as shown in Chart 5. This chart demonstrates a particularly sharp increase in the total number of migrants crossing the Guatemalan border toward Mexico, especially those who traverse to stay more than 24 hours. While the number of daily border crossings is increasing (stays up to 24 hours), the rate of increase and the levels for more than 24 hours was much higher (by more than 100,000 migrants) by 2008.



<sup>26</sup> Rafael Fernandez de Castro, Presidential Advisor. Speech at Center for Strategic and International Studies conference “Dealing with the Causes: Mexico’s Economic Policy and Migration,” 11 January 2011.

With the new flows related to a more globalized, or at least more regionalized economy, traditional flows established over centuries do not appear to have abated. Mexico officially provides about forty thousand to fifty thousand visas per year to Guatemalans to work in the southern border region, and experts continue to argue that cross-border work is at least two to three times this level.<sup>27</sup>

The US-Mexico border is perhaps the most studied, but many more diverse cross-border labor patterns mark the region. The historic cohort of transmigrants are often indigenous peoples crossing international borders for seasonal agricultural work, such as Mayans along the Guatemala-Mexico (Chiapas) border and indigenous groups crossing between Panama and Costa Rica to harvest coffee. Although these indigenous populations are not strictly ‘migrants’, as their traditional lands straddle national territories, they are mobile populations crossing international borders on a regular basis. The economies of the tri-border regions of Brazil, Paraguay, and Argentina have extensive cross-border migration, beyond the well known Iguazu Falls region.

The 2010 round of censuses should be useful in bringing this evolving picture of the upswing in intraregional migration in the Americas and the Caribbean in line with the more recent observations of migration officials in the region. Although in theory, census count every individual residing in a given territory, in practice, not all migrants (particularly seasonal and/or undocumented residents) are captured by these supposedly universal counts. OECD countries more frequently use specialized surveys; indeed, as of 2010, the United States Census no longer includes a question on country of birth, and the American Community Survey is the primary instrument used by the government to estimate the foreign-born population. Latin America has made more limited use of such specialized surveys, and none are conducted on a region-wide basis in order to assess the dimensions of intraregional migration at a regional level.

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<sup>27</sup> Adrian Sletza Ortega Ramírez, Benemérita Universidad Autónoma de Puebla. Speech at Center for Strategic and International Studies conference “Dealing with the Causes: Mexico’s Economic Policy and Migration,” 11 January 2011.

## ***B. Intraregional Migrants: Labor Market Dimensions***

The intraregional migration trends in the Latin American and Caribbean region noted above are driven principally by the search for work, both permanent and seasonal. However, flows motivated by political strife still characterize outmigration from Colombia to Venezuela and Ecuador, similar to the 1980s, when political migration dominated Central America as civil wars led to mass migration to destinations within and outside the region.

Today's intraregional search for work, however, is highly heterogeneous with different economic dynamics in different regional corridors. In some sectors, such as domestic service, flows are more permanent, while in others, such as agriculture, circular migration is the norm. Agriculture, domestic service and construction clearly appear to dominate labor market migration. Tourism and construction accelerating recently in some countries are the emerging sectors for intraregional migration, displaying both permanent and temporary migration features. Concentrations of workers by sector are further characterized by strong gender segregation, with women predominating in the domestic services sector, and men in construction and agriculture.

Most of those who migrate within Latin America, with key exceptions, appear to be poorer and less educated on average than those migrating to OECD countries. This is due to a host of factors such as the cost and distance to the United States or Europe; the difficulty of gaining legal entry; language; family and diaspora.

Of the official intraregional migrants registered in the 2000 census, one-quarter (close to one million) were registered in professional and technical fields, combined with extraregional migrants who predominate the higher skill levels, 13% of all economically active migrants in the region are classified as professional and technical (PT).<sup>28</sup> The higher professional profile of migrants varies greatly within the region, with higher income countries like Brazil, Chile and Mexico receiving 27-30% of migrants at the professional and technical levels, and countries such

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<sup>28</sup> Jorge Martínez Pizarro, *América Latina y el Caribe: migración internacional, derechos humanos y desarrollo*. CEPAL, Santiago, Chile, 2008.

as Dominican Republic (5%), Costa Rica (12.4%) and Argentina (9%) gaining migrants with lower qualifications and high volumes of migrants.<sup>29</sup>

The less skilled labor market profile of intraregional migrants is on a relative scale, as on average, Latin American – and predominantly Mexican and Central American – migrants to the United States are less well-educated than other international migrants. The following section examines these two broad, overall trends.

### **Mexican and Central American Migrants to the U.S.**

In 2008, nearly 60 percent of adults 25 years or older born in Mexico or Central America and living in the United States had less than a high school education, compared to 33 percent among all foreign-born adults and 12 percent for native-born U.S. citizens.<sup>30</sup> Even for those with university or professional training, Latin American immigrants to the United States are proportionately less likely than the native-born to be working in jobs commensurate with their education level: in 2005, 64 percent of native-born U.S. citizens with bachelor's degrees were employed at levels equivalent to their education. This was true for only 40 percent of Central American immigrants and 35 percent of Mexican immigrants; college graduates born in the Caribbean or South America fared slightly better (45 percent).<sup>31</sup> Other researchers using 2005-2006 data from the American Community Survey have reached similar conclusions. For Latin Americans in the United States who were educated in their countries of origin, 44 percent of recent immigrants and 35 percent of long-term immigrants were employed in unskilled occupations. In contrast, 18 percent of native-born college-educated US citizens worked in unskilled occupations.<sup>32</sup>

### **Human Capital and Intraregional Migrants**

Systematically capturing data on intraregional migrants' education levels is more difficult, but some recent national surveys confirm the proportionally low education and skill levels of intraregional migrants. In Costa Rica, 26 percent of Nicaraguans in the country aged 15 and over

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<sup>29</sup> SICREMI, Organization of American States, graph 8.

<sup>30</sup> American Community Survey (2008).

<sup>31</sup> United Nations Economic Commission for Latin America and the Caribbean (2005).

<sup>32</sup> Batalova and Fix (2008).

had less than a primary school education, and an additional 12 percent had no education. Adding these populations to the 26 percent who completed primary school but not high school reveals that overall, 84 percent of Nicaraguans aged 15 and over in Costa Rica have not yet completed high school (as compared to 68 percent of native Costa Ricans), making them far less educated than the Mexican- and Central American-born population in the United States.<sup>33</sup>

Haitian migration also follows a similar pattern, where the low-skilled tend to move intra-regionally and the higher-skilled emigrate outside of the region. Traditionally, Haitian elites, professionals, and intellectuals have emigrated to the United States, France or Canada. Of the approximately 535,000 Haitians residing in the United States in 2008, 45 percent had at least some college education.<sup>34</sup> Meanwhile, the vast majority of lower-skilled Haitian migrants are found in the Dominican Republic, where they have been traditionally employed on sugar plantations but are increasingly working in construction and tourism. A recent survey of Haitians in the Dominican Republic revealed that 70 percent could not read or write Spanish, and 42 percent could not read or write Creole. About 42 percent had not been to school, a figure that was significantly higher among women (51 percent) than men (39 percent). Of those who had been to school, 56 percent had an eighth-grade education or less, and 85 percent reported that their work did not relate to the education they had received.<sup>35</sup>

Intra-regional migration flows in the Caribbean overall have been predominantly low-skilled positions in the hospitality sector. Over the last decade, supported by new CARICOM accords, much smaller levels of high skilled migration has dominated official flows, particularly in the health care and professional fields. For example, finance and professional migration has increased to the Cayman Islands to work in offshore and financial services sectors.

There are some exceptions to the pattern of lower-skilled intraregional migrants particularly among women and the domestic service sector. For example, in the case of Peruvian female migrants working as domestic servants in Argentina and Chile, Peruvian women are generally more highly-educated than their native counterparts. Young women often have

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<sup>33</sup> Authors' calculations from Multipurpose Household Survey, Costa Rica (2009) and American Community Survey one-year estimates (2009). Note that Costa Rican figures include individuals 15 years and older while U.S. figures include individuals 25 years and older.

<sup>34</sup> Authors' calculations from American Community Survey (2008).

<sup>35</sup> International Organization for Migration (2008).

aspirations of attending institutes of higher education either in their host countries (Argentina's public universities are free and open to all students) or earning money while abroad that will support them when they return home to study. Peruvian women employed as domestic workers in Chile tend to be younger and have a much higher level of education than Chilean-born female domestic workers: 74 percent of them had more than 10 years of schooling, compared to 33 percent of Chilean women in the same occupation. However, Argentineans overall tended to be more highly educated and had more diversified occupations than other intraregional migrants in Chile; twenty-two percent worked in wholesale and retail trade.<sup>36</sup>

Higher skilled migration within Latin America appears to be more concentrated in larger, higher income countries and is particularly noted within the Caribbean which has permitted freer movement of labor in high skilled professions (particularly in the health care sector, see Caribbean policy framework section) and of highly educated Latin Americans to higher income countries such as Mexico, Brazil, and Chile.

The sectoral and gender concentration trends of intraregional migration, in particular, their typically lower skill profile, can be seen in different national markets where, in some cases, more recent survey data can be drawn on. Migration from neighboring countries to Costa Rica has a highly seasonal component, as it does in the rest of Central America. A significant proportion of these seasonal flows consist of Nicaraguans going to Costa Rica for the harvesting of melons, coffee, and other crops. Researchers have estimated that at peak harvest times, there may be as many as 100,000 seasonal migrants from Nicaragua in the country.<sup>37</sup> A greater proportion of Nicaraguans in Costa Rica today are female and urban-dwellers than their counterparts of thirty years ago: overall, roughly half of the Nicaraguan-born population is female, and these women are more likely than their male counterparts to live in the capital, San José – presumably for domestic work.

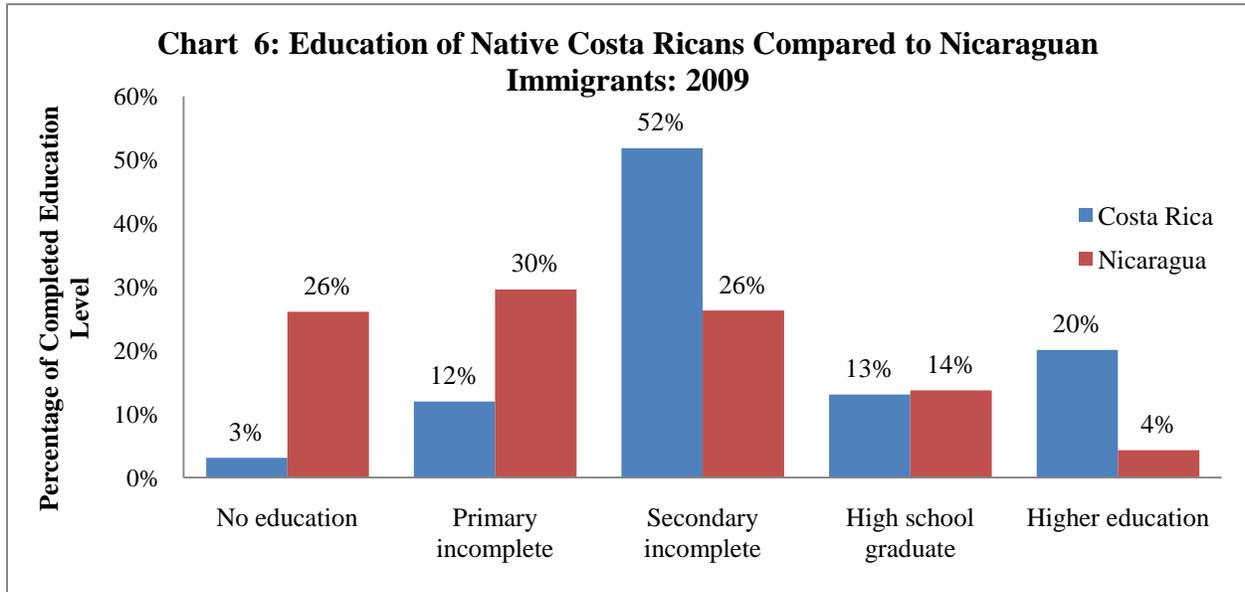
The education/skills profile of Nicaraguan immigrants to Costa Rica is significantly lower than the native population at each school cohort as shown in the chart below. Most striking is the high number of Nicaraguan migrants with no education (26%) relative to the native

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<sup>36</sup> Ibid.

<sup>37</sup> Baumeister (2006); Marquette (2006).

population (3%). Overall only 18% of Nicaraguan immigrants have high school diplomas or higher levels of education.



Source: Authors calculation based on 2009 Multipurpose Household Survey.

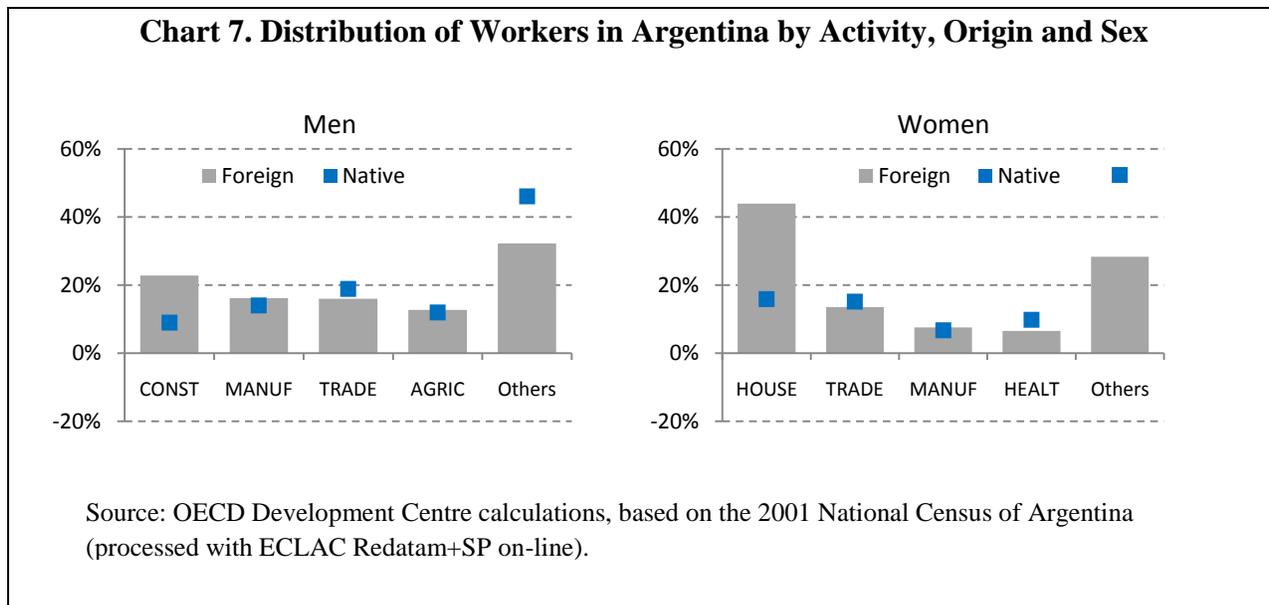
In 2007, 34 percent of Nicaraguan-born women worked as domestic servants, and another 20 percent worked in hotels and restaurants. Agriculture is dominated more by male labor: 35 percent of Nicaraguan men worked in agriculture, compared to 15 percent of women.<sup>38</sup> Although Costa Rica continues to be an important destination for Nicaraguan migrants, large inflows appear to have peaked in the 1990s, when Nicaragua experienced relatively negative macroeconomic conditions. Today the figures indicate continued seasonal flows, with a core population that stabilized around 2005.

Sub-regional labor markets patterns vary with distinct levels of development in South America; countries such as Argentina, Brazil and Chile offer more job opportunities at higher wages, attracting neighboring migrants from Bolivia, Paraguay, and Peru, of typically lower educational profile.

A recent OECD Development study calculated the employment composition in key sectors in foreign vs. native populations, remembering that more than 55% of migrants in

<sup>38</sup> Multipurpose Household Survey, Costa Rica (2007).

Argentina are intraregional. Chart 7 below shows both the high sectoral concentration of migrants in construction (men), domestic service sector (women), and other, largely services and commerce (both men and women). In contrast, the foreign and native-born populations are more evenly distributed in the sectors of manufacturing, trade and even in agriculture. As much of the migrant agricultural work is seasonal, it is believed that the census figures underestimate the high presence of intraregional migrants in agriculture.



Intraregional migration to Chile is also significant and increasing; a majority of immigrants are from neighboring South American countries, predominantly Argentina (48,000) and Peru (38,000).<sup>39</sup> Peruvians were highly concentrated in domestic service, with 72 percent of Peruvian women working in this sector.

Venezuela has become the principal destination for Colombians migrating both to escape civil violence and for economic opportunities; it hosts the largest Colombian migrant population in the region. In 2000, the country was home to an estimated 608,000 Colombians, many of whom arrived in the 1970s, drawn by the oil boom. However, the Colombian national statistical office places the numbers much higher, at more than twice the official Venezuelan count. Male Colombian workers in Venezuela are concentrated in agriculture and retail and wholesale trade, whereas women tend to be concentrated in domestic service and trade. The country is also

<sup>39</sup> Population and Housing Census, Chile (2002).

experiencing a significant economic contraction, which along with the polarizing political situation, has resulted in a slow middle and upper-class exodus; immigrants from all over the world have stepped in to pick up the slack, including an estimated 15,000 undocumented Haitians.<sup>40</sup> There are also nearly 44,000 Cubans in Venezuela providing technical assistance in the health, sports, tourism, transportation, and sugar industries, under a 2000 agreement between the two countries.<sup>41</sup>

For policymakers within Latin America and the Caribbean, the lower skill profile of intraregional migrants raises important concerns about whether these migrants and their children have access to education, health, training, and other services to increase human capital. Without legal and rights protections, migrants' short-term income gains might convert over time to chronic poverty and exclusion, holding back development throughout the region. The review in the following section demonstrates the very distinct regional contexts for the free movement of labor.

### ***C. Regional Policy Frameworks for Migration***

What is striking about the Latin American and Caribbean region, which has made great strides in trade and commercial integration, is the relative assortment of differing and conflicting legal and policy environments for intraregional migrants. Broadly speaking, there is no one regional policy approach in Latin America and the Caribbean, and the three major subregions of Latin America and the Caribbean each form very distinct environments regarding the rules for free labor movement, labor rights and access to social services.

Overall, one would characterize the Southern Cone or MERCOSUR region as the most advanced in terms of integration of labor migrants, although there is great variety among member countries in the adoption of free movement of labor and coverage of services. The Caribbean is advancing toward free internal movement for migrants in certain high skill categories but is more constrained for lower-skilled occupations despite skill gaps among Caribbean nations. The other subregions (Central America-4, Andean Community) allow free movement (e.g. for commerce, tourism) but do not automatically grant permission to work.

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<sup>40</sup> Romero (2010).

<sup>41</sup> Ministry of Foreign Affairs, Cuba (2010).

Broadly speaking, the region is in contrast to the European Union model, which is transitioning toward full labor mobility for all member citizens. Within the European Union, Great Britain, Ireland and Sweden have the most open policies for EU members, but others such as Germany are also opening up progressively to new member states. In the Latin America and Caribbean region, what we can observe are subregions in different stages of progress toward more regionalized labor markets, particularly in terms of protections for regional migrants and access to services.

### **Central America and Mexico**

For years, Mexico and Central America were dominated by two key migration flows: first, neighboring Guatemalans migrating over the border into Mexico and second, the transit of Central Americans through Mexico into the United States. The intraregional migration trends of today, however, are much more diverse. First, seasonal and longer-term migration *between* Central American nations (and Mexico), though often undocumented, is occurring more widely across the region. Second, flows across the Mexican border and intraregional migration appear to be increasing in volume along with more diverse transit migrants from Asia and Africa. These flows exist alongside the traditional patterns of migration of indigenous peoples across borders as described earlier.

In Central America and Mexico, much intraregional labor migration is irregular, in the strict sense that many workers do not have legal permission to work for more than short periods. Although the Central America-4 (CA-4) agreement permits free movement of people within the sub-regional group (Guatemala, Honduras, El Salvador and Nicaragua), it does not include provisions for workers. Generally, bilateral agreements govern visas for specific groups of workers, the most prominent being the temporary migration of Guatemalans to Mexico within 100 kilometers (62 miles) of the border, who are regulated under a special agreement between the two countries. Costa Rican employers sponsor visas for Nicaraguans at the firm level. A survey of Guatemalan migrants returning to their country from Mexico showed that in 2006, 29 percent did not have legal documents to enter Mexico; this proportion was an increase from 21 percent during a survey period in 2004.<sup>42</sup> Mexico has responded to the unauthorized flows by

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<sup>42</sup> Consejo Nacional de Población et al. (2006)

creating new visa categories as mentioned above: in 2010, Mexico granted 120,000 immigrant, non-immigrant and temporary visas to Guatemalans.<sup>43</sup> However, it is clear that in both Mexico and Costa Rica, the numbers of workers entering continue to exceed these bilateral agreements.

Border control is relatively difficult in the region, with great volumes of temporary, family, and commercial travel. Mexico's enforcement is targeted towards the prevention of onward migration into the interior of the country and the United States, with comparatively less enforcement of its long southern border. Between Nicaragua and Costa Rica, many Nicaraguans cross legally, either through an explicit work visa or on a 30-day visitor visa. Many cross back on a regular basis to get new 30-day visas; others overstay the visa period, as is common in the United States.

Access to social services is also quite varied. In Costa Rica, foreigners are able to access the social security system, and contributions into the system are required for immigrants. Although not explicitly provided for in the 2009 migration law, non-registered Nicaraguans can gain access to Costa Rican hospitals on an emergency basis, and Nicaraguan children are allowed to enroll in schools. However, Guatemalans in Mexico do not typically have access to social services.

### **Southern Cone**

Compared to the other sub-regions of Latin America, MERCOSUR countries have made considerably more progress in providing citizens of member states with the legal right to work and access to services. MERCOSUR began as a free-trade zone in 1991 with full members Argentina, Brazil, Paraguay, and Uruguay; Bolivia, Chile, Colombia, Ecuador, and Peru are associate members, while Venezuela's full membership is pending ratification.

Although the MERCOSUR members have signed a region-wide accord to provide equal treatment and access in terms of residency, countries are in different stages of amending their national laws to align with the agreement. Specific national governments, in particular Brazil and Argentina, have advanced in granting citizens of other MERCOSUR countries legal permission

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<sup>43</sup> Migration Studies Center of the National Institute of Migration, Mexico. This is the number of visas granted, not the number of individual migrants: a single individual may have been granted multiple visas. Categories included are FM2, FM3, FMTF and FMVL, and extensions and renewals.

to work or easier access. Argentina, which receives predominantly Bolivian and Paraguayan migrants, permits nationals of MERCOSUR countries to obtain Argentine temporary national identity cards and national identity documents a year thereafter. With an Argentine national identity card, Bolivians and Paraguayans have equal access to health, employment and education services, and judicial protections. In 2006, Argentina began a regularization program for MERCOSUR citizens called "Patria Grande." As of August 2010, nearly 100,000 permanent residency permits and 126,000 temporary residency permits were granted. Additionally, some Argentine localities permit MERCOSUR legal residents to vote at the municipal level, prompting those cities to respond better to the needs of migrant residents.

Under Brazil's temporary residency program, implemented in October 2009, citizens of MERCOSUR countries plus Bolivia and Chile benefit from a simplified application process that they can complete once in Brazil. If accepted, they and their legal dependents of any nationality receive two-year temporary residency status and are eligible to work for any employer in Brazil. After two years, they are eligible for permanent residency. Brazil also extended an amnesty to irregular migrants in 2009.

### **Andean Region**

Intraregional migration in the Andean sub-region is dominated by flows from Colombia to Venezuela, but other trends stand out – for example, flows of Colombians to Ecuador, and flows of Peruvians and Ecuadorians to Venezuela. In the case of Venezuela, the main receiver of intraregional migrants in the sub-region, these individuals – both professionals and lower-skilled – have been drawn to the economic opportunities in Venezuela's urban centers; while there is a large Colombian-born population in the border region. Other migratory movements in the sub-region tend to take place in border areas between neighboring countries, and often involve seasonal agricultural laborers and/or indigenous groups.

As in the CA-4, citizens of Andean Community countries (Bolivia, Colombia, Ecuador, and Peru) may travel to other countries in the sub-regional bloc as tourists with only their national identity documents; neither a passport nor a visa is required. Again, however, there are no current provisions for labor mobility in place. The *Instrumento Andino de Migración Laboral* (the Andean Instrument on Labor Migration), which proposed regulations for the free movement

of workers in the sub-region, was adopted by the Andean Community in 2003, but has not yet been finalized and implemented; nor has the Andean Instrument on Social Security, adopted by the Community in 2006.

## **Caribbean**

The patterns and policies of Caribbean migration differ substantially from elsewhere in the Americas. A region of origin, transit, and destination, the Caribbean experiences much higher rates of outmigration than in Latin America and more (recent) labor flows within the region. One could characterize the policy framework in this area as bifurcated: while labor mobility is encouraged and formalized for high-skilled workers under the Caribbean Single Market Economy (CSME) regime of CARICOM, low-skilled workers – who comprise the majority of intra-Caribbean movers – are generally regulated by a work permit system which heavily favors high-skilled workers and traditional patterns of travel and migration based on colonial ties and physical proximity.

The Treaty of Chaguaramas (1973) provides the overarching policy framework for integration matters in CARICOM. The CSME covers the free movement of goods, services, capital and skilled workers across the region, the right of establishment, and the implementation of a common external tariff and trade policy. The Revised Treaty of Chaguaramas (July 5, 2001) provides the legal basis for the current CSME. The formalization of free movement of skilled CARICOM nationals under the Revised Treaty of Chaguaramas has widened eligibility for broader categories of workers to move freely within the twelve CARICOM signatories to the CSME.<sup>44</sup> CARICOM nationals in designated high skill areas are able to seek employment opportunities in any of the twelve participating Member States.<sup>45</sup>

In a region of more than 5 million people, it is estimated that just 5,000 migrants received high-skilled CSME visas in 2009; in the same year, only 5,100 work permits were issued to CARICOM nationals, for a total of around 10,100 authorized intra-Caribbean migrants that

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<sup>44</sup> Haiti, Montserrat and the Bahamas have not signed on to the CSME.

<sup>45</sup> The following categories of workers are eligible to move freely within the CARICOM Member States: University graduates; media workers; musicians; sportspersons; teachers; nurses; holders of associate degrees and equivalent qualifications; artisans holding Caribbean Vocational Qualifications (CVQ); domestic workers with CVQ; self-employed service providers.

year.<sup>46</sup> The volume of undocumented low-skilled intra-Caribbean migration dwarfs this authorized migration, with low-skilled workers migrating largely irregularly. The countries with the greatest demand for low-skilled labor, however, such as Barbados and Trinidad and Tobago, are noted for being less receptive to formal agreements on such labor.

### III. CASE STUDIES: COSTA RICA AND ARGENTINA

#### A. *Costa Rica*

Accelerating particularly in the 1980s, Costa Rica’s economic development and political stability has become a magnet for neighboring countries, most dramatically from Nicaragua, but also Panama and Colombia. While economic factors have been the historic driving force for immigration in Costa Rica, the political upheaval and safety concerns in neighboring Nicaragua and Colombia during the 1980s and 90s led to large surges of refugees and new immigrants to Costa Rica, transforming its migration profile. As Nicaragua has become more politically and economically stable after its civil war, migration flows appear to have leveled off at historically high levels. In 2008, 8% of the official resident population in Costa Rica was foreign-born placing it at levels of many OECD countries.

#### Historical Overview of Migration in Costa Rica

Costa Rica has, throughout its history, been a net receiver of migrants. In the last decades of the 19<sup>th</sup> century, as Nicaraguan and Jamaican workers came to the country to labor on the banana plantations, the foreign-born comprised between 2 and 6 percent of the total population. Table 2 below shows the rapid increases in both the total population and the foreign-born from 1950-2008, with the sharpest increase – 233% increase – from 1984 to 2000.

**Table 2: Foreign-Born in Costa Rica, 1950-2008**

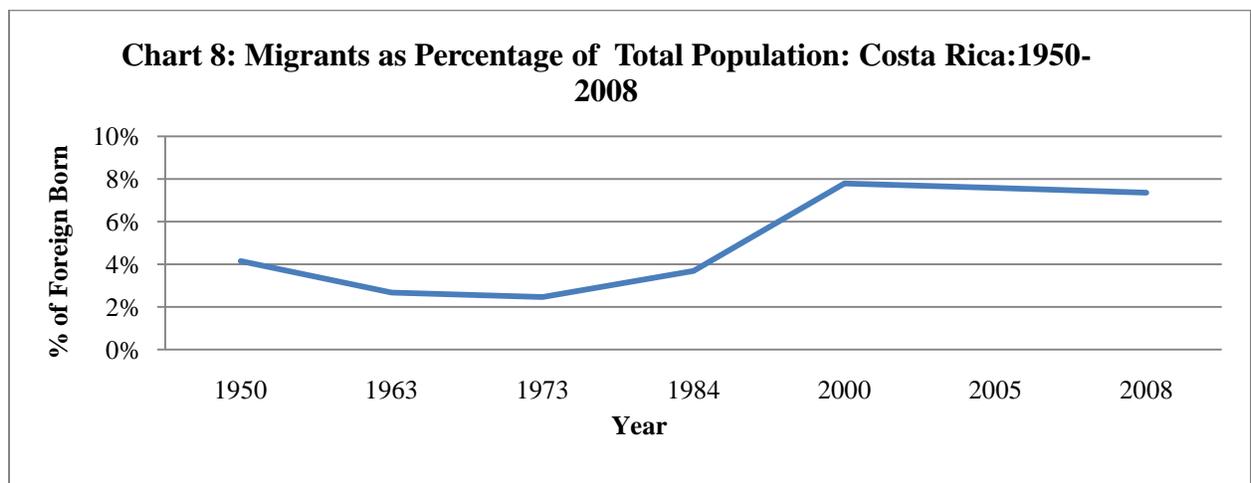
Year	Total Population	Total Foreign-born
1950	800,875	33,251
1963	1,336,274	35,605
1973	1,871,780	46,077

<sup>46</sup> Brown et al. (2010)

1984	2,416,809	88,954
2000	3,810,179	296,461
2005	4,266,185	323,477
2008	4,533,162	333,193

Source: For 1950-2000, National Population Censuses; for 2005 and 2008, Permanent Multipurpose Household Survey, INEC, Costa Rica

During the first eight decades of the 20<sup>th</sup> century, the percentage of foreign-born in the country, and the proportion of Nicaraguans among the foreign-born, was relatively stable. In 1980, immigration from Nicaragua increased sharply as a result of the civil war and economic crisis in that country, shifting the proportion of Nicaraguans as a percent of all immigrants to its current high levels of over three quarters of all immigrants. The following chart shows Costa Rica's long-term evolution as a relatively low immigration country in the 1950s to its current levels where the foreign-born constitute 8% of the current population.



Sources: for 1950-2000, National Population Census; for 2005 and 2008, Permanent multipurpose household survey, INEC.

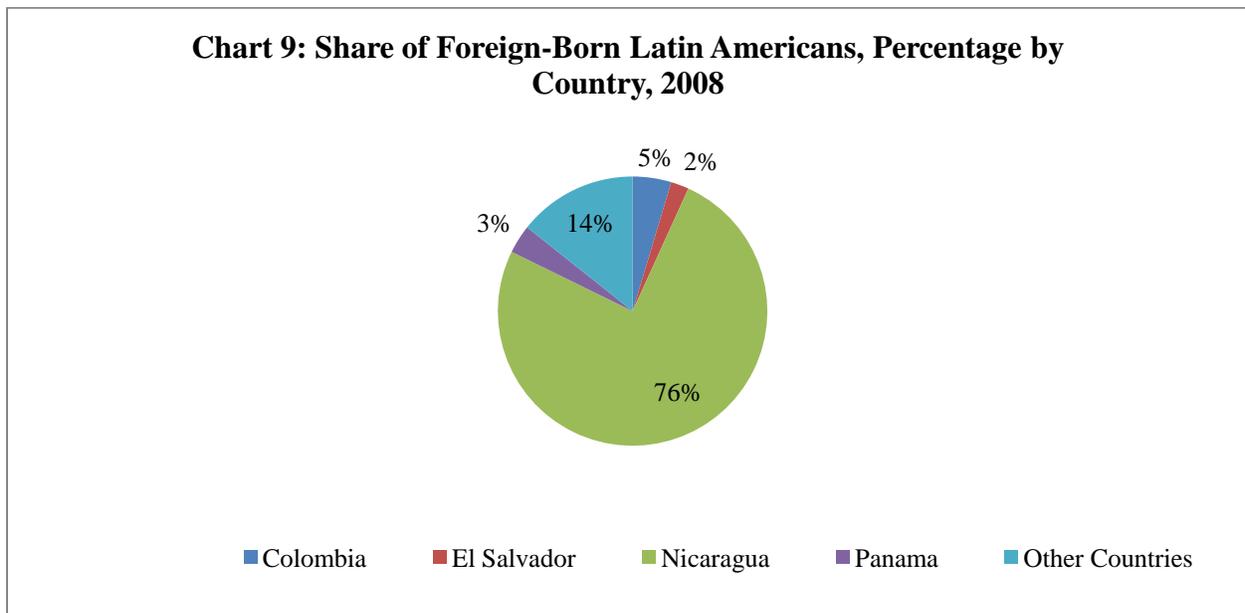
### **Current Trends: Costa Rica**

*Extraregional Migration.* Although it is a net-migrant-receiving country, and most migration to the country is intraregional, the country has also been influenced by extraregional flows, both inward and outward, principally with the United States. Some 100,000 Costa Ricans are estimated to live abroad – approximately 80% of them in the United States. Costa Ricans in the U.S. generally have higher levels of education than other Central American migrants in the U.S.

– 76% of persons over 25 are high school graduates, and 20% of these have a bachelor’s degree or higher; while 23% are employed in management and professional occupations. With a median age of 42.6 years, they are also generally older than other Central American immigrants in the U.S., and generally arrived in the country earlier – 43% arrived before 1990.

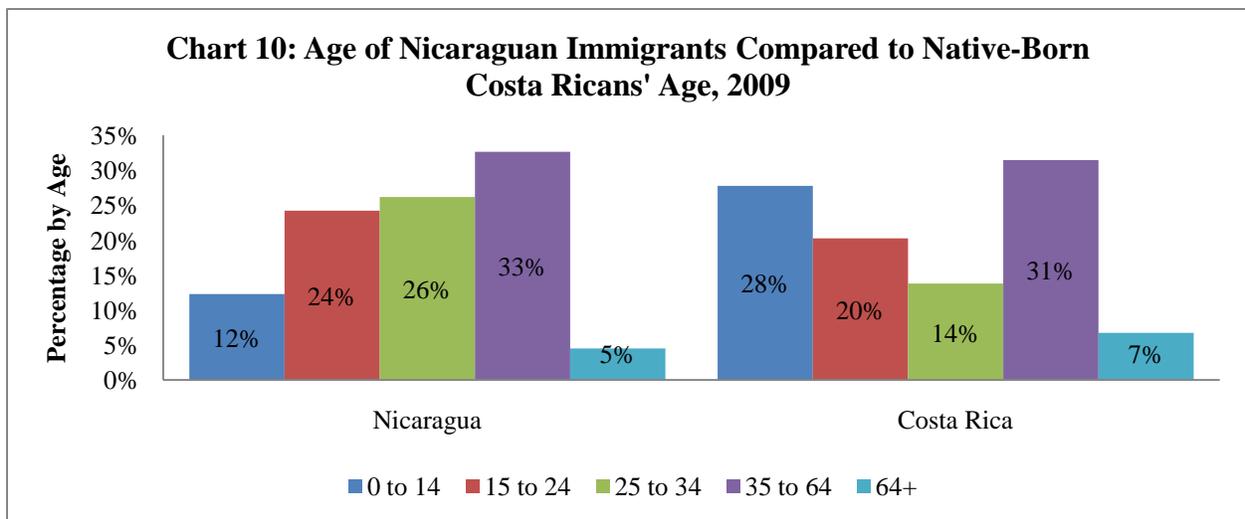
Additionally, Costa Rica is also home to a number of extra-regional migrants, most notably from the United States. The nearly 12,000 US-born residents comprised the 4<sup>th</sup> largest group of foreigners in the country in 2008. A large proportion of the US-born population of Costa Rica is retired; only around 44% of the group was employed, compared to much higher levels of employment among other immigrant groups.

*Immigration of Neighbors.* The large inflows of intraregional migrants in the 80s and 90s to a substantial shift in the role of immigrants in the Costa Rican economy and the composition of the immigrant pool. By 2008, nearly 8% (Table 2) of the Costa Rican population was born outside Costa Rica. The composition of this population (Chart 9) was predominantly region – 76% Nicaraguan and 10% from neighboring Colombia, El Salvador, and Panama.



Source: Permanent multipurpose household survey, INEC.

Although Costa Rica continues to be an important destination for Nicaraguan migrants, large inflows appear to have peaked in the 1990s, when Nicaragua experienced some of its worst macroeconomic conditions. Today the figures indicate continued seasonal flows, with a core population that stabilized around 2005. In a 2008 Costa Rican Central Bank survey of migrants, 39% of Nicaraguan immigrants identified lack of work as their principal reason for leaving their home country, with 20% citing economic and political instability and 18% family reasons.<sup>47</sup> As Chart 10 demonstrates, Nicaraguan immigrants are by far comprising a relatively young working age cohort, whereas 14% of the Costa Rican population is from 25 to 34, 26% of Nicaraguans are in this age group. Since the 1970s, emigration flows from Nicaragua have been split between the US and Costa Rica. Although most Nicaraguan emigrants are in their prime working years, there is also a significant number of under-15 and over-60 migrants to the US, indicating a current of familial migration, while those to Costa Rica tend to be of working age.



Source: Author's calculations using Multipurpose Household Survey, Costa Rica, 2009

After Nicaraguan immigrants, Colombians constitute the next largest cohort of immigrants. Colombians arrived for both economic and political reasons – in the Central Bank survey, 32% cited political and/or economic stability as their main motive for leaving Colombia. The remaining 15% cited tourism of a motive for entry and only 14% listed lack of work. Although consular visas were required for Colombians beginning in 2002, the group continued to grow in size. As of June 30, 2010, according to the Dirección General de Migración y

<sup>47</sup> Chaves Ramírez (2008)

Extranjería, there are approximately 2,600 temporary Colombian residents, 12,100 permanent residents, and 7,200 persons with special visas, including 6,900 refugees, residing in Costa Rica. And although Colombia's internal political violence has lessened, many Colombian immigrants continue to reside in Costa Rica, despite a 2007 visa requirement which was enacted to dissuade drug traffickers posing as economic migrants from entering the country. The Colombian population, however, by all estimates is undercounted and highly undocumented; in 2007, the Colombian Embassy estimated a total of 27,000 – 30,000 Colombians in the country.<sup>48</sup>

Panamanian immigrants constitute 3.4% of foreigners in Costa Rica, as officially recorded.<sup>49</sup> As of June 30, 2010, there are approximately 5,500 Panamanians in the country: 4,900 permanent residents, 400 temporary residents, and 200 non-migrants in special visa categories.<sup>50</sup> In addition to these groups, many Panamanian agricultural laborers cross over to Costa Rica seasonally to harvest coffee: in 2009, more than 13,000 indigenous Panamanians of Ngöbe Buglé ethnicity received safe conduct documents to travel to Costa Rica to work as agricultural laborers.<sup>51</sup>

### **Sectoral and Human Capital Profile of Migrants**

Costa Rica's economic growth, in the later decades of the twentieth century, has afforded many of its citizens educational and career opportunities that are unavailable in neighboring countries. Overall, the Costa Rican economy has been undergoing a decades-long shift away from traditional agriculture and towards the services sector, and Costa Ricans have been moving away from manual and agricultural labor and towards professional and technical occupations, but at the same time 6.4% of the country's GDP originates in the agricultural sector, while the growing economy, and in particular the tourism industry, demands construction labor. Although some Costa Rican natives do work in these sectors, increasingly, the demand for manual labor has been supplied from abroad, as wages paid in these sectors are more attractive to low-skilled Nicaraguans and other intraregional migrants.

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<sup>48</sup> Rivillas (2007)

<sup>49</sup> Multipurpose Household Survey, Costa Rica (2008)

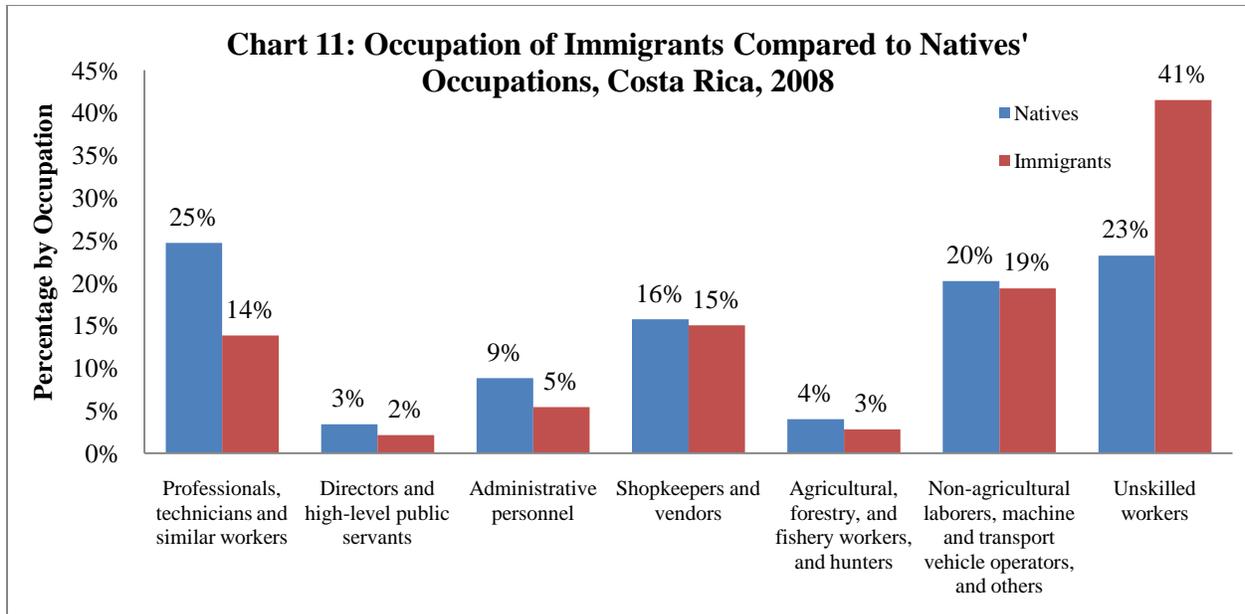
<sup>50</sup> General Directorate of Migration and Foreign Affairs (2010)

<sup>51</sup> *La Nación* (2010a)

In Costa Rica, as in Central America generally, intraregional migration has traditionally had a highly seasonal component. Migrants (a large majority of them Nicaraguans) go to Costa Rica for the harvesting of melons, coffee, and other crops; at peak harvest times, there may be as many as 100,000 seasonal migrants from Nicaragua in the country.

Additionally, as Costa Rican women have continued to enter the workforce at higher rates and with higher educational and professional profiles, this has spurred the demand for domestic servants, immigrant (again, largely Nicaraguan) women have stepped into this role. Whereas in 1989, the share of adult women in the labor force was 34%, in 2009 it was 54%; this 20 percentage point increase is mostly explained by the increase in the proportion of native women working outside the home, although it is also a function of the higher number of migrant women in the workforce. Half of Nicaraguan migrants to Costa Rica are now women, mirroring a worldwide trend; they are more likely to live in the capital and other urban areas than male migrants, presumably for domestic work; as male migrants continue to specialize in agriculture – a predominantly rural activity – and construction. In both cases, Nicaraguan workers play a complementary role in the labor market. These flows over the past decades have translated into a core permanent population of approximately 300,000.

According to results from Costa Rica's 2008 national household survey shown in Chart 13, the largest gaps in occupational profiles were at the higher and lower end of the skills scale. More than one-quarter of native Costa Ricans have professional or technical employment compared to 14% of non-natives. If we were examining just Nicaraguans migrants, the gap would be greater. More than 41% percent work in unskilled work, compared to 23% of Costa Ricans.



Source: Authors' calculations using Multipurpose Household Survey, Costa Rica, 2008

Figures from Costa Rica's 2009 national household survey (See Chart 6) show that 26 % of Nicaraguan immigrants 15 years of age or older had not completed primary school, and an additional 12 % had no education. Adding these groups to the 46% that had not completed high school reveals that more than 84 % of Nicaraguans in Costa Rica had less than a high school education (compared to two-thirds of Costa Ricans), making them far less educated than the Mexican and Central American populations in the United States.

As Panamanians generally work in the export agriculture sector (coffee and bananas), and are seasonal migrants, they are likely undercounted in the official data. Many agricultural laborers are members of indigenous groups like the Ngöbe Buglé, whose lands lie within both Panamanian and Costa Rican territory. Panamanian immigrants are concentrated at the high and low ends of the educational and skills spectrum: while 56% of Panamanians 15 years and older had less than a secondary school education, 30% had at least some university education.<sup>52</sup>

Colombians tend to have a higher educational and skills profile than other intraregional immigrants in Costa Rica, and many have professional or technical backgrounds; in 2009, 62 percent of Colombians 15 years or older had completed secondary school, and 44 % had

<sup>52</sup> Authors' calculations using Permanent Multipurpose Household Survey, 2009.

completed at least a year of tertiary education. Colombians are slightly older than other immigrants in Costa Rica; although the largest age group is persons 25-44 years of age (52% of women and 36% of men), nearly a quarter were between the ages of 45 and 59 (20% of women and 28% of men). Fifty-two percent of Colombians surveyed were women.

Colombians in Costa Rica are working in distinctly different sectors than those of natives and of other immigrants. For example, thirty-seven percent of Colombian men and 39 % of Colombian women surveyed were employed in wholesale or retail trade. The next two major industries for men were manufacturing (22%) and “other community services” (12%), while for women the second and third industries of employment were hotels and restaurants (12%) and social and health services (12%). As many as twenty percent of Colombian men, and 6 % of Colombian women, were business-owners or employers; more than a quarter, 29% and 24%, respectively, were self-employed.

### **Policy Framework: Costa Rica**

Up to the present, Costa Rica’s migration policy framework has reflected the demand for unskilled labor without solving the problem of legality – that is to say, the system allowed migrants to enter legally but work illegally on a 30-day visa, and leave every 30 days to receive a new visa; or migrants would enter irregularly along the porous borders and exit and re-enter as necessary. This status quo was favorable to those employers who relied upon (usually informal) migrant labor to keep their payroll costs low. However, it also created a large undocumented community and informal labor market, comprised mainly of the Nicaraguan-born, whose members lacked pathways to legality and whose access to social and health services was not always ensured. Among the few possibilities were marrying a citizen or having a child in Costa Rica, then applying for residency via that person. --.

There are some provisions for labor mobility between Costa Rica and its neighbors, but they do not match the volume of demand. A bi-national agreement between Costa Rica and Nicaragua (“*Proyecto Codesarrollo*”, financed by the Spanish Agency for International Cooperation in Development and executed by IOM) regulates the management of Nicaraguan temporary workers in Costa Rica in agriculture, agro-industry and construction. This project has involved 4,100 workers since 2006.

Although the nature of immigration policy in Costa Rica has traditionally been quite open (with the exception of its treatment of Nicaraguans), as a result of security concerns, consular visas began to be required for many countries in 2002. Currently, they are required for citizens of Colombia, the Dominican Republic, Ecuador, Nicaragua and Peru, among a number of other countries (most of them in Africa, Asia, and the Middle East). Consular visas permit a stay of up to 30 days.

*New Migration Law.* In response to concerns over a number of issues – including the proliferation of “marriages of convenience” and the sustainability of the national health care insurance and social security system and migrants’ access thereto – in August 2009, the legislative assembly approved the new “Ley General No. 8764 de *Migración y Extranjería*” (General Law No. 8764 on Migration and Foreign Services) which was signed into law by then-President Oscar Arias and became effective on March 1, 2010.

The migration law of 2009, which was developed in consultation with the International Organization for Migration, replaced a 2005 law (Ley No. 8487 de *Migración y Extranjería*) and differs in several main respects. It places more emphasis on the human rights of migrants and their integration into Costa Rican society, extending greater protections to victims of trafficking. Additionally, it requires migrants to pay into the health care insurance and social security system, and establishes both tougher penalties for undocumented stays in the country, as well as prison terms of two to six years for migrant smugglers. The law also created a cabinet-level National Migration Council and an administrative migration tribunal, and contains provisions to professionalize the migration police force.

As under the previous law, there are four main migratory categories in Costa Rica: permanent residents, temporary residents, non-residents,<sup>53</sup> and “special categories”.<sup>54</sup>

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<sup>53</sup> Non-residents include 1) tourists (90 days); 2a) guests of the state, public or private institutions, or universities, 2b) business or travel agents or commercial delegates not receiving income in Costa Rica and whose work does not require in-country residence, 2c) reporters, cameramen and other media employees not receiving income in Costa Rica, and 2d) persons requiring specialized medical treatment in a known hospital center (one year); 3) foreign persons in transit; 4) foreign persons in cross-border transit, for a maximum of 48 hours; and 5) employees of international passenger and cargo transport companies. Non-residents (except for 2a, 2b, 2c and 5) are not authorized to work in Costa Rica.

<sup>54</sup> “Special categories” includes 1) cross-border workers; 2) temporary workers; 3) workers in specific occupations, business visitors, transferred employees, personnel assigned to after-sales services, and self-employed workers; 4)

Permanent residency is only available to foreigners via marriage to a Costa Rican citizen or to foreigners with a first-degree blood relationship to a Costa Rican – that is, a parent, a minor or disabled son or daughter or a minor or disabled sibling of a citizen. The law attempts to close a loophole by requiring foreigners who apply for residency through their Costa Rican spouses to prove that theirs is not a marriage of convenience; residency is provisional for the first three years, then permanent residency may be granted.

A residency card now costs US\$25, as does each renewal; non-residents and special categories pay \$5; costs are waived for minors, refugees and asylum seekers, elderly, disabled persons, trans-border workers and tourists. In terms of penalties for overstay, the law establishes a fine of US\$100 per month of undocumented stay in the country; those unable to pay the fine would be prohibited from entering the country for three times the length of the undocumented stay.

Previously, visas for cross-border workers, temporary workers and “specific occupations” were issued based on the recommendations of the Ministry of Labor and Social Security (MLSS); under the new law, the Migration Directorate has more autonomy and flexibility in determining who may receive a visa; it now also issues work permits for workers in specific occupations (including domestic servants) which were previously authorized by the Ministry of Labor. Whereas the Labor Ministry had limited the number of permits issued – in 2009, for example, the MLSS capped agricultural temporary workers at 8,650, and construction workers at 3,000 – the Migration Directorate is currently approving all permits for persons who comply with the legal requirements.<sup>55</sup> The duration of stay of cross-border, temporary workers, and “specific occupations” workers is at the discretion of the migration authorities.

Paths to legal permanent residency remain limited for migrants to Costa Rica. Temporary residency may now be more attainable, given the migration authorities’ intention to increase the

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students, researchers, teachers, and volunteers; 5) special guests of the state and witnesses in judicial or administrative proceedings; 6) artists, athletes, performers, prominent professionals and technical workers, and guests invited to take part in activities of import for the country; 7) refugees; 8) asylum-seekers; 9) stateless persons; 10) victims of human trafficking; 11) workers linked to specific projects and projects in the public interest; and 12) anyone else that the Directorate of Migration judges advisable for humanitarian reasons, according to international human rights agreements.

<sup>55</sup> *La Nación* (2010b)

number of work permits issued; however, as work permits are submitted by employers, regularization is dependent upon their participation. Employers may wish to avoid paying into the Social Security system as required by the law (although they do face fines for not registering their employees), and thus choose not to apply for work permits for their immigrant employees. Compounding this issue is the fact that many immigrants, particularly Nicaraguans, lack identity documents from their country of birth. The costs of obtaining these documents and of regularizing their migratory status are quite high, to say nothing of the time and necessary travel involved; in addition to paying US\$100 for each month of irregular stay, and other processing and document fees, migrants must make a guarantee deposit sufficient to pay for a ticket home to their country of origin. At this writing, the fees for irregular stays are not yet being imposed, to incentivize irregular migrants to regularize their situation in a timely fashion. If and when the fees are imposed, however, they will likely not only be difficult to collect (migrants who cannot or do not wish to pay will simply leave the country), but also, the penalty imposed by the law for those who cannot pay – expulsion from the country and prohibiting entry for a period three times as long as the undocumented stay – will be difficult to enforce, as the length of undocumented stay may be impossible to measure, and migrants will be likely to simply re-enter the country via irregular means.

## ***B. Argentina***

With a high level of human development (in Latin America, it is a close second to Chile in the United Nations Development Program's 2010 rankings),<sup>56</sup> and a comparatively more open immigration policy, Argentina has drawn an increasing number of migrants from Southern Cone countries, after its long history of attracting European migrants. In terms of sheer volume, Argentina is home to more immigrants than any other country in the region; in 2001, 1.5 million migrants lived there, comprising 4% of the population. A majority of these migrants – more than one million of them – were intraregional.

### **Historical Overview**

Argentina has been a country of large net immigration except for its years under dictatorship (1976-1983) and economic crisis (1999-2002). European immigration – mostly from Spain and

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<sup>56</sup> United Nations Development Program (2010)

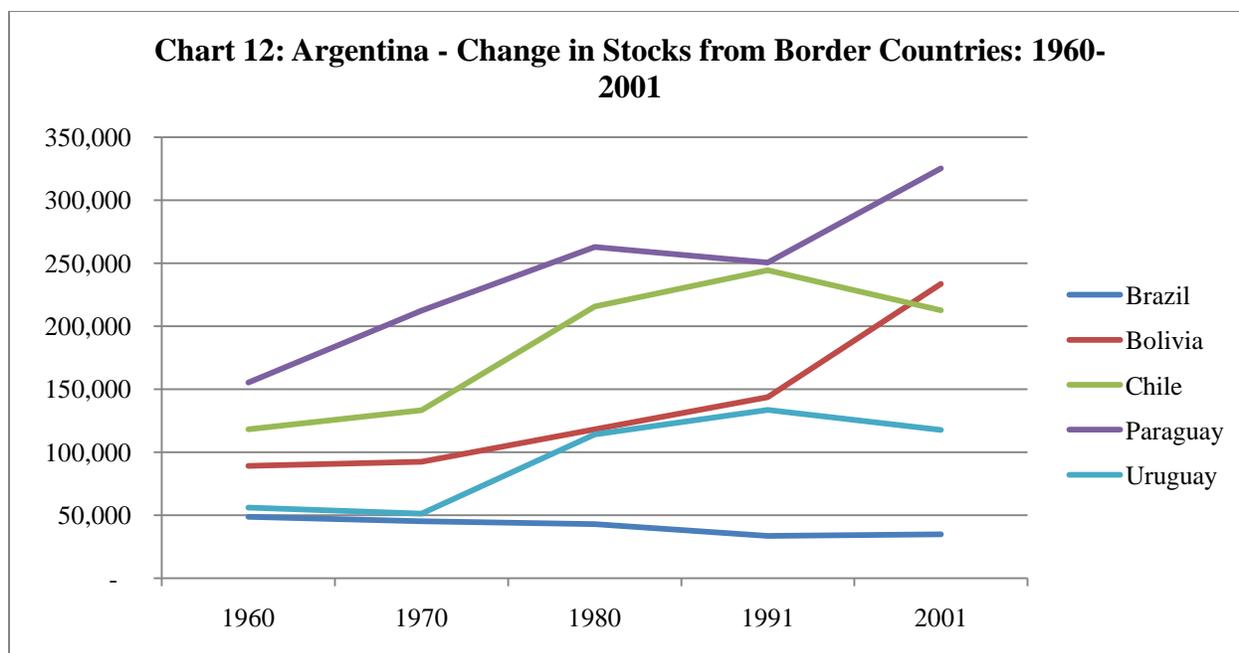
Italy, but with important flows from France, Germany, Poland and Russia – began in the mid-19<sup>th</sup> century and dominated until after World War II. These flows began to diminish in the post-war period as a result of economic growth in Europe, largely ending in the 1950s. In this decade the shift towards the influx of intraregional migrants began. Bolivians, Chileans and Paraguayans – mostly unskilled – came to Argentina to work in rural areas directly neighboring their home countries, in jobs being vacated by native Argentineans, who were moving to urban centers. Eventually, many of the foreign-born from Bolivia, Chile and Paraguay, along with those from Uruguay and Peru, made their way to the cities as well, gaining employment in domestic service, construction, and manufacturing.

In 2001, a majority of Argentina's stock of 1.5 million immigrants was born in a neighboring country, predominantly Bolivia and Paraguay (Chart 14). Intraregional flows from border countries clearly predominate: in 1970, the foreign-born from border countries (Bolivia, Brazil, Chile, Paraguay and Uruguay) represented only 24% of all migrants. This rate had a sharp increase to 52% in 1991. Chart 12 demonstrates the particular escalation of immigrant stocks from border countries into Argentina. Both Paraguayans and Bolivians more than doubled their presence in Argentina from 1960 to 2001 (to 320,00 and 240,000 respectively), while Uruguayan migration actually fell. Female migrants are heavily concentrated in domestic service, while male migrants tend to work in construction.<sup>57</sup> Figures from the country's national migration directorate and the consulates of Bolivia, Paraguay, and Peru indicate that in 2009, approximately one in 10 residents of Argentina was born in one of those three countries.<sup>58</sup>

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<sup>57</sup> National Population, Household and Housing Census, Argentina (2001).

<sup>58</sup> Ylarri (2009).



Source: Pacea and Curtis, 2008 and INDEC. Censo Nacional de Población, Hogares y Viviendas 1960-2001

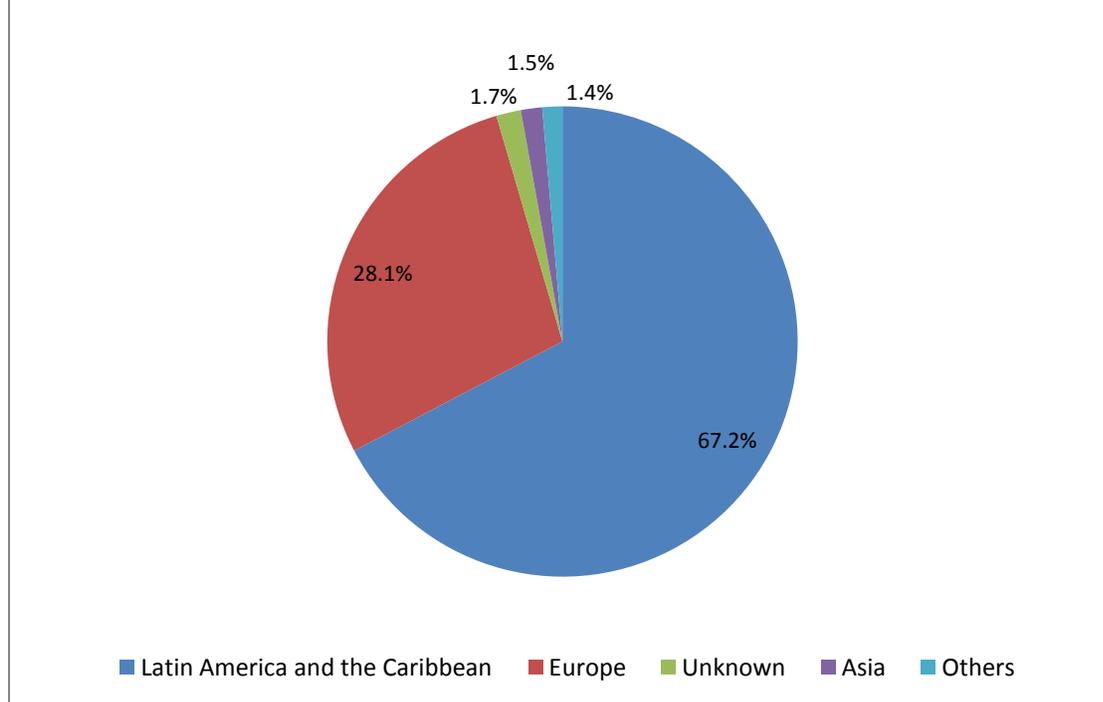
### **Current Trends: Argentina**

*Extraregional Emigration.* As of 2005, an estimated 800,000 Argentines lived outside their country of birth: 230,000 in Spain, and 144,000 in the United States, with significant numbers in Paraguay (62,000) and Chile (60,000), and another 86,000 living in Bolivia, Brazil or Uruguay.<sup>59</sup> Emigration from Argentina was not significant until the 1960s when outflows of high-income Argentines began; these movements increased during the 1976-1983 military dictatorship. After the return to democratic rule, Argentines – primarily middle or upper-class city-dwellers – continued to emigrate for economic and social reasons. Outflows continued during the 1990s, and the economic crisis of 1999-2002 gave impetus to an even greater exodus. In the post-economic crisis era, as the economy and political situation have stabilized, emigration has slowed and net migration is once again positive. The most important extra-regional sources of recent migrants in the last decade are China, South Korea, the United States, Russia, and the Ukraine.

*Growth of Interregional Border Migration.* Today, the majority of immigrants in Argentina – over 67% -- were born in Latin America, with European migration falling to 28%.

<sup>59</sup> International Organization for Migration (2008).

**Chart 13: Argentina: Percentage (%) of Immigrant Population by Region of Origin, 2001**



*Source:* Latin American Demographic Center, Economic Commission on Latin America and the Caribbean. Research Project on International Migration in Latin America and the Caribbean ("IMILA").

The most recent census shows that the majority of migrants come from Argentina's less-developed neighbors – Paraguay (21% of all migrants); Bolivia (15%); and, increasingly, Peru (6%), which does not share a border with Argentina. From 1981 to 1991, the stock of migrants from Bolivia, Chile, Paraguay, Peru and Uruguay grew; but from 1991 to 2001, while the stock of migrants from Paraguay, Bolivia and Peru continued to grow, those from Chile and Uruguay actually decreased. Immigration from Brazil, which decreased in the 1981-1991 period, also increased during 1991-2001 but continues to be relatively minor.<sup>60</sup>

The Argentine economy has rebounded relatively quickly from the global economic crisis and in 2011 was estimated to have one of the fastest GDP growth rates in the region (8.2%, CEPAL, July 2011). The official unemployment increased from an average of 7.9% in 2008 to

<sup>60</sup> International Organization for Migration (2008)

an average of 8.7% in 2009, then dropped back to 7.9% as of the second quarter of 2010. Rigorous analysis of the effect of the economic recession on migration to the country has not yet been undertaken, but official data shows that the number of residency applications dropped from 210,000 in 2007 to 134,000 in 2008<sup>61</sup> and increased again to 153,000 in 2009,<sup>62</sup> shadowing employment trends.

*Labor Markets Profile.* Although there is some diversity of occupations depending on the host region and country of origin, intraregional migrants in Argentina are relatively concentrated in certain sectors and occupations in the labor market. Despite higher education levels among intraregional migrants today than in earlier waves (1990s), occupational segregation in low-skilled jobs remains the norm. There is a high degree of concentration of male migrants in construction (23% of male migrants were occupied in this sector as compared to 9% of male natives) and of female migrants in domestic service (44% of female migrants were occupied in this sector as compared to 16% of female natives). Peruvian migration is also heavily female, and Peruvian immigrants appear to be considerably older and have higher education levels than other intraregional migrants. Peruvian women tend to work in domestic service, and men in construction and trade.

Paraguayan migration to Argentina, particularly to Buenos Aires, has an important female component; in 2001, 58% of migrants were female. In that year, the majority of Paraguayan immigrants – 87% of men and 85% of women – had not completed secondary school. It is difficult to extrapolate longer-term trends from the 2001 census data, as the country was undergoing a severe financial crisis and 36% of Paraguayans reported that they were looking for work; however, of the employed migrant population, 29% worked in domestic service. In a 2008-2009 survey of adult migrants in Argentina,<sup>63</sup> the percentage of those who had not completed secondary school was 66%, perhaps indicative of the increased education levels of Paraguayan migrant. This particular survey covered the greater metropolitan Buenos Aires area, and so the accounting for rural immigrants, of even lower education levels was highly limited.

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<sup>61</sup> This slowdown is most likely attributable to the need for migration authorities to process a backlog of applications generated by mass regularization programs begun in 2006, including “Patria Grande”.

<sup>62</sup> National Migration Directorate, Argentina (2010)

<sup>63</sup> National Population Directorate, Argentina (2010)

Men and women are equally represented in the Bolivian migrant population in Argentina. In 2001, a majority of both genders -- 77% of men and 80% of women -- had not completed secondary school. However, according to the 2008-2009 greater Buenos Aires survey of intraregional migrants in Argentina, this level had dropped to 53%; this may be an indication of the increased educational levels of Bolivian urban migrants (again, a trend in the Bolivian population in general) or more a function of the urban bias in the survey. Bolivians have a greater range of sectors of activity than Paraguayan migrants. In rural areas, the majority of Bolivians are agricultural workers; while in the greater Buenos Aires region, Bolivians find work in manufacturing, construction, services, and trade. In 2008-2009, 38% of Bolivian men surveyed worked in manufacturing, and 35% in construction; 51% of women worked in manufacturing, and 20% in domestic service.

Argentina, with the highest level of educational development in the region, has a highly-educated workforce and a large professional class, and thus unskilled immigrant labor from its less-developed neighbors is largely complementary to native labor. A large proportion of migrants from outside Latin America -- many of whom arrived from China, South Korea, Russia and the Ukraine over the last decade -- start up small businesses upon arrival, often employing family members or fellow compatriots in their firms.

### **Policy Framework: Argentina**

Throughout its history, Argentina has had a particularly open approach to migration, infused as part of its national identity. The key exception was during the years of military dictatorship when large-scale raids and expulsions of intraregional migrants were carried out. Today, it has some of the most open immigration policies of any country in the hemisphere, particularly with respect to the migration of other MERCOSUR nationals.

Argentina's 2004 migration law<sup>64</sup> was drafted on the basis of two major precepts: first, the duty of the state to protect and uphold the human rights of all foreigners in the national territory in accordance with international treaties, to ensure equal treatment with nationals and access to social services irrespective of migration status, to promote migrant integration into

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<sup>64</sup> Law 25.871

society and to guarantee the right to family reunification; and second, to situate the country's migration law within a regional (i.e. MERCOSUR) context.

In addition to this law, the instruments that protect and regulate migrants and migration in Argentina include laws on refugee protection and recognition and human trafficking. Additionally, the country has signed bilateral migration agreements with Bolivia, Brazil, Chile, Ecuador, Paraguay, Peru, Uruguay and Venezuela, as well as ratified several international treaties on migration, including the United Nations International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

As a member of the MERCOSUR trading bloc, Argentina signed on to the 2002 Agreement on residency for nationals of MERCOSUR countries, Bolivia and Chile, which allows nationals of any of the signing countries residency in any of the others, by presenting national identity and registry documents to the consul in the country of origin, or to the migration authorities in the country of destination.

The general policy framework of the 2004 migration law paved the way for the regularization of undocumented migrants in Argentina, both nationals of MERCOSUR and those from outside the bloc, via the National Program for Migratory Document Normalization. Prior to the regularization effort, Argentina was home to hundreds of thousands of undocumented migrants. As a result of the "Patria Grande" regularization program for MERCOSUR nationals, from April 2006 to August 2010, included 98,000 permanent residencies and 126,000 temporary residencies granted, with an additional 188,000 migrants who registered but failed to complete the documentation process.<sup>65</sup>

Although the other members of the trade bloc have signed the 2002 agreement on residency and labor rights for citizens of MERCOSUR, Bolivia and Chile,<sup>66</sup> the remaining countries are at varying stages in the process of modifying national migration laws to align with the regional framework. Notably, under Brazil's temporary residency program – which began in October 2009 – MERCOSUR, Bolivian and Chilean citizens benefit from a simplified application process, which they may complete while already in Brazil. If accepted, they and their

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<sup>65</sup> National Migration Directorate, Argentina (2010)

<sup>66</sup> Acuerdo sobre residencia para los nacionales de los países del MERCOSUR, Bolivia y Chile. December 6, 2002.

legal dependents of any nationality receive two-year temporary residency status and are eligible to work for any employer in Brazil, and after two years, they are eligible for permanent residency. Brazil also extended an amnesty to irregular migrants in 2009.

Overall however, Argentina – as the principal magnet for intraregional migrants in the subregion – has advanced comparatively more than its partners MERCOSUR in terms of implementing mechanisms for free movement of people, and enshrining in law the equal access of migrants to social services, irrespective of migration status.

#### **IV. CONCLUDING REMARKS**

The dominance of international headlines on migration to the United States and Europe has removed the spotlight from more fundamental shifts in how both extraregional and intraregional are reshaping labor markets in Latin America and the Caribbean. Not only is data collection and research limited, but policy frameworks are advancing in different directions at different paces in the Caribbean and subregions of Latin America. This study, as so many others, was constrained by the lack of systematic, up-to-date and regionally comparable data of who migrates where and what work do they do. This data is more systematically maintained for OECD countries, that also face many policy disconnects. Analysts in the region are instead reduced to piecing together bits of national data, in between inadequate census data collection every ten years, to understand a rapidly changing labor market influenced by intraregional migration. The Sistema Continuo de Reportes de Migración Internacional en las Americas (SICREMI) regional migration data project launched by the Organization of American States (OAS) released its first report in July of 2011.<sup>67</sup> While migration officials expect that the 2010 census rounds, to be released over the next year or two, will confirm an increase in intraregional migration, these figures will still underestimate flows with limited information on its human capital characteristics.

Even with better data, the brief review of the policy frameworks for intraregional migration in this technical note show an assortment of openings, restrictions, policy contradictions, and distinct approaches. The rights of Latin American workers and their access to

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<sup>67</sup> *Sistema Continuo de Reportes de Migración Internacional en las Américas*. Organization of American States, Washington, DC, July 2011.

basic social services such as schools, hospitals, and training is very haphazard, often relying on the good will of local officials to “look the other way” rather than a regional framework or even national laws which guarantee basic labor and social rights to Latin American and Caribbean workers.

As Latin America and the Caribbean looks to position itself for its future in a more globally competitive world, it must begin to recognize that its strength lies in a more competitive regional labor market that draws on the advantages of intraregional labor and seeks “win-win” advances in extra regional migration. In the absence of policy advances, workers and firms are adjusting – highly imperfectly – via increased labor outflows and inflows as well as through the financial flows of remittances. While more and more countries in the region have become both sending *and* receiving countries, policy frameworks are often stuck in addressing outflows or inflows but seldom both. The region’s workers are, in short, moving in the absence of a regional policy framework. Policymakers in Latin America are only beginning to think in a cross-border fashion about human resource development and recruitment in a way that benefits both sending and receiving countries. National growth strategies – even of the region’s top performers – often do not fully consider and develop the low-skilled labor force which is increasingly non-national. Labor migration – long relegated to a “bilateral” issue – must be seen for its more transversal and integrative role in human capital development and economic development if the region is to take on the emerging market economies around the world, be it, India, China, Eastern Europe or Southeast Asia.

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