

Chapter 3

Latin America and the Caribbean

This chapter looks at recent migration flows and diasporas from Latin America and the Caribbean countries to the OECD area. It shows that in 2010 almost 900 000 new migrants from the region settled in OECD countries, accounting for about 17% of total immigration flows. In 2005/06 there were 14 million emigrants (almost 25 million when including Mexico and Chile), 15 years old or older, from the region in OECD countries, of which 53% were women and 24% held a tertiary diploma. Total emigration rate for those over 15 years of age reached 4.4% for the region as a whole. The emigration rate for the highly educated was close to 11%. Future challenges refer notably to integration of immigrants and their children in destination countries as well as to the mobilisation of the diaspora to support economic development in origin countries.

This chapter also contains 22 country notes for Argentina, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay and Venezuela.

1. Historical migration patterns

Latin America and the Caribbean is a region¹ characterised by profound changes in mobility and migration. After a period of welcoming migrants, like the whole of the American continent, it has become essentially a region of emigration over the last half-century. Political problems, dictatorships, armed conflicts and deep instability in many countries throughout that period have all contributed to massive migration flows. This trend has been reinforced by strong population growth in almost all countries in the area, combined with endemic poverty and chronic underemployment. Recent years apart, its unfavourable socioeconomic situation and proximity to the epicentre of the globalisation process have made this the region with the most pronounced South-North migration flows (Escobar Latapi, 2010).

Looking more closely at the recent period, the years following the “lost decade” of the 1980s have seen crucial changes in the circumstances that shape migration trends. From 1990 to 1999, weak economic growth was unable to reduce the high unemployment rate (10% overall), and almost half of the population lived in poverty. The immediate pre- and post-millennium years saw a general deterioration in the situation and, in some cases, the onset of an acute crisis: unemployment climbed to over 15% in several countries, where recession took hold and wages collapsed. Finally, the recovery began to gather pace from 2003, but at a different rate and with different results from country to country. Economic growth varied from 5% to 10%, first in Argentina, Cuba, Panama and Uruguay, then in Brazil, Chile and Colombia, and lastly (to a lesser extent) in Mexico (Koolhaas *et al.*, 2010). Unemployment fell significantly and some countries neared full employment, while shortages of qualified workers were felt here and there. The crisis of 2008 had little fundamental effect on this situation, and the region enjoyed a quick recovery. But debt levels in the major OECD countries and the European slowdown from the beginning of the decade, combined with uncertainties over the course of the financial situation in North America, began to affect the emerging economies, notably Brazil.

Intra-regional migration, traditionally quite modest compared with other regions of the world (South Asia and Africa), has risen significantly over the past two decades. Local migration flows more usually concern emigration countries such as Nicaragua and El Salvador to Costa Rica (and Mexico); Colombia to Venezuela and Ecuador; Ecuador and Peru to Chile; Paraguay and Bolivia to Argentina and Brazil. However, these bilateral cross-border migration trends are becoming more complex. Recent low-skilled migrants are now sometimes travelling much farther, while professionals and students are no longer heading to Europe or the United States as they increasingly choose to move to emerging countries in the region (Meyer, 2010).

These recent developments have a very clear impact on migration dynamics. Aspects of the new forms of migration include returns to the home country, more highly diversified destinations, social transformations in migrant populations, the growth of associations and the proliferation of cross-border networks.

Initial findings based on survey data and limited statistical observations do help to illustrate these trends (Luchilo, 2011; Hernandez *et al.*, 2011). They show, *inter alia*, an increase in the skill levels of migrant populations and the feminisation and multi-polarisation of Latin American migrants. Some of these findings are confirmed by the data included in the present publication. Their presentation and analysis can help shape new public and institutional policies to better address these emerging challenges.

2. Current profiles of emigrant populations

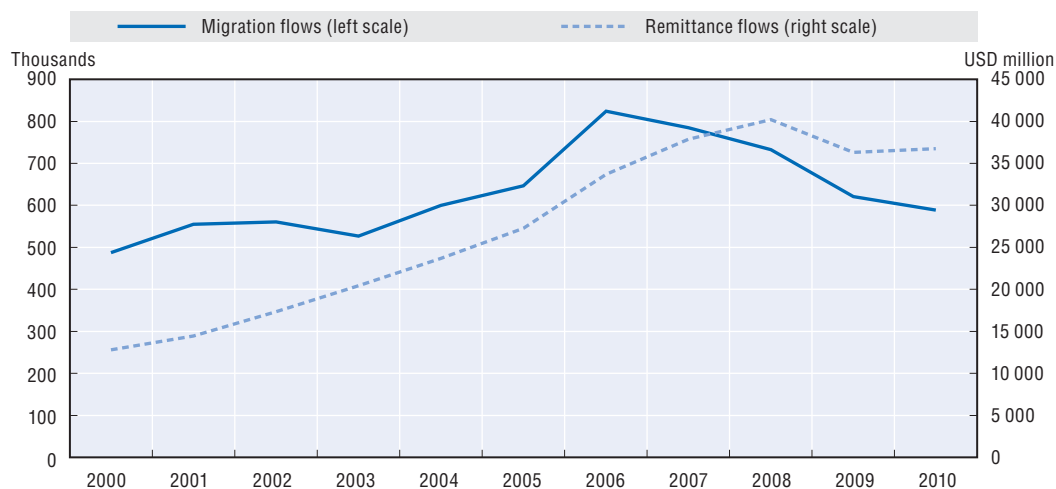
Flows and stocks

In 2005/06, the Latin American and Caribbean migrant population aged 15 and over in the OECD area countries totalled 14 million (almost 25 million when including Mexico and Chile) (Figure 3.2). This represents one-eighth of the world's migrants to the OECD area, a proportion equivalent to the region's demographic weight in the world population. If the figures for intra-regional and non-OECD migration – non-negligible (15% in 2000) and recently on the rise – were included, the stock of migrants would be significantly larger.


Latin America clearly continues to be a region of intense mobility despite a slight slowdown in flows that predated the onset of the financial crisis. After peaking at almost 800 000 Latin American migrants to the OECD area in 2006, the number fell to 588 000 in 2010, a level equivalent to that of 2004 (Figure 3.1). And these figures include only declared migrants, which excludes those who migrate illegally or who stay as illegal immigrants in the host countries (estimated at 30% for Mexican and Central American migrants in the United States) (Escobar Latapi, 2010).

Remittances grew significantly throughout the decade, tripling to a peak in 2008 at USD 40 billion and remaining very high during the crisis, despite a decline in 2010 to USD 36 billion. A recovery in remittances was noted in most countries from mid-2010. The main recipient countries are Brazil, Colombia and Guatemala, which each recorded over USD 4 billion in 2010.

Figure 3.1. **Migrant flows from Latin America and the Caribbean to OECD countries and remittance flows, 2000-10**

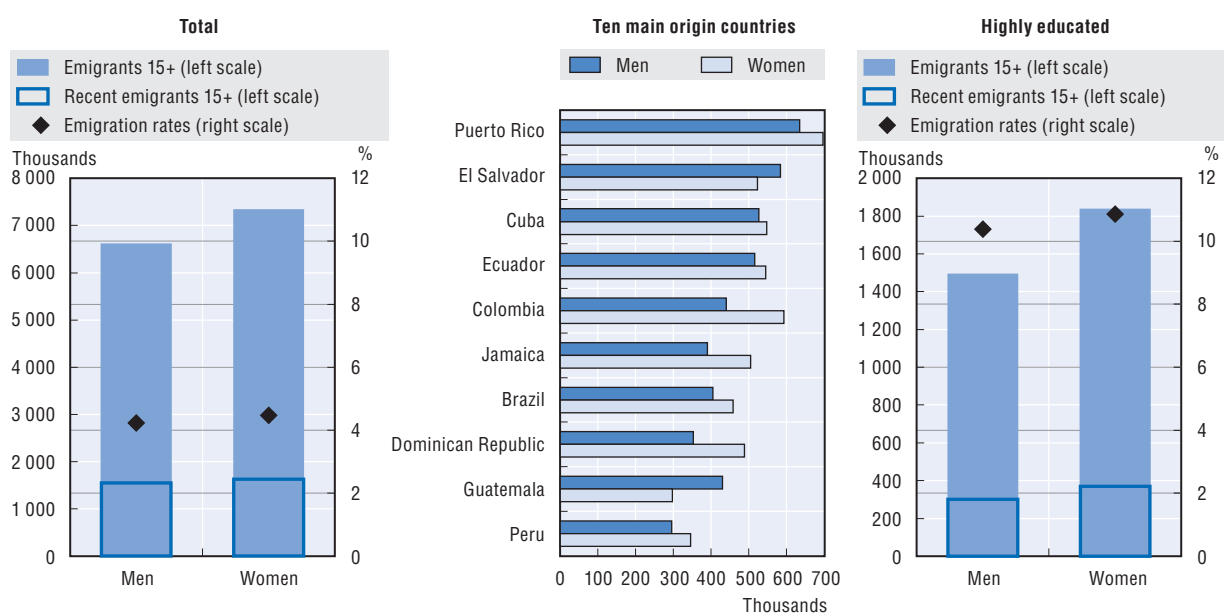


Source: OECD International Migration Database; World Bank.

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Migrant numbers differ considerably, depending on the country. Mexico leads the way with some 11 million migrants in 2005/06.² This is at least ten times the levels recorded by the other main emigration countries, such as Puerto Rico, El Salvador, Cuba, Ecuador and Colombia (Figure 3.2). Regional demographic giant Brazil ranks only seventh on the list, among incomparably smaller countries such as Jamaica, the Dominican Republic and Guatemala. Countries whose expatriate populations grew the most are the Andean nations of Ecuador and Bolivia and, in the Southern Cone, Argentina, Paraguay and Uruguay, which almost doubled the size of their diasporas between 2000 and 2005. This sudden surge can be explained by domestic economic problems at the beginning of the decade, and the moderate level of migration to the OECD area in the years immediately before.

Figure 3.2. **Total and highly educated emigrant population aged 15 and over from Latin America and the Caribbean in the OECD area, 2005/06**

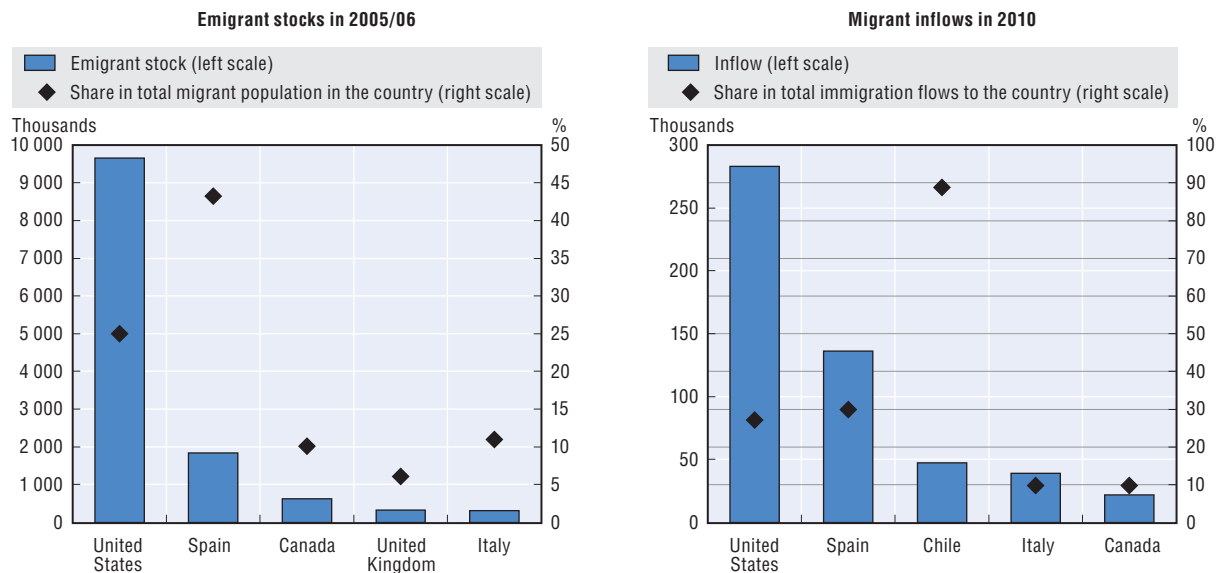


Source: Database on Immigrants in OECD Countries (DIOC 2005/06).

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Over the period in question, new destinations – Spain in particular – emerged as magnets in a context of strong migration growth (Figure 3.3). In 2000 the United States attracted 75% of all migrants from Latin America and the Caribbean, the other OECD countries and those outside the area accounting for only 13% each (OECD, 2010). Spain, which took in only 4.5% of all Latin American migrants to the OECD countries in 2000, admitted nearly 20% five years later. Figures for Canada over the same period progressed from 3.5% to 6.4%. While the United States remains the top host country for most migrants from the region, nationals from Argentina, Bolivia, Ecuador, Paraguay and Uruguay opted for Spain as their destination of choice. In any event, the appeal of the United States is less overriding than in the past. Competitors are emerging on the American continent and elsewhere, and flows are becoming more diversified. While Spain's current economic difficulties and the resultant slowdown of immigration are changing the situation, recent flows are not all turning back to the United States.

Figure 3.3. **Emigrant populations and migrant flows from Latin America and the Caribbean to the five main destinations within the OECD area, population aged 15 and over**



Source: Database on Immigrants in OECD Countries (DIOC 2005/06); OECD International Migration Database.

StatLink <http://dx.doi.org/10.1787/888932672004>

Characteristics of emigrant populations

The 25-64 age group accounts for three-quarters of all migrants (Table 3.1). On average, one-third of migrants from Latin America and the Caribbean are highly skilled. Educational attainment is usually low for Bolivia, Peru and Colombia but high for other countries, particularly Argentina and Uruguay.

Table 3.1. **Characteristics of migrants from Latin America and the Caribbean in the OECD area, by gender, 2005/06**

	Regional averages (unweighted)			Regional total (weighted)		
	Men	Women	Total	Men	Women	Total
15-24	13.6	12.5	13.0	14.4	12.3	13.3
25-64	74.4	74.5	74.4	76.5	75.5	76.0
65+	12.3	13.3	12.8	9.1	12.3	10.8
Low-educated	27.9	26.7	27.2	35.5	33.2	34.3
Highly educated	28.7	29.8	29.8	22.8	25.3	24.1
Total emigration rates	16.7	18.0	17.4	4.2	4.5	4.4
Emigration rates of the highly educated	26.9	27.1	26.9	10.4	10.9	10.6

Source: Database on Immigrants in OECD Countries (DIOC 2005/06).

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There are some surprises in student migration from Latin America. The English-speaking countries are noticeably losing their influence. Between 2004 and 2009, the number of Latin American students choosing to pursue higher education in the United States dropped by 10%, while the percentage of those travelling to the United Kingdom remained stable. At the same time, the attractiveness of Canada rose by 32%, France by 51% and Spain by 440%. The case of Spain merits close scrutiny. Between 2004 and 2008, immigration increased at a faster

rate than in the other two countries, but in a similar proportion. Between 2008 and 2009 there was an abrupt change, with a massive influx of Latin American students to Spain. This remarkable growth can be explained by demand for higher education in the countries of origin far outstripping domestic supply, as well as by the introduction of targeted measures, particularly in Europe, to tap this pool of student talent. Australia, Germany and Chile also emerge as host countries. Mexico remains surprisingly absent, while the other major countries of education in the region (Argentina and especially Brazil) are also attracting increasing numbers of students.


Overall, just under one-tenth of Latin American migrants in OECD countries were unemployed in 2005/06, with a slightly higher jobless rate for women than for men (Table 3.2). Among the highly skilled population (more active and with a higher employment rate than the group as a whole), participation in the labour market is markedly higher for men than for women (a difference of almost 10 percentage points) and unemployment lower by two points. While senior managers and highly skilled workers are mostly men, women are overrepresented in the education sector, office and retail jobs, and occupations classified as elementary (*i.e.* unskilled).

From the beginning to the middle of the decade, the imbalance between migrants' skills and job opportunities in the host countries increased. The percentage of higher education graduates working in medium or low-skilled jobs rose for most Latin American migrant groups. That proportion exceeded 60% for migrants from Bolivia, Ecuador, Guatemala and Honduras. Less than 40% of skilled migrants from Argentina, Jamaica, Venezuela and Panama fell into this category. Nevertheless, the general skills wastage increased. This skills-to-jobs imbalance shows that while migrants with qualifications find employment more easily, their qualifications are often devalued in the process.

Table 3.2. Labour market characteristics of migrants from Latin America and the Caribbean in the OECD area, by gender, 2005/06

	Regional averages (unweighted)			Regional total (weighted)		
	Men	Women	Total	Men	Women	Total
Employment rate (%)	78.8	67.7	73.1	73.5	57.2	64.9
Unemployment rate (%)	9.2	10.1	9.5	7.6	10.1	8.8
Participation rate (%)	86.6	74.8	80.3	79.6	63.7	71.2
Total employed (thousands)	4 672	4 059	8 730			
Employment rate of the highly educated (%)	88.4	77.9	82.6	81.9	69.9	75.3
Unemployment rate of the highly educated (%)	5.0	6.2	5.6	5.4	7.5	6.5
Participation rate of the highly educated (%)	93.0	83.0	87.5	86.6	75.5	80.5
Highly educated employed (thousands)	1 196	1 261	2 457			
Persons with tertiary degrees in low- or medium-skilled jobs (%)	46.1	44.0	45.0	49.0	46.7	47.8

Source: Database on Immigrants in OECD Countries (DIOC 2005/06).

StatLink  <http://dx.doi.org/10.1787/888932675044>

Emigration rates and the “brain drain”

Between 2000 and 2005/06, the overall migration rate and the proportion of higher education graduates both progressed, but the latter to a significantly greater extent. In other words, the proportion of skilled migrants rose considerably during the first half of the 2000s. This occurred at the same time as an impressive increase in the number of graduates in the source countries as a result of the expansion of higher education over the past two decades.

This increase surpassed even recent forecasts, which aimed to compensate for the lack of updated quantitative data. Trends from 1990 to 2000 had been projected into the mid-2000s to estimate the scale of the brain drain (Lozano and Gandini, 2009). According to these forecasts, the average rate per country was to increase by only 0.07 points, with rates even falling in almost half of the source countries thanks to their growing number of graduates. But in fact the rate rose by an average of 2.5 points, with increases in almost all countries. It stands today at 10.6% for the region as a whole, but with considerable disparities.

A small group of five Caribbean islands register expatriation rates in excess of 50%. The rates for five other small countries in Central America and the Caribbean range between 20% and 50%. The countries of the Andean region and Central America have rates of 10% to 20%. Lastly, Brazil is noted as having a much lower rate (below or equal to 3%), although this is rising significantly. Clear trends can be identified in those countries with a propensity towards migration: geographical isolation, low critical mass and limited economic development (Dumont *et al.*, 2010). The variations between 2000 and 2005 show that migration grew fastest in small countries: Guatemala, El Salvador, Uruguay and Paraguay. Their exposure to migratory dynamics is probably magnified by their relative dependence on the outside world.

3. Future trends and challenges

Migration conditions are being profoundly affected by economic difficulties in the OECD countries and the dynamism of the Latin American countries. However, most countries had already witnessed a downturn in their migration flows before the crisis took hold in 2008. Indeed, most of them recorded peaks in emigration rates in 2006. Rates in Honduras, Haiti, Peru and Paraguay reached their highest levels in 2007, followed by Ecuador and Mexico a year later, before declining in subsequent years. As a result, it seems that migration from the region entered a new phase in the second half of the 2000s as a result of several factors: economic reversals in the host and source countries, increasingly restrictive policies in the former, and shifting migration patterns in the latter. The drastic fall in migration to Spain is a result of the country's worsening labour market. Initial data and anecdotal evidence point towards this reversal in the trend: after the huge wave of migration to Spain in the first half of the decade, more and more expatriates are now returning home, and some of the Iberian peninsula's native-born population are even starting to leave to find new Eldorados in the emerging countries of the region. Nevertheless, a complete and rapid turnaround in migration flows seems unlikely, even if the economic situation, particularly in Europe, indicates that the need for foreign labour will remain limited in the near and medium term.

For the coming period of instability, the view of migration being restricted to the North-South axis no longer holds true. Increased regional movement does, however, look far more likely. Also, it is inconceivable that Europe will be deserted following the many cross-border networks that have been built up on the continent over the past 20 years. Moreover, the resilience of remittances in spite of the crisis is a sign of the permanence of ties, the interdependence of the source and host regions, and the lasting settlement of people in connected locations. This tangible link between migration – or mobility – and development raises new policy challenges. In a multi-polar world, it is no longer a matter of one-way co-operation along fixed and unchanging asymmetric lines (Khadria and Meyer, 2011).

Since the 1990s, Latin America has shown the way for promising and creative diaspora networks. The region is now striving to better understand and monitor on a daily basis the complex migration patterns it is undergoing and that are affecting it. The MICAL Observatory of the International Migration of Latin American diasporas and professionals aims to inform the decisions that need to be taken in this field by all concerned stakeholders, from migrants to governments by way of associations. This knowledge is vital to action. It supplies inputs for the co-operation networks that diaspora incubators provide with instruments and mechanisms to further their construction and their work.³ Such initiatives are important for strengthening cultural and business links. This is at least one of the lessons to be learned from the experience of Latin American migration to the OECD countries.

Notes

1. The Latin America and the Caribbean region does not include OECD countries, i.e. Mexico and Chile.
2. Mexico is not covered in this chapter as it is included in Chapter 4 on OECD countries.
3. CIDESAL (Création d'Incubateurs des Diasporas du Savoir pour l'Amérique Latine) and MICAL (Migration of Knowledge Workers of Latin America), supported by the EuropeAid programme (European Commission), www.observatoriodiasporas.com.

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