

MIGRATION FROM LATIN AMERICA AND THE CARIBBEAN TO THE UNITED STATES: POLICY OPTIONS

INTRODUCTION

Migration from Latin America and the Caribbean to the United States has grown steadily over the past forty years. Total numbers of migrants have doubled from 1990 to 2015, amounting to over 40 million people (Exhibit 1 and 2). These migration flows respond to global demands for foreign labor, in large part low skilled. They also respond to political challenges related to state fragility.

There are more than 80 million transnational households, forty million migrants (in the U.S., Spain, Canada and elsewhere in the Latin America and Caribbean region) and the other half of families of migrants living in Latin America and the Caribbean. These connections impact and benefit both home and host countries' economies. Among the many impacts of migration, the most well-known are remittances, which in 2016 represented US\$70 billion dollars to the region.

THE CHALLENGES FACING MIGRANTS

Many of the forty million plus migrants, three quarters of which are in the US, are facing a number of hurdles. Post 2009, emigration has increasingly been driven by state fragility, lack of economic opportunities and demands for low skilled foreign labor. Today, Central American countries, Cuba, Haiti, and Venezuela are leading in terms of large waves of emigration to the United States.

There are at least 200,000 migrants entering the United States annually without authorization, mostly from Central America. In addition, since the late 2000s over 150,000 unaccompanied minors from Central America have entered the U.S. annually, and many have applied for asylum. The key determinants of adult and child outmigration are low economic development, violence and insecurity in many forms. The latter is shaped by drug trafficking, state violence, and/or the presence of illegal organizations preying on people. To a large extent, Central American outmigration represents one of the major migration crises in the world (see Exhibit 4).

Cuban migration has also increased over the past five years. Since the Obama administration's policy changes regarding Cuba went into place, a large new wave of Cubans have left the island through Ecuador and traveled by land all the way to the Mexican border in order to claim the dry foot policy. More than 50,000 Cubans arrived in the United States in 2016, with more than half entering through the Mexican border. Though the policy ended, many Cubans are stranded in Latin America and others want to continue to move north.

In the case of Haiti, since the earthquake and the severe deterioration of the country's economic and political stability, thousands of Haitians have chosen to migrate. Many Haitian migrants were already abroad in countries like Brazil, and opted to move north as the economy slowed. This movement caused tensions in and among countries where they were trying to cross, including Colombia, Panama, Costa Rica, Nicaragua, and of course Mexico.

A similar situation is being faced by Venezuelan migrants, where a deteriorating economic and political landscape has caused the number of Venezuelans living abroad to triple from less than a million to two million. Most of them are currently living in the United States.

In addition to leaving their countries amidst political and economic hardship, the vast majority of these migrants face additional challenges in terms of their legal status in the United States. Some are facing enforcement through apprehensions. Others, who applied for political asylum, are facing denials. The majority are not receiving relief from immigration courts, which are denying applications for asylum.

Overall, migrants are facing legal, economic and social hurdles. Without the possibility of improving their economic situation, achieving legal status or reuniting with their families, their conditions will deteriorate.

Moreover, the Trump administration has promised to build a wall, reduce migration, expedite the return of those applying for asylum, end temporary protected status, and even introduce a tax on remittances.

President Trump's stance already contains instructions to end asylum relief, authorization to extend deportations not only of criminal aliens, and issued an executive order to withhold federal funds and grants from sanctuary cities. The administration's messages and policies represent a tougher stance against migration than his predecessors.

This will further reduce the economic benefits of remittances for already fragile states in the region. These realities highlight the need to prioritize legal migration and economic development. The following presents a brief outline for how these goals can be accomplished.

A VIEW FROM THE AMERICAS: REFORM, RECRUITMENT, RELIEF, RETENTION AND RETURN

How can the Western Hemisphere address international migration in the current context? Will the Trump administration move towards immigration reform while also tightening its border enforcement approach? Given the uncertain environment, would a deal be possible? What are the long-term effects of this continued migration pattern? Is it possible to implement or expand guest worker programs? Should an approach to skilled labor migration be considered? Can a humanitarian approach to the region's challenges bring asylum relief to the more than 100,000 minors who currently have applications pending? How can countries strengthen development policies connected to migration?

International migration, mostly to the United States, is central to economic growth and global integration of Latin America and the Caribbean. After all, more than 40 million households with migrants abroad support more than one third of all households in Central America and the Caribbean; and one quarter of many households in South American countries like Colombia, Ecuador, Bolivia, Paraguay, and more recently, Venezuela. The case of Venezuela has become dramatic in the past few years, with over 2 million Venezuelans living abroad out of a country of 30 million people.

One way to look for solutions is to consider a comprehensive approach to migration through recruitment, retention, return, relief and reform. These are five independent but related strategies to deal with the prevailing challenges of migration. The idea would be to discuss more specifics about policy solutions in this regard.

Reform

The debate about immigration reform has predominantly focused on a two tiered context; one, providing a legal path to US citizenship, and two, enforcing migration laws by strengthening the border and reducing employees without authorization to work in the US. President Trump proposed the possibility of immigration reform for the more than 10 million migrants without legal status in the United States. This

debate is more relevant than ever, both for the condition of these migrants as well as for the needs of the US economy. Several proposals have come to US Congressional attention. However, the consensus among Democrats and Republicans is to offer a form of legal status to these migrants on the basis of their years in the US, their tax contribution, and paying some form of penalty, among other elements.

To the US Congress what is in question is how many people to legalize and who among those should benefit from such a reform. As a start, the political debate should center along these lines.

Recruitment

The United States and other migrant host countries in Latin America (Argentina, Costa Rica, Chile, Dominican Republic), in Europe (Spain, Italy), and Asia (Japan) show a demand for foreign labor, both high skilled and low skilled. Regarding low skilled labor, guest worker programs or temporary permits can offer important solutions to prevailing challenges.

In the U.S. context, temporary worker visas (plus NAFTA visas) amount to less than 6% of all non-immigrant visas. In total, the H visa category amounts to 533,000 visas. However, with an annual increase of 0.2% in our labor force of 170 million people, there is a substantive need to replenish labor through migration.

A win-win approach would be to expand H2B visas as a means to address the demand for low skilled labor. Currently most low-skilled migrant workers are already crossing the border without papers, in an insecure and unauthorized manner. About three quarters of undocumented migrants that cross the border from Mexico and Central America work in three predominant occupations: domestic work, construction and hospitality. Those workers could benefit from a guest worker program under H2B as a means to realistically integrate them and ease labor pressures in the US market.

Relief

Parallel to labor migration are people escaping regional violence in Central America. In fact, there are more than 100,000 asylum applications from unaccompanied minors coming from Central America alone. Their claims for asylum need a fair hearing and due process. Currently, a large number of these applications are denied; in fact, only 5% are adjudicated for asylum.

Many people (over 50%) apply for legal status without legal representation and face immediate deportation once denied. Their claims are coming from some of the most dangerous places in the world where more than 350,000 attempts to enter the US occurred in 2016. The problems asylum seekers face are not limited to due process and lack of legal counsel, but also relate to their social and psychological needs. In order to deal with these issues, it is important to provide greater weight to asylum claims, clarify the claims for asylum, improve the training of judges, improve legal counsel, and provide better information about regional insecurity.

Retention and Return

Migration policy includes addressing root causes. In practical terms, it is about retaining the labor force by offering better opportunities at home to those who might otherwise consider migration. It is also about offering a favorable environment to those migrants who return. The approach needs to be different from previous interventions because despite the fact that many development strategies have been implemented to date, they have not yielded the desired result and migration has not gone down. Central America shows the lowest productivity levels in the world largely because its labor force is informal, underpaid, unskilled and uneducated.

A focus on people is essential. It is important to deal with social inclusion, economic transformation, transnational engagement and tackling disruptors as means to increase development. Some tools or methods to do this include:

- *Integrate migration and development to create a new production marketplace associated with the knowledge economy: formalize savings among remittance recipients, mobilize those savings into credit for knowledge economy entrepreneurs, partner with diaspora groups on small scale, implement local development initiatives on strengthening human capital, and offer after-school education programs;*
- *Expand investment in local markets to spur expenditures and create jobs;*
- *Strengthen entrepreneurship by integrating entrepreneurs into value chains and honing their skills to work in non-saturated markets;*
- *Reduce paperwork, red tape, and other bureaucratic barriers to entry;*
- *Support vocational schools in order to narrow the gap between supply and demand of skilled labor in the global economy;*
- *Provide financial access to people, including creating a knowledge economy marketplace;*
- *Increase school retention by expanding hours and curricula;*
- *Think innovation, not solely access to technology*
- *Rethink the prevailing security approach and consider transitional justice as solution.*

A POSITIVE OUTCOME FROM A DIFFICULT SPACE: INTEGRATING MIGRATION AND DEVELOPMENT

The Dialogue has proposed an innovative strategy for development in Honduras, Guatemala, and El Salvador by integrating migration, remittances, savings and education. The approach links migration and development through five unique and innovative components:

- *Financial education for remittance recipients;*
- *Access to credit for small enterprises—especially those in the knowledge economy;*
- *Promotion of diaspora-driven trade opportunities (the so-called “nostalgia trade”);*
- *Diaspora funding of education using remittance platforms;*
- *After-school programs in areas of high emigration.*

Though independent, these strategies share a common linkage with migration and remittances, complementing one another in terms of asset building. Financial education-and the financial inclusion it provides-is a relevant goal in itself; however, the resources from the financial education program, namely savings stocks, are to be further leveraged in order to promote investment in the knowledge economy. Diaspora demand for home-country products can be leveraged to help promote production of high-quality, specialized exports. Moreover, the diaspora philanthropy can be closely linked to educational services such as the after-school programs for youth in areas of high emigration. The objective is to have a critical mass of people mobilizing savings, investing in education, and contributing to human and economic development as each country transitions to a more knowledge-based economy.

This approach is fundamentally important because it addresses various strategic needs. First, it integrates migrant capital investment and savings from remittances into the financial sector, further mobilizing these resources for local development in education and skill formation. Second, this strategy

expands and complements—that is, does not replace—existing approaches to economic growth, and creates a new model for much-needed investments in services for the global economy. Making investments in savings and education as a business strategy will lead to an expansion of opportunities to work and compete in the knowledge economy. In turn, the approach increases resources available and possibilities for greater economic complexity in the region.

Moreover, the vast majority of those who return do so through annual deportations nearing one hundred thousand. Those deported are people who have lived more than five years in the US, whose habits and realities have changed and are different to life in the region. The solutions to those returned should be commensurable to their needs.

In summary, we should promote positive outcomes from the challenges, uncertainties, and risks that are currently overshadowing the important contributions that migrants make in the global sphere.

FACTS ON LATIN AMERICAN MIGRATION

Exhibit 1: Latin American Migration by Region of Origin

Region	1990	2000	2010	2015
Caribbean	4,721,455	8,046,533	7,537,400	10,611,791
Central America	7,595,230	11,941,317	16,797,728	16,415,990
South America	4,443,151	5,481,819	11,048,600	10,093,359
North America	2,898,717	2,470,850	4,004,502	4,245,832
Americas Total	19,660,543	27,942,519	39,390,240	41,368,987

Source: UNDESA

Exhibit 2: Destination of Migrants from Latin America and the Caribbean, 2013

	Caribbean	South America	Mexico & Central America	Latin America and the Caribbean	Global share
World	7,711,229	11,556,863	17,447,187	36,715,279	
North America (U.S./Canada)	6,176,383	3,266,858	16,491,637	25,934,878	71%
Latin America & Caribbean	736,843	3,030,218	689,399	4,456,460	12%
Western Europe	689,742	3,517,775	226,254	4,433,771	12%
East Asia & Pacific	36,221	1,621,314	28,931	1,686,466	5%
Middle East & North Africa	112	65,635	3,899	69,646	1%
South Asia	24,711	22,473	1,946	49,130	
Other Europe	7,790	22,192	4,629	34,611	
Other	27,409	2,558	7	29,974	
Sub-Saharan Africa	11,992	7,826	477	20,295	

Source: UNDESA

Exhibit 3: Remittances and Transactions to Latin America and the Caribbean (2015)

Country	Volume in 2015 (US \$ Millions)	Share of LAC Total Volume	Incoming Transactions –Worldwide	Incoming Transactions –U.S. Originated
Bolivia	1,195	2%	355,655	106,696
Colombia	4,639	7%	1,606,747	1,044,386
Dominican Republic	4,952	7%	1,673,629	1,087,859
Ecuador	2,358	3%	905,697	498,133
El Salvador	4,280	6%	1,286,444	1,157,800
Guatemala	6,285	9%	1,394,287	1,254,858
Haiti	2,198	3%	1,526,389	1,144,792
Honduras	3,719	5%	1,185,694	1,067,124
Jamaica	2,217	3%	923,750	692,813
Mexico	24,771	36%	6,067,576	5,764,197
Nicaragua	1,190	2%	661,111	396,667
11 countries	57,804	-	17,586,979	14,215,325
Relative to LAC	68,313	85%	22,771,000	16,622,830

Source: Orozco, Manuel. Scorecard...2016. Each transaction represents a family remittance to a household in Latin America.

Exhibit 4: Indicators on Central American Migration

Indicators	Year	El Salvador	Guatemala	Honduras	Northern Triangle
Percent of migrants who arrived the same year as the survey was conducted	2009	6%	4%	5%	
	2016	3%	3%	5%	
Annual migration	2009	61,000	43,485	50,205	154,690
	2016	39,037	62,750	59,555	161,342
Immigrant visas issued	2009	10,695	4,419	3,531	18,645
	2016	11,367	4,722	5,084	21,173
Non-immigrant visa overstays (estimate of 5% of tourist visa holders who extend their stay beyond the stipulated period)	2009	1,310	2,649	1,523	5,482
	2016	2,996	2,800	2,451	8,247
Cross border entry—entry without a visa Annual migration (immigrant visas + non-immigrant visa over stay)	2009	48,995	36,417	45,151	130,563
	2016	24,674	55,228	52,020	131,922
Deportations	2010	17,947	23,430	19,501	60,878
	2016	20,538	33,940	21,994	76,472
Apprehensions at US border	2010	29,911	39,050	32,501	101,462
	2016	51,200	66,982	42,433	160,615
Apprehensions at Mexico border	2016	35,390	83,745	58,814	177,949
Unaccompanied minors	2009	1,221	1,115	968	3,304
	2016	17,512	18,913	10,468	46,893

Source: DHS, author's estimates.

Exhibit 5: Temporary Worker Visas

Visa Category	2016
H-1B (Temporary worker of distinguished merit and ability performing services other than as a registered nurse)	180,057
H-1B1 (Free Trade Agreement Professional)	1,294
H-1C (Shortage area nurse)	0
H-2A (Temporary worker performing agricultural services)	134,368
H-2B (Temporary worker performing other services)	84,627
H-3 (Trainee)	1,435
H-4 (Spouse or child of H1B/B1/C, H2A/B, or H3)	131,051
All Temporary Worker and Trainee	532,832
As Share of All Non-immigrant visas	5%

Source: US State Department, Nonimmigrant vis statistics, 2016. <https://travel.state.gov/content/visas/en/law-and-policy/statistics/non-immigrant-visas.html>

Exhibit 6: Migrant Occupations

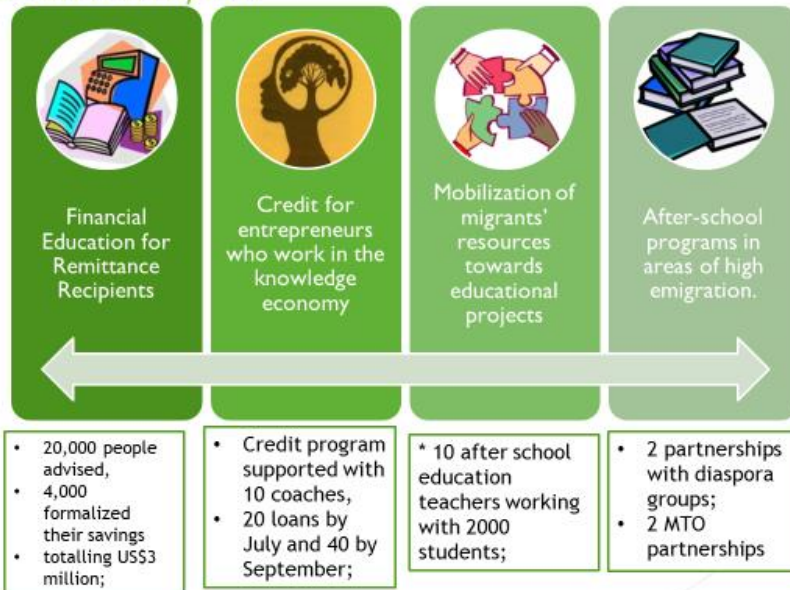
Occupation	%
Restaurant Industry	18.1%
Construction Industry	12.8%
Child/Elder Care Industry	2.9%
Maintenance	5.3%
Cleaning	9.3%
Professional	3.5%
Sales	8.2%
Production	3.7%
Services	14.7%
Homemaker	7.1%
Disabled	1.8%
Retired	4.4%
Other	3.3%
Unemployed	4.8%

Source: Orozco, Manuel and Julia Yansura. *On the Cusp of Change: Migrants' use of the internet for remittance transfers*, 2017.

Exhibit 7: Status of Asylum Applications

	Honduras	El Salvador	Guatemala	Central America
All cases (through Oct. 2016)	37,766	37,030	30,926	105,722.00
As % of total	100%	100%	100%	
Pending	22,428	28,972	21,870	73,270
As % of total	59%	78%	71%	
Removal Order	13,218	6,415	7,027	26,660
As % of total	35%	17%	23%	
Grant Relief	591	629	682	1,902
As % of total	2%	2%	2%	
Voluntary Departure	493	306	655	1,454
As % of total	1%	1%	2%	
Represented	15,070	19,449	14,855	
As % of total	40%	53%	48%	
Not Represented	22,696	17,581	16,071	
As % of total	60%	47%	52%	

Opportunities for My Community 4 Components:
Results as of May 2017



Background readings:

[“La amenaza Trump y el impacto de las deportaciones”, Manuel Orozco, Confidencial, February 23, 2017.](#)

[“Trump, Immigration Policy and the Fate of Latino Migrants in the United States”, Manuel Orozco, Inter-American Dialogue, January 20, 2017.](#)

[“Why undocumented immigration from Latin America to the US will slow to a crawl—even without a border wall,” Alison Burke, Brookings Institution, March 23, 2017.](#)

[Confronting the Challenges of Migration & Development, Manuel Orozco and Julia Yansura, Inter-American Dialogue, January 13, 2016.](#)

[“¿Qué ofrece el Plan para la Alianza para la Prosperidad?” Manuel Orozco, Inter-American Dialogue, March 16, 2016.](#)