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Migration Outlook

Mexico

June 2011
Economic Analysis

- Mexican immigrants leave some U.S. states due to the recent anti-migrant laws
- The number of Mexican immigrants in the United States remains the same since 2007
- Between 2000 and 2010 the proportion of households that receive remittances in Mexico decreased
- Remittances discourage work in the communities that receive them, but school attendance increases
- Are remittances a true driving force for development? An initial approximation is offered

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The publication ***Mexico Migration Outlook*** is a joint project of BBVA Bancomer Foundation and BBVA Economic Research, Mexico; the Economic Studies Service, provides new contributions every six months in the field of Migration studies which contribute to a better understanding of this important social movement.

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Closing date: June 3, 2011

1. Summary

The recovery of remittances will continue in 2011 and 2012

The base scenario of BBVA Research believes that the recovery of the U.S. economy will be maintained, which will lead to greater generation of employment, in particular for immigrants in the U.S., given their greater degree of labor flexibility, as we have illustrated in previous editions of ***Mexico Migration Outlook***. This dynamic of greater employment will have a positive impact on the remittances that Mexican immigrants in the U.S. send to Mexico. In dollar terms there could be an increase of 5.3% in 2011.

For 2012 we foresee that the recovery of remittances will continue, with a much greater growth rate in real terms, of around 9.8%. For next year, the exchange rate will not have an adverse effect against the families that receive remittances so that, after considering the inflation projection in our base scenario, growth in real terms will be around 9.1%.

Nevertheless, recovery will be slow and we shall have to wait until 2013 or 2014 to regain the record levels of 2007 prior to the economic crisis.

Mexican immigrants leave some states in the U.S. due to the recent anti-immigrant laws in those states

Some states in the United States recently hardened the migratory debate. In addition to Arizona, other states are discussing or have enacted laws against immigrants. In Florida, on May 3, 2011 the "SB 2040" Law was passed; in Indiana, on May 10, 2011 the state Congress approved the "SB590" Law; on May 13, 2011, the Governor of Georgia announced the "HB87 Law", in Alabama an anti-immigrant Law was passed on June 3, and in Oklahoma the bill for the "HB 14462 Law" is being discussed, as is the "HB 1380 Law" in Tennessee, which in general seek to restrict benefits for immigrants and reduce their employment opportunities. In view of this situation in Arizona, Florida and Georgia, a greater outflow of Mexican immigrants has occurred. More than 140,000 have left Florida, 70,000 have left Arizona and more than 40,000 have left Georgia between 2007 and 2010. This has generated movements of Mexican immigrants toward other states close to these. In New Mexico, Texas and North Carolina the presence of Mexican immigrants has increased. Similar actions continue to spur the relocation of Mexican immigrants in the U.,S. toward other states.

In Mexico changes have occurred in the distribution of migrant outflows by state

Jalisco and Michoacán, which were the states with the highest proportion of international migrants in the 2000 census (10.6% and 10%, respectively) now occupy 2nd. and 3rd. place, respectively. Guanajuato, which was in third place in terms of migrants leaving the state, is now in first place (10.8% of the migrants leaving Mexico between 2006 and 2010 came from Guanajuato). The other states from where the greatest number of international emigrants from Mexico are: the state of Mexico, Puebla, Veracruz and Oaxaca. Together, these states represent 50.5% of the total number of emigrants according to the 2010 Population and Housing Census. Of these states, only the state of Mexico reduced its percentage share. All the states with the lower number of international migrants (Campeche, Baja California, Quintana Roo, Tabasco and Yucatan) slightly increased their share in the total number of international migrants.

The number of Mexican immigrants in the United States has remained the same since 2007

After the economic crisis, the flow of Mexican migrants abroad has diminished, while the return of migrants to Mexico has increased, although not in a massive form, and the relative importance of the United States as the main destination has decreased. The 2010 Population and Housing Census, compared with that of the year 2000, shows a reduction of 32% in international migration and a reduction of 36% in the number of persons that emigrated to the United States. Thus, in the U.S. the number of Mexican international immigrants fell to 89% from 96%.

Thus, from 2007 to date, the number of Mexican immigrants in the U.S. has remained practically stable, increasing between 2007 and 2010 from 11.81 million to 11.87 million. We believe that this behavior will be transitory , such as occurred in the previous economic crises in the United States, and that the migratory flows will continue to the levels prior to the crisis, once the U.S. economy regains its growth rates.

Of the persons who emigrated between 2006 and 2010, those who returned to a greater extent were older persons from the large urban areas

The greater proportion of migrants that returned were from the large urban areas (of more than 100,000 inhabitants) slightly more than 37%, compared to 32% from the rural areas. It is most likely that the social networks that the rural migrants have formed throughout the years are a factor that allows them to remain for a longer time or in a definite manner abroad.

With regard to ages, the census figures show that of international migrants, those who tend to remain abroad are the younger ones, perhaps because they have greater possibilities for obtaining employment, and those that tend to return are the older people, but between both censuses there was an increase in the ages of both groups. The average age of immigrants abroad rose from 25 to 27, while the average age of migrants who returned rose slightly, from 28.5 to 29.

Between 2000 and 2010, the proportion of households receiving remittances in Mexico was reduced

At the national level, the proportion of households that received remittances was reduced between 2000 and 2010 from 4.3% to 3.6%. In addition, in 23 of the 32 states in Mexico, the proportion of households receiving remittances was reduced in those same years. This situation is due to a great extent to the lower entry of migrants and a greater return of these to the country, mainly the result of the recent economic crisis.

Despite the above, in some states, the proportion of households that receive remittances increased. These are: Yucatán, Chihuahua, Tabasco, Quintana Roo, Tlaxcala, Chiapas, Baja California Sur, Puebla and Oaxaca. In all of these, with the exception of Chihuahua, the number of international migrants increased.

Remittances tend to discourage work in the communities that receive them, but increase school attendance

Based on different statistical tools, there is evidence consistent with the fact that remittances tend to discourage the labor participation of the persons that receive them In comparison with similar households, those that receive remittances tend to work to a lower extent than those households that do not receive remittances. There is also evidence that remittances affect school attendance in a positive manner among children and young people, so it is probable that remittances encourage investment in human capital.

Work among women increases in communities that receive remittances

With the recent economic crisis, remittances decreased to levels close to those of 2005, many households stopped receiving this income, and some that continued to receive them saw a decrease in these funds. This situation may have encouraged women in the areas receiving these funds to look for work. The percentage share of employment of women between 2007 and 2010 rose by nearly three percentage points, considering those households receiving remittances, and less than one percentage point among non-receptor households.

Are remittances a true driving force for development?

In economic literature there is great acceptance that migration, through remittances, is a tool that promotes development in the receptor countries. Although we cannot rule out the possibility that remittances contribute through different elements of well-being to the households that receive them, such as higher consumption levels, they do not seem to be an important detonator for the development of the communities. The official figures show that the municipalities more likely to receive remittances have average schooling levels and of development, and tend to have greater unemployment rates, have a greater proportion of older citizens, with a lower proportion of economically active persons. These elements, as a rule, lead us to think that, under the current situation, it is difficult to believe that remittances could be a sole driving force for development of the communities that receive them. For this reason, it is important to review the different elements of public policy and of the participation of civil society, particularly of private enterprise, which favors greater development in these communities. Therefore, a greater in-depth analysis is important in order to determine to what extent remittances could contribute to the improvement of the communities that receive them, if they are channeled in a better way or if, combined with other tools of public or private policy, they can be strengthened.

2. Outlook for Mexico on migration and remittances- 2011-2012

In this section of ***Mexico Migration Outlook,*** we present some perspectives on migration and remittances for the coming years, particularly in the case of Mexico-and the United States. We describe how the number of Mexicans in the U.S. has evolved after the last economic crisis, how Mexicans in the United States are doing in terms of employment, how their geographic mobility has been affected by the recent anti-migrant laws passed in some states in the U.S., and we also offer our forecasts regarding the growth of remittances to Mexico in this and the coming year

The recovery has begun in the United States, although at a very slow pace

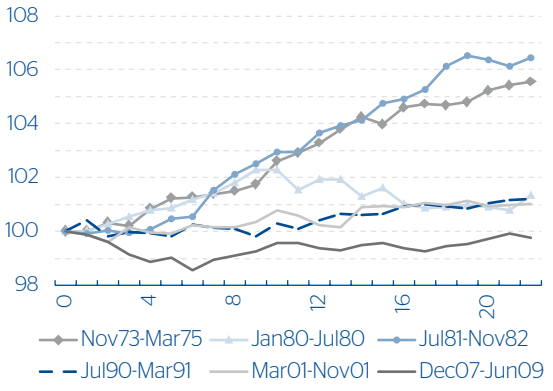
The recent economic crisis has been one of the most severe for the labor market in the United States in terms of how long it lasted and its impact. In April of this year, it was 22 months since its termination was decreed; in a period such as this, in the five recessions prior to this one, the U.S. economy was already at higher levels in terms of employment than when the recession ended, a situation that the most recent crisis has still not reached.

Even though it is considered that in June 2009 the recession had ended, it has been as of the second semester of 2010 when an ascending trend in the number of jobs created began to be seen. But to date, it is still far from recovering the close to eight million jobs lost. Only a little more than 20% (1.7 million) of the total jobs lost has been recovered.

In the case of Hispanics (a group in which those of Mexican origin represent 60%), job recovery is being faster than in the case of the other groups such as whites and Afro-Americans. It is common for this situation to be present among Hispanics and, in particular, among Mexican immigrants, due to the labor flexibility that they face and to their social networks. They tend to be the most favored groups in economic recoveries.

Graph 1

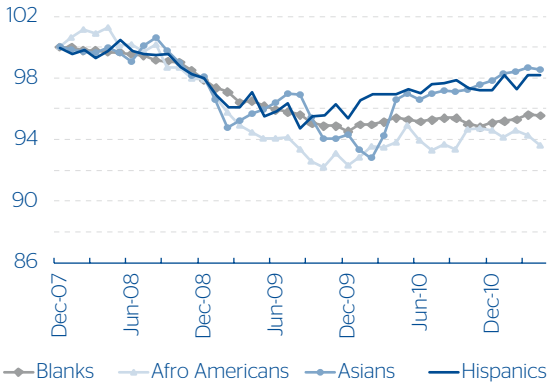
Jobs in the U.S. since the end of the recession (Month of the end of the recession=100)



Source: BBVA Research with figures from the Bureau of Labor Statistics Data

Graph 2

The United States: Jobs according to race (December 2007=100)



Source: BBVA Research with figures from the Bureau of Labor Statistics Data

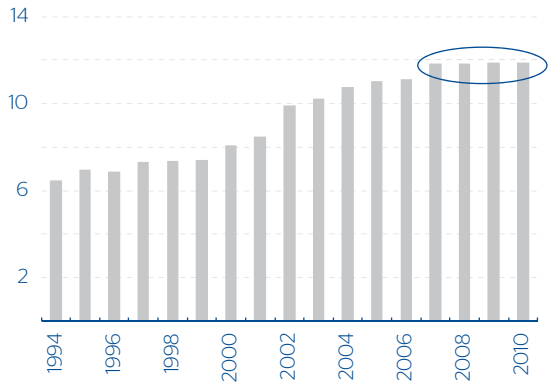
The number of Mexican immigrants in the United States is still stagnant

The recent economic crisis, added to increased migratory controls in the United States, has meant a reduction in the migratory flows from Mexico to the United States. Return migration to the country of origin has even increased, without this implying massive returns as some had supposed at the beginning of the economic crisis[1]. Thus, from 2007 to date, the number of Mexican migrants has remained practically stagnant, increasing between 2007 and 2010 from 11.81 million to 11.87 million.

We consider that this stagnation will be transitory, such as has occurred in prior economic crises in the United States, and that the flow will continue perhaps to levels prior to the crisis once the American economy resumes its growth rates. The reasons for this are based on the fact that the factors that boost migration are economic and decreased with the crisis, but they will increase with the economic recovery.

Graph 3

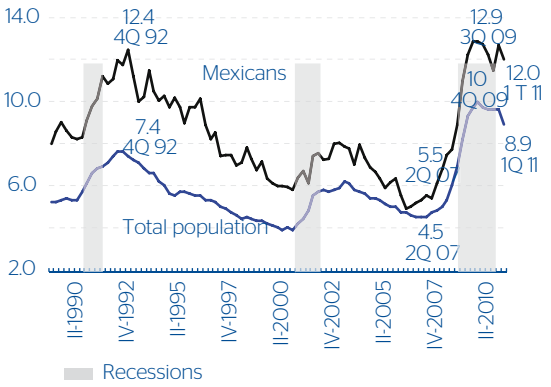
Mexican immigrants in the United States (Millions)



Source: BBVA Research with figures from the CONAPO and our own estimates based on the Census Bureau, Current Population Survey (CPS), March 2007 to -2010.

Graph 4

The United States. General quarterly unemployment rate and of Mexicans (Seasonally-adjusted data)



Source: BBVA Bancomer based on data of the Current Population Survey

Employment dynamics in Mexican immigrants in the recessions

In general, Mexicans living in the United States tend to be of the most favored groups in the economic recoveries and to be among the groups who suffer the most during the crises. This is what has occurred in past recessions.

What is currently being observed is that the unemployment rate in general in the United States has begun to decrease, and this is also happening in the case of Mexicans in the U.S. Nevertheless, it is important to observe that in the second half of the previous year, the unemployment rate of Mexicans was decreasing at a greater rate than the general rate (such as what happened in previous recoveries), although at the start of this year, the opposite was seen. It is probable that some of the actions that some of the states have taken, as will be seen further on, could be influencing the behavior observed. But, what could be expected is a certain readjusting of Mexican immigrants to other states or sectors, even though the unemployment rate continues to decrease the economy recovers.

In view of the above, some attention should be given to the unemployment rate of immigrants and to the possible effects that actions against them could have on it.

[1] In the June issue of ***Mexico Migration Outlook***, different arguments are presented as to why there would not be a massive return of Mexican immigrants.

In which sectors have Mexican immigrants gained jobs? In which one have they lost them?

The construction sector is where Mexican immigrants have registered the greatest job losses. To date, the number of Mexican immigrants employed in this sector is lower by over 600,000 than what existed four years ago. This has caused the concentration of Mexican immigrants in the construction sector to have dropped from 25% to 17% in the same years. Fortunately for Mexican immigrants, the job losses for them in this sector seem to have stopped; and moderate gains have even begun to be observed. Other sectors with important job losses registered for Mexican immigrants are tourism and leisure and manufacturing. In the first case, there are close to 100,000 fewer jobs and in manufacturing close to 150,000, between 2007 and 2011.

Sectors to which Mexican immigrants have tended to move and generate job gains are: professional and business services, education and health services, agriculture, fishing, reforestation, and information.

For their part, second or more generation Mexicans have rsuffered job losses in addition to the construction sector, also in other services, transportation and agriculture, fishing, reforestation and are showing gains in education and health services, commerce, tourism and leisure.

Chart 1

U.S.A.: Jobs held by Mexicans by labor sector 1st quarter (Thousands) (Non-seasonally-adjusted figures)

	2007	2008	2009	2010	2011	Change 07-11	Change 10-11
Of Mexican origin							
Construction	2,215	1,963	1,644	1,491	1,490	-725	-1
Retail	1,734	1,766	1,841	1,737	1,785	50	47
Education and health services	1,595	1,684	1,823	2,037	1,910	316	-127
Tourism and leisure	1,592	1,540	1,613	1,633	1,595	3	-38
Manufacturing	1,574	1,627	1,587	1,472	1,431	-143	-42
Professional and business services	1,080	1,303	1,237	1,298	1,318	237	20
Information	934	580	592	532	568	-366	37
Other services	657	691	641	686	619	-38	-67
Financial activities	533	516	495	477	524	-10	47
Public administration	393	366	345	459	395	2	-64
Agriculture, fishing and reforestation	358	419	343	383	408	50	26
Transportation	209	143	158	169	146	-63	-23
Mining	105	90	112	98	103	-2	4
Mexican immigrants							
Construction	1,735	1,493	1,115	1,087	1,104	-631	17
Tourism and leisure	1,082	1,011	1,117	1,102	985	-98	-118
Manufacturing	1,070	1,046	1,025	975	924	-147	-52
Retail	733	760	760	742	773	41	31
Professional and business services	628	761	677	780	823	196	43
Education and health services	503	541	580	614	596	93	-18
Other services	381	407	372	395	384	3	-12
Agriculture, fishing and reforestation	308	374	313	325	360	52	35
Information	217	263	251	251	270	54	19
Financial activities	202	186	166	147	127	-75	-21
Public administration	72	61	67	63	59	-13	-4
Transportation	49	42	50	44	30	-19	-14
Mining	31	40	35	38	38	7	0
Native Mexicans							
Education and health services	1,091	1,143	1,343	1,423	1,314	223	-109
Retail	1,002	1,006	1,042	995	1,011	10	16
Tourism and leisure	509	529	512	531	610	101	79
Manufacturing	503	582	520	497	507	4	10
Construction	480	470	471	404	386	-94	-17
Professional and business services	452	542	496	517	494	42	-23
Financial activities	332	330	327	329	397	66	68
Public administration	320	304	370	396	336	16	-60
Information	298	317	311	281	298	0	17
Other services	276	284	299	291	235	-40	-55
Transportation	160	101	135	125	116	-45	-9
Mining	73	49	54	60	64	-9	4
Agriculture, fishing and reforestation	51	45	53	58	48	-2	-10

Source: Estimates by BBVA Research based on data by the Current Population Survey

The policies against immigrants are generating their mobility toward other states

The main American states where Mexican immigrants are concentrated are: California, Texas, Illinois, Arizona, North Carolina, Georgia, Florida, Washington, New York, Colorado, Nevada, Oregon, New Mexico, Indiana, and Tennessee. In some of these, the migrant population has been decreasing, mainly in those where restriction to their entry have been imposed.

Recently, in some of the states, the migratory debate has hardened and some actions have begun to be taken against immigrants, mainly the undocumented. In Florida, on May 3rd, 2011, the "SB 2040 Law" was approved in which it is stipulated that the migratory status of those requesting public benefits will be verified: Also when a policeman detains someone for a crime, even if it is a misdemeanor, that person can be turned over to the migratory authorities for his or her possible deportation when lacking migratory documents. This Law will begin to be applied as of July 1st, 2011.

In Indiana, on May 10th, 2011, the Congress approved the law known as "SB590", which sanctions the presence of undocumented persons in the State of Indiana and could be in force on July 1st, 2011. If a person is detained for committing a crime (it could even be a traffic violation), the police will be able to ask him for his migratory situation and arrest him if he does not have migratory documents. Companies doing work for the government of Indiana will use the E-Verify federal system by which they will certify the migratory situation of their employees.

On May 13, 2011, the Governor of Georgia enacted the "HB87 Law" that authorizes the police to verify the migratory situation of persons detained for violations of state laws. There will be sanctions to those giving transportation or refuge to undocumented immigrants, and there are stipulations for companies to require verification of the migratory status of workers. Most of the articles of this Law would enter into force on July 1st, 201i.

In Alabama, on July 3rd, 2011, a law requiring businesses to verify the migratory situation of new employees was approved. It will also be possible to detain car drivers who might be "suspected" of being an undocumented immigrant, so as to verify his migratory status.

In three of these five states that have enacted laws against immigrants: Arizona, Florida and Georgia, is where there has been a higher outflow of Mexican immigrants: a little more than 140,000 left Florida, 70,000 from Arizona, and more than 40,000 from Georgia between 2007 and 2010.

This has generated movements of Mexican immigrants to other states close to these. Even though it is impossible to know where they have moved to, it is feasible to assume that some of the Mexican immigrants who left Arizona moved to New Mexico or Texas, states where the presence of Mexican immigrants has increased. Those who left Florida or Georgia could have moved to North Carolina or even Texas, among others.

Other states are discussing the implementation of similar laws. In Oklahoma, the bill for Law "HB 14462" is being discussed, by which it will be possible to investigate the migratory status of the passengers of any vehicle that might be detained. Also, the State will have the authority to confiscate possessions of undocumented persons, including money, automobiles and homes among other things. It requires employers to verify the migratory status of potential employees. In Tennessee, there is an "HB 1380" bill of law the approval of which was postponed until 2012, due to the implementation costs of said Law, which would allow the police to verify the migratory status of a persons who commits a traffic violation or any other crime, and if there was any "reasonable suspicion" he or she was an undocumented person. In Utah, a federal judge recently blocked the application of a new migratory law that would allow the police to verify the citizenship status of any person who is detained for a serious crime.

Undoubtedly, actions such as these will continue to spur the movement of Mexican immigrants to other states.

Chart 2
The United States: Mexican immigrants by state of residence

	2007	2008	2009	2010	Cahnge 2007-2010
Population Loss					
Florida	387	297	250	245	-142
Arizona	674	693	588	604	-70
Georgia	289	249	273	247	-43
Nevada	229	242	187	197	-32
Colorado	238	256	185	207	-31
New York	241	196	211	213	-28
Tennessee	112	106	141	93	-18
Indiana	109	105	109	94	-15
Population gain					
Texas	2,263	2305	2414	2376	113
California	4,664	4766	4713	4737	73
Washington	160	165	174	228	68
Illinois	627	613	636	635	7
New Mexico	112	121	129	118	7
North Carolina	264	222	203	265	1
Oregon	147	172	158	148	1

Source: Estimates by BVA Research based on the Census Bureau, Current Population Survey (CPS), March 2007–2010.

Our Forecast for Remittances

In view of the recovery that is taking place in the U.S. economy, and taking into account the BBVA Research base scenario, we expect that remittances in 2011 will achieve greater growth in dollars than in 2010, which in our base scenario would be 5.3%. The exchange rate and inflation are factors that would affect the families receiving remittances, due to which there would be a 5.1% decrease in real terms in pesos.

For 2012, we foresee that the recovery in remittances will continue, with a much higher growth rate in dollars of around 9.8%. For this year, the exchange rate will not act against the recipient families, so when considering inflation that we foresee in our scenario, there would be 9.1% growth in real terms.

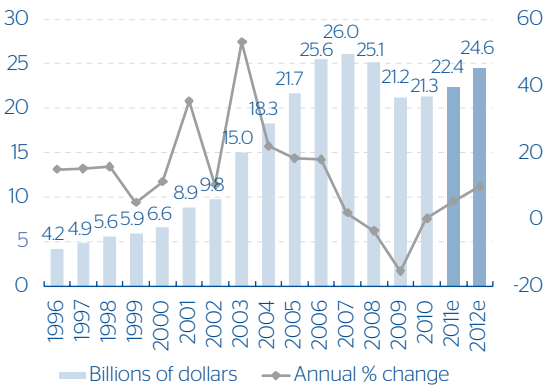
Some risks that would make it difficult to meet this scenario are: more restrictions on the entry of migrants so that more states would continue to take actions against immigrants, possible taxes on the delivery of remittances, a topic that has been under discussion in some states, and a slowdown in the economic recovery.

Chart 3
Forecast for remittances to Mexico (%)

	Growth rate in dollars	Growth rate in current pesos	Growth rate in real pesos
2011	5.3	-1.3	-5.1
2012	9.8	13.4	9.1

Source: BBVA Research estimates

Graph 5
Mexico: Family remittances (Thousands of dollars and % change)



Source: BBVA Research with Banxico (the central bank) figures.

Conclusions

In the United States, the economic recovery has begun and, with it, a certain recovery in employment. Mexican immigrants in that country were strongly affected, and reached unemployment levels never before registered. This situation, together with restrictions on the entry of immigrants that have recently been imposed in the U.S., is impeding growth of the number of migrants in said country and that it remain stagnant.

Some states in the U.S. have recently begun to enact laws against immigrants, which has generated the outflow of some Mexicans and their entry in other states. Arizona, Florida and Georgia, is where the highest numbers of Mexican immigrants have left, while in Texas, California and Washington, the presence of Mexican immigrants has increased.

Probably, these movements have had an impact on the dynamics of the unemployment of Mexican immigrants, who, even though they have continued to decrease in recent months, have done so at a lower rate. Despite this, immigrants have continued to move in search of jobs and show employment gains in some sectors. Due to this, we believe that this year, remittances will register growth in dollars of 5.3%, although the exchange rate and inflation will adversely affect families receiving them, so that, in real terms, we expect a negative change. For 2012, remittances will show a better performance, and we foresee that they will register important increases both in pesos and dollars. Nevertheless, the maximum levels achieved in 2007 will not be reached, and it will be necessary to wait until 2013 or 2014 for this.

References

Bureau of Census, Current Population Survey (CPS), March 2007-2010

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3. Recent changes in the international migratory patterns in Mexico

Based on figures disclosed recently by the National Statistics and Geography Institute (INEGI for its Spanish initials) on the 2010 Population and Housing Census and comparing them with the figures of the previous Census of the year 2000, in this article of ***Mexico Migratory Outlook***, we analyze some of the recent changes in Mexico's migratory patterns. Other official sources of information are also used.

An analysis is done of both the level that the number of migrants has reached in the United States, some of its characteristics, and some of the principal changes in recent migratory flows at a state level. Also presented are some of the characteristics of the international migrants, such as age, gender, regional location, and the levels and changes in the proportion of households that receive remittances in each of the states.

Number of Mexicans in the United States

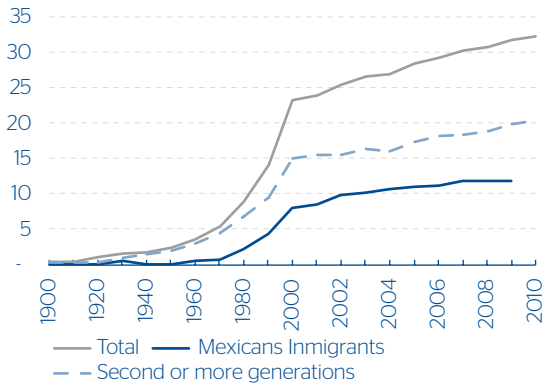
The persons of Mexican origin in the United States are divided into two groups: those that were born in Mexico (who are considered immigrants in the U.S.) and the children of Mexican parents who were born in the United States. In the decade of the 70's, there were five million persons of Mexican origin, one fifth of which were immigrants. By 2002, the number of Mexicans had multiplied by five and, by 2007, by six. To date, there are around 32 million persons of Mexican origin in the United States

In the first half of the decade of 2000, the greater part of the growth in the stock of Mexicans in the United States was explained, for the most part, due to the growth in the number of immigrants. Nevertheless, in recent years, following the economic crisis, close to 100% of the growth in the number of Mexicans is due to those born in the United States.

The proportion of Mexican immigrants in the United States, according to gender, has remained relatively stable at about 55% in the case of men and 45% in the case of women. There have been changes, however, in the distribution by age. While in the younger groups (younger than 30)

Graph 6

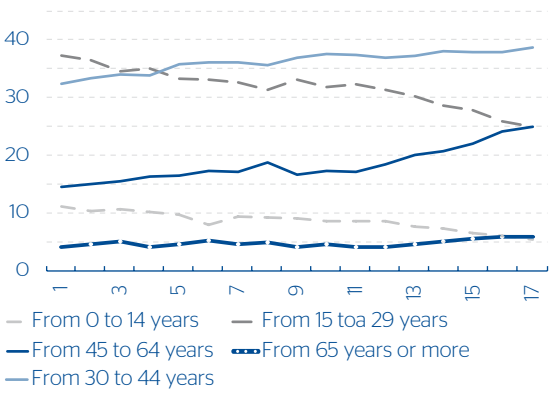
Mexico: Mexican population or of Mexican origin residing in the U.S, 1900-2010 (Millions)



Source: BBVA Research with CONAPO figures and our own estimates based on the Census Bureau Current Population Survey (CPS) March, 2008, 2009, y 2010. .

Graph 7

Mexican Immigrants in the United States by age groups (%)



Source: BBVA Research with figures from the sample of the 2010 Population and Housing Census and the General 2000 Population and Housing Census sample.

the proportion has decreased, in the groups between 30 and 54 years of age there have been increases, at the same time that persons in retirement age have remained relatively constant. Therefore, the average age rose by close to three years between 2000 and 2010, to reach an average age of 37.

In the following sections, we analyze the changes in the flows that have generated changes in the stock of Mexican immigrants in the U.S..

International migratory flows are reduced and return migration increases

The figures are evidence that in the five years prior to the 2010 Census, there were 1.1 million persons who migrated abroad in that period. In comparison with the 2000 Census figures, a 32% reduction in international migration is observed, and a 36% reduction in the number of persons who emigrated to the United States, so that this country went from concentrating 96% of the total international migrant flow from Mexico to 89%.

The reduction in the number of international migrants could have been due to the recent economic crisis and to the greater restrictions for entry imposed by the United States, a situation that could have generated that some persons who had the possibility to emigrate chose other destinations.

Of the total number of persons who emigrated abroad in the 2006-2010 five-year period, 723,000 were still in other countries at the time of the census interview, while 351,000 had already returned to Mexico, by which the return migration rose 23% in comparison with the five-year period of 1996-2000. Notwithstanding this situation, a massive return was not observed as some had expected. On average, of the persons who had left, around 70,000 returned per year[1] in the five-year period of 2006 to 2010.

Chart 5
Mexico: International migrants as per migratory movement and census sample

Thousands	2000	2010	Change %
International migrants	1,633	1,112	-31.9
Migrants to the United States	1,569	995	-36.6
Emigrants	1,235	723	-41.5
Returning migrants	285	351	23.1

Source: BBVA Research with figures from the 2010 Population and Housing Census and the 2000 Housing Census

Changes at the state level

The INEGI censuses show that there were changes in the distribution of migrants by expulsion state. Jalisco and Michoacan, being the states with the highest proportion of international migrants in the 2000 census (10.6% and 10%, respectively), fell to 2nd and third place, respectively, while Guanajauto, being the state that was in third place as an expulsion state, rose to first place (between 2006 and 2010, 10.8% of migrants came from this state). The other states from which the highest number of international migrants in Mexico comes are the State of Mexico, Puebla, Veracruz and Oaxaca. Jointly, all of these states send 50.5% of total emigrants, as per the 2010 census, a proportion that has remained relatively stable, being that, as per the 2000 census, they were sending 51% of the total migration. Of these states, only the State of Mexico reduced its share, from 8.3% to 6.8% between both censuses.

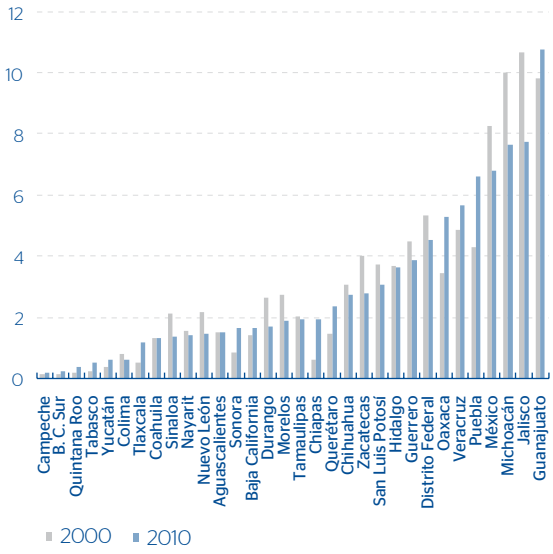
All the states with the lowest number of international migrants (Campeche, Baja California, Quintana Roo, Tabasco and Yucatan) slightly increased their participation in the total number of international migrants.

[1] In the June 2009 issue of ***Mexico Migration Outlook*** some arguments are presented as to why a massive return did not occur.

Although international migration decreased as a whole between the 2000 and the 2010 census, there were some states where migration continued to rise, these are: Puebla, Oaxaca, Queretaro, Yucatan, Baja California Sur, Sonora, Quintana Roo, Tabasco, Tlaxcala, and Chiapas. All of these states, with the exception of Sonora, have as a characteristic that poverty[2] decreased in them in general terms.

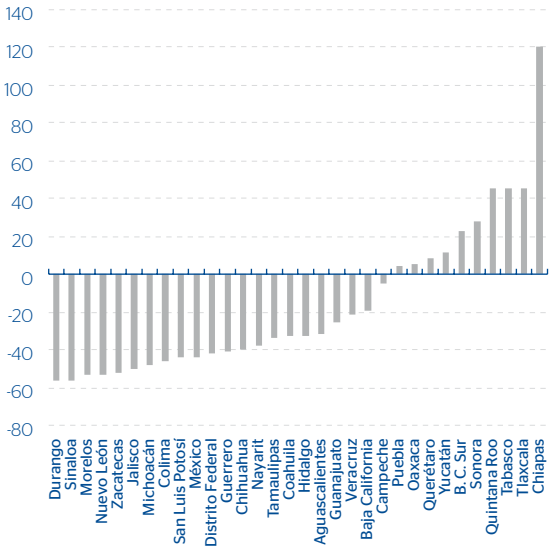
Most of these states, with the exception of Puebla, Oaxaca, Chiapas and Queretaro, are of relatively low migration.

Graph 8
% Distribution of International Migrants by Expulsion State



Source: BBVA Research with figures from the sample of the 2010 Population and Housing Census of and the sample of the 2000 General Population and Housing Census.

Graph 9
% Change in the Number of International Migrants by Expulsion State (% change between the 2000 and the 2010 census)



Source: BBVA Research with figures from the sample of the 2010 Population and Housing Census and the sample of the 2000 General Population and Housing Census.

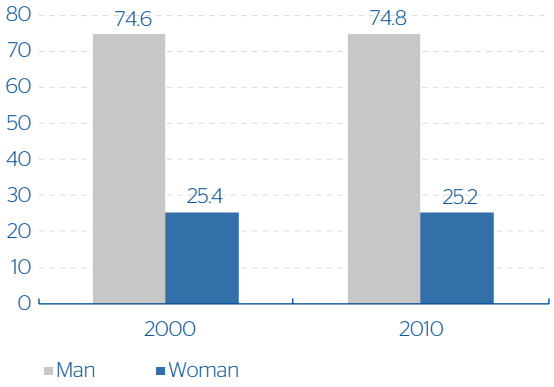
The distribution by gender has been maintained, although there are changes in the ages

The data of the census show that international migration continues to be predominantly masculine. In both cases, 75% of the international migratory flow consists of men.

When dividing the international migrants based on the following age groups: 0 to 14, 15-19, 20-24, 25-34, 35-49, 50 or more, changes are observed among the different groups. While for the age groups of under 25, the figures of the 2000 census show a greater concentration, in the rest of the other age groups, the concentration is seen in the 2010 census. Thus, the average age of international migrants rose from 25 to 27. That is, even though the migrants continue to be young, they are slightly delaying their emigration, which perhaps is allowing them to increase their schooling levels. Another factor that could explain this behavior is the dynamics that is being observed at a national level in the country where, as the demographic bonus"[3] evolves, there is a higher number of persons in a productive age, a reflection of the gradual process of aging of the population. As we have shown previously, the official figures show that, in the United States, the average age of Mexican migrants has tended to increase.

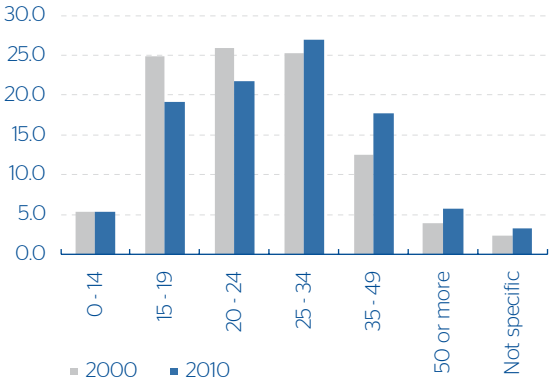
[2] In the June 2009 issue of ***Mexico Migration Outlook***, we showed that in certain municipalities, when poverty decreases, migration tends to increase.
[3] The "demographic bonus" refers to the situation where the working age population is more numerous than the dependent population. Some projections suggest that the labor supply would rise from 47 million in 2010 to 64 million toward 2030, which is why emigration could continue with certain dynamism.

Graph 10
Distribution of international migrants by gender, as per a census sample (%)



Source: BBVA Research with figures of the sample of the 2010 Population and Housing Census and the sample of the 2000 General Population and Housing Census.

Graph 11
Distribution of international migrants by age, as per a census sample (%)



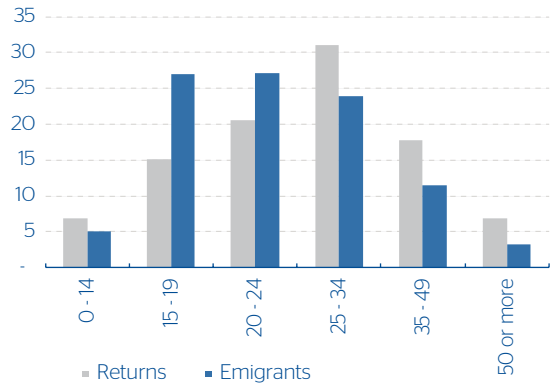
Source: BBVA Research with figures of the sample of the 2010 Population and Housing Census and the sample of the 2000 General Population and Housing Census.

Those who stayed and those who returned

As was shown previously, the number of international migrants who returned (return migrants) rose as per what was reported in the 2010 census, relative to the records of the 2000 census, while the number of persons who remained abroad (emigrants) decreased. In this section, we present some of the characteristics of both groups and if there were any changes in both censuses.

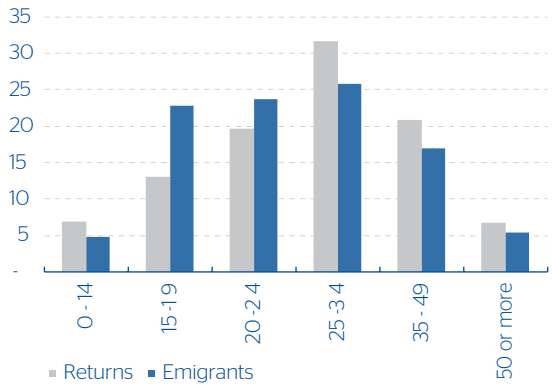
Regarding ages, the figures of both censuses show that of the international migrants, those who tend to remain abroad, are the younger ones, because they have greater possibilities for obtaining jobs, and those who tend to return are the older ones. But, comparing both censuses, there was an increase in the ages of the two groups. The average age of the emigrants rose from 25 to 27, while in the migrants who returned, the average age rose slightly from 28.5 to 29.

Graph 12
Distribution of emigrants and return migrants by age groups in the 2000 census, %



Source: BBVA Research with figures of the sample of the 2000 General Population and Housing Census.

Graph 13
Distribution of emigrants and return migrants by age groups in the 2010 census,%



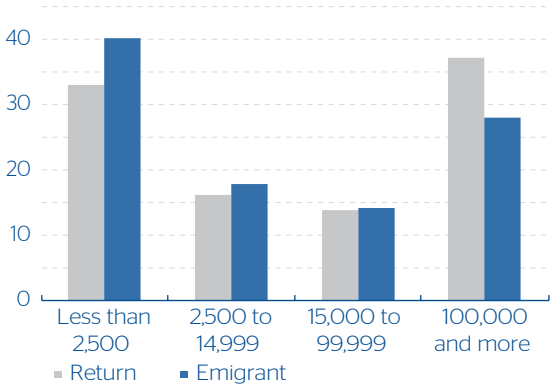
Source: BBVA Research with figure of the sample of the 2010 Population and Housing Census.

When dividing returning migrants and emigrants into four groups, according to the size of the community to which they belong, fewer than 2,500, from 2,500 to 14,999, from 15,000 to 99,999, and from 100,000 or more inhabitants, it is found that around 39% of Mexican migration comes from the rural areas (fewer than 2,500 inhabitants); that is, the international migration of Mexico has stopped being predominantly rural, as had occurred in past decades, and is also concentrated in the large urban areas of 100,000 inhabitants or more, which account for around 30% of the international migration.

Nevertheless, of the migrants who return, a larger proportion is from the large urban areas, a little more than 37%, versus 32% from the rural areas. It is probable that the social networks that the rural migrants have been forming throughout the years are a factor that allows them to remain for a longer time or for a definite time abroad.

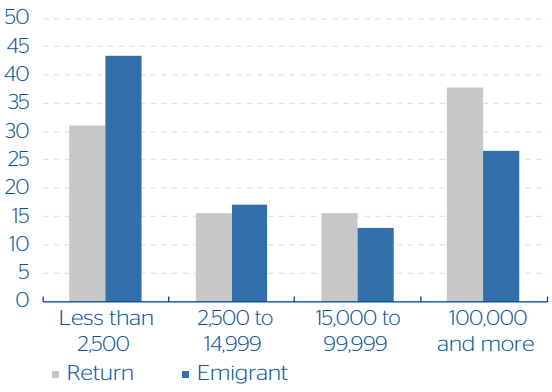
Between both censuses, in general, the distributions of migrants according to the size of the community or area tend to be similar, which suggests that the economic crisis did not impose additional distortions to the behavior that migrants have for remaining at home or returning from abroad, according to the place they came from.

Graph 14
Distribution of emigrants and return migrants by the size of the locality in the 2000 census, %



Sourc e: BBVA Research with figures from the sample of the 2000 General Population and Housing Census.

Graph 15
Distribution of emigrants and return migrants by the size of the locality in the 2010 census, %



Source: BBVA Research with figures from the sample of the 2010 Population and Housing Census.

Changes in the reception of remittances at a state level

The Population and Housing Censuses show that the proportion of households receiving remittances decreased at a national level between the 2000 and the 2010 censuses, from 4.3% to 3.6%. Also, in 23 of the 32 states of Mexico, the proportion of households receiving remittances decreased between 2000 and 2010. This situation responds to a great extent to the lower entry of migrants and the higher return of emigrants that occurred, mainly as a result of the recent economic crisis.

Despite the above, in some states the proportion of households receiving remittances increased; these are Yucatan, Chihuahua, Tabasco, Quintana Roo, Tlaxcala, Chiapas, Baja California Sur, Puebla, and Oaxaca. In all of them, with the exception of Chihuahua, the number of international migrants increased.

The states where a larger proportion of households receive remittances are: Zacatecas (11%), Michoacan (9.3%), Nayarit (9.1%), Guanajuato (7.7%), and San Luis Potosi (6.6%), all of them with a great migratory tradition, and in all of them, the proportion of households receiving remittances decreased.

Chart 6
Mexico: % of households receiving remittances, as per census sample

	2000	2010	Var. (p.p.)
Zacatecas	13.0	11.0	-2.0
Michoacan	11.4	9.3	-2.0
Nayarit	9.6	9.1	-0.5
Guanajuato	9.2	7.7	-1.5
San Luis Potosi	8.2	6.6	-1.6
Guerrero	7.9	6.6	-1.3
Durango	9.7	6.5	-3.2
Jalisco	7.7	5.4	-2.3
Morelos	6.4	5.4	-1.0
Colima	7.3	5.2	-2.2
Oaxaca	4.1	4.9	0.8
Aguascalientes	6.7	4.8	-1.9
Chihuahua	4.3	4.4	0.1
Hidalgo	5.1	4.3	-0.7
Puebla	3.3	3.8	0.5
Baja California	4.0	3.7	-0.3
Nacional	4.3	3.6	-0.7
Sinaloa	4.6	3.3	-1.4
Queretaro	3.7	3.3	-0.4
Tamaulipas	3.6	3.0	-0.6
Sonora	3.2	2.7	-0.5
Tlaxcala	2.2	2.6	0.4
Veracruz	2.7	2.5	-0.2
Coahuila	3.4	2.4	-1.0
Baja California Sur	1.1	1.6	0.5
Mexico	2.1	1.5	-0.6
Yucatan	1.4	1.4	0.0
Nuevo Leon	2.5	1.3	-1.2
Distrito Federal	1.7	1.2	-0.6
Quintana Roo	1.0	1.2	0.2
Chiapas	0.8	1.1	0.4
Campeche	1.0	0.9	-0.2
Tabasco	0.6	0.8	0.2

p.p.: Percentage Points
Source: BBVA Research with figures of the sample of the 2010 Population and Housing Census and the sample of the 2000 General Population and Housing Census.

Final Reflections

In recent years, in particular after the economic crisis, the growth in the number of Mexicans in the United States has responded almost totally to the rise in the number of Mexicans born in the United States. This, due to the fact that, as shown by the figures of the population and housing censuses, migration from Mexico abroad has decreased in recent years, there only being a rise in return migration, and the United States has reduced its share in the total Mexican migratory flow. In addition to the economic crisis, these situations could have responded to the anti-migrant policies recently enacted in some states.

Guanajuato is the state from where most of the Mexican international migrants left the country in the 2006-2010 five-year period, surpassing Jalisco and Michocan in this heading, which were the states from where the highest number of migrants came ten years ago.

Although international migration decreased as a whole between the 2000 and the 2010 censuses, in some states where poverty has tended to decrease, international migration continued to increase. These are: Puebla, Oaxaca, Queretaro, Yucatan, Baja California Sur, Sonora, Quintana Roo, Tabasco, Tlaxcala, and Chiapas.

When considering ages, it was found that of Mexican international migrants, the youngest of these are those who tended to remain abroad, while the older ones tended to return. Similarly, those coming from rural areas remained to a greater extent, while those who returned are from the large urban communities.

As a result of a lower international migration in 72% of the Mexican states, the proportion of households receiving remittances decreased.

The economic crisis has been an important factor in the changes that have occurred in Mexican migratory flows abroad. For them to continue with the dynamism of several years back, will depend to a large extent on the economic recovery.

References

INEGI (2011) “Censo de Población y Vivienda de 2010”, INEGI

INEGI (2011) “Censo General de Población y Vivienda de 2000”, INEGI

4. Effect of remittances on employment and school enrollment in Mexico

Economic studies accept the existence of a link between migration and development. A broadly generalized conclusion indicates that migrant households in the countries of origin find alternatives through migration to raise their standard of living, without the destination countries necessarily benefitting. Remittances, according to this predominant view, are revenue flows that offer the recipient households and their communities not only a means of subsistence, but even the possibility of generating savings and certain conditions to carry out other activities such as education, in the process facilitating a certain degree of development.

In previous issues of ***Mexico Migration Outlook*** we have pointed out that migration brings net benefits, both for the countries of origin as well as those of the migrants' destination and that therefore the traditional view is not necessarily complete, in assuming benefits only in the communities of origin. We have extensively documented[1] the beneficial effects that the United States has received on different levels with Mexican migration, from the expansion of productive resources to greater growth, consumption, sustainability of public finances, and tax collection levels. This is an example of how the countries that receive immigrants also benefit economically from migration and how this can also contribute to their development.

With this article in ***Mexico Migration Outlook*** we will begin our analysis of the issues involving the effects of migration on variables related to development in a country of origin such as Mexico. Specifically, we will study the effects of remittances on employment in the working age population and on school enrollment of children and youth in Mexico.

In the case of employment two contrasting results could be expected. On the one hand, remittances can stimulate productive investments in households that receive them through the creation of companies or businesses (Woodruff and Zenteno, 2001), and as a result, this would favor employment. On the other hand, remittances contribute to the income of the receiving households, but at the same time, they lead to a high degree of dependence on such resources, and since such revenue becomes normal, the families receiving the payments could increase their leisure time and reduce their working hours and thus diminish job-related revenue. We will attempt to analyze which of the two effects is present and tends to be the dominant trend in Mexico.

If the second scenario occurs, it could be concluded that the possible effect of remittances on development would decrease. Nevertheless, if households reduce their working hours, but undertake investments in human capital, it is possible that in the future better results could emerge in terms of development. This is why we will also study the effects of remittances on children and young people's school enrollment.

The main source of information is the National Occupation and Employment Survey (ENOE), and the estimates are made for a six-year period: 2005, 2006, 2007, 2008, 2009, and 2010. This marks an important difference with many of the previous studies that use, at most, a one- or two-year time frame in their analysis. The results uncovered here are statistically strong and consistent over the years being analyzed.

[1] See the November 2009 issue of ***Mexico Migration Outlook***.

Migration and development. Previous studies on Mexico

It is important to point out that there are studies on Mexico that have analyzed some of the effects of migration on development-related variables. In this section we will describe some of their main results.

Recently Alcaraz, Chiquiar, and Salcedo (2010) analyzed the effects of remittances on child labor and school attendance in households receiving such revenue in the context of the latest economic crisis, and they found that, as a result of the decrease in remittances as a consequence of the global crisis of 2008-2009, there was an increase in child labor and a significant reduction in school enrollment.

McKenzie and Hildebrandt (2005) found that households in the rural communities that have migrants living abroad had lower infant mortality rates and less likelihood of malnutrition as a result of a greater knowledge on health issues derived from a wealth effect. In this regard López-Cordova (2006) also found evidence that remittances reduce infant mortality.

Esquivel and Huerta's study (2008) analyzed the effects of remittances on poverty and found an inverse correlation. In Mora (2007) and Mora (2010) such a correlation was also uncovered and it was even found that the community's migratory tradition reduces inequality in the long term.

Other studies have analyzed the effects of migration on school enrollment or educational levels. However, there is no conclusive evidence on such a correlation, since contradictory results have emerged. For example, Hanson and Woodruff (2003) found a positive effect on educational levels in the case of girls in rural communities in households in which the mothers have low educational levels. The López-Cordova study (2006) also identified a positive effect of remittances on literacy levels in young people from six to 14 years of age, although the impact of remittances on adolescents' (above the age of 14) is negative. Other studies that pointed out adverse effects include Pederzini and Villarreal (2009), where it was found that the migratory tradition of the community negatively affects both school enrollment as well as the educational levels of children between 11 and 15 years of age. In the same sense, McKenzie and Rapoport (2006) found a negative relation in terms of years of formal education and school enrollment in males between 12 and 18 years of age and in females between 16 and 18 years.

The effects of remittances on the job decisions of people with relatives who are migrants have been considered by Airola (2008) and Hanson (2007) and in both cases an inverse correlation was noted.

Methodology

Among the objectives of this study is to determine whether remittances stimulate or discourage employment, as well as continued school enrollment in households that receive such resources. To obtain the results, two methodologies were employed. The first was based on models with binary dependent variables; and the second on impact evaluation techniques.

In the first case, probit and logit models were used, in which the dependent variable is assigned a value of 1 if a person works, when the aim is to analyze in what sense remittances affect employment. The dependent variable changes and takes the value of one if the person is enrolled in school when what the study seeks to analyze is if remittances affect whether individuals remain enrolled in school.

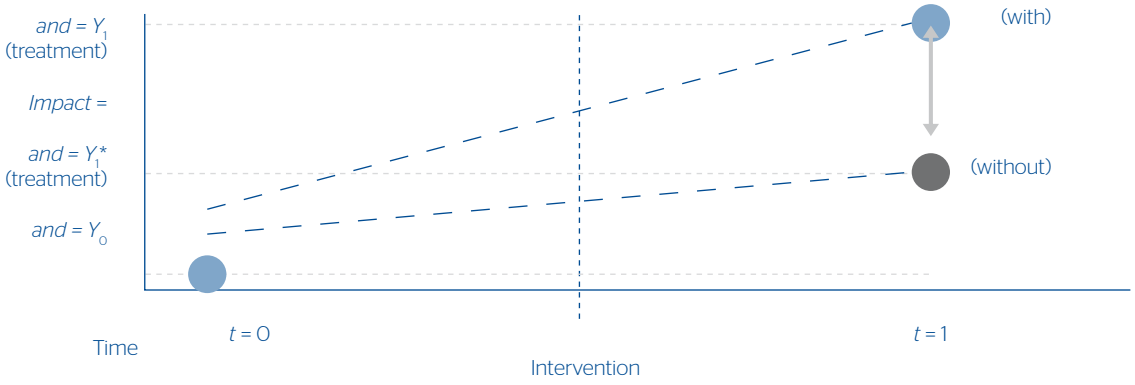
It is probable that with such models it is not possible to completely control the possible self-selection that could occur in households that receive remittances. That is, there could exist different characteristics between households that receive and those that do not receive remittances, which could influence employment and educational decisions. Therefore, we will use a methodology known as Propensity Score Matching (PSM) that we previously employed to measure the effects of the social networks on income in the May 2010 edition of ***Mexico Migration Outlook***, and that we feel could result in better estimates due to their statistical properties.

With this methodology, the study seeks to compare those individuals for whom it wishes to estimate the impact against other individuals with very similar characteristics. The former are known as the "treatment group" and the latter as the "control group." In order to control the possible differences

in the characteristics of both groups and to make comparisons among similar groups, an index is calculated in which the different characteristics of people in one and another group (control and treatment) are summarized. Thus, individuals in the treatment and control group whose indexes are very similar are compared. Those individuals with comparable indexes are considered to have very similar characteristics. This implies that the analysis is undertaken as if the experiment had been random. The comparisons are made in what is known as the common support area, that is, where sufficient observations exist to make the comparisons. Furthermore, there are different procedures to make the comparisons. In this article we will use the "nearest neighbor" method, which consists in comparing people of the treatment group with those of the control group whose index is the closest in magnitude.

This latter methodology seeks to determine whether receiving remittances generates differences in the recipient households in terms of their employment and educational decisions in comparison to households with similar characteristics that do not receive remittances.

Graph 16
Impact evaluation through control and treatment groups



Source: BBVA Bancomer based on Ravallion (2008)

Data

The ENOE is a survey that is applied on a quarterly basis and contains information on the population's socio-demographic characteristics, the occupational structure and its distribution by economic sector. In addition, it includes workers' employment modalities and income levels, as well as the characteristics of the economic units in which they are employed.

As a strategy for compiling the information, the ENOE has two versions of the occupation and employment questionnaire (COE), the basic and the expanded. With the latter it is possible to identify the households that are recipients of remittances. The ENOE operational schema contemplates the application of the expanded version of the survey during one quarter of the year and the basic version in the three remaining quarters. Unfortunately, the expanded version of the survey was not conducted in the same quarter of the years considered in our period of analysis, 2006-2010. Thus, for the years 2006-2008, the second quarter was used, while for 2009 and 2010 it was the first quarter. We are aware that the figures that are presented can reflect seasonal effects, and therefore more than considering them as precise data, we place the emphasis on the main trends.

To make the comparisons among groups, first the households that receive remittances were identified. The ENOE figures show a decrease in their percentage share between 2005 and 2010[2].

[2] The percentage of households that receive remittances differs from the data of the 2010 Census, which can be due to seasonal factors or differences in the population groups surveyed.

Chart 7
Percentage of households in Mexico that receives remittances (% of the total)

2005	5.5
2006	5.3
2007	4.8
2008	4.2
2009	3.3
2010	2.8

Note: 2005-2008 second quarter; 2009-2010 first quarter.
Source: INEGI, ENOE

Given that the analysis to be carried out is on an individual level, the people were classified on the basis of whether or not they receive remittances in their household. To analyze the possible effects of remittances on employment the sample was restricted to people between 14 and 65 years of age. In order to analyze the effects on individuals remaining in school, two sub-groups were studied, children below the age of 15 and young people between 15 and 29 years of age.

Effects of remittances on employment

In the case of the analysis of remittances and their relation to employment, the estimate of the *logit* and *probit* models considered the following as independent variables: a variable that indicates if the person is male, his age and the age squared, the number of years of schooling, the number of children below the age of six in the household, the number of children between 6 and 11 years of age, a variable that indicates if the person lives in a town with fewer than 2,500 inhabitants, a variable that uses the value of one if the person is married or lives in a common law arrangement. In addition, different sub-samples were considered: men, women, the rural sector and the urban sector.

The results in all the cases and for both models show an inverse relationship between the fact that an individual receives remittances in his or her household and the probability of working, although this is not always statistically significant.

Chart 8
Marginal effect of belonging to a household that receives remittances on the probability of being employed

	Total sample		**Men**		**Women**		**Rural**		**Urban**	
	Logit	**Probit**	**Logit**	**Probit**	**Logit**	**Probit**	**Logit**	**Probit**	**Logit**	**Probit**
2005	-0.02	-0.03	-0.01	-0.02	-0.02	-0.01	-0.04	-0.04	-0.08	-0.02
2006	-0.02	-0.02	-0.01	-0.01	-0.01	-0.01	-0.03	-0.04	-0.01	-0.01
2007	-0.02	-0.03	-0.01	-0.01	-0.04	-0.03	-0.05	-0.04	-0.02	-0.02
2008	-0.01	-0.01	-0.01	-0.01	-0.01	0.00	-0.04	-0.04	-0.01	0.00
2009	-0.03	-0.03	-0.03	-0.03	-0.01	-0.01	-0.05	-0.05	-0.02	-0.02
2010	-0.03	-0.02	-0.01	-0.01	-0.04	-0.03	-0.04	-0.03	-0.02	-0.02

Control variables: a variable that indicates if the person is male, his age and the age squared, the number of years of schooling, the number of children below the age of six in the household, the number of children between 6 and 11 years of age, a variable that indicates if the person lives in a town with fewer than 2,500 inhabitants, a variable that uses the value of one if the person is married or lives in a common law arrangement.
Values in boldface are statistically significant at the level of 5% or less.
Note: The sample includes persons between 14 and 65 years of age
Source: Economic Studies Service, Mexico, BBVA Research

In order to take into account the possible self-selection in receiving remittances, and to see if this relation is statistically strong, giving results in the same sense by means of another methodology, results are also presented with PSM using the Nearest Neighbor method and two specifications, for the total sample and for each of the sub-groups, in order to offer statistically strong results[3].

With this methodology, which due to its properties is better than the previous model, the same results remain and they even increase in magnitude. It is found that the probability that a person works if he or she receives remittances in his or her household decreases on average between 7 and 8 percentage points. When separating the effects by men and women, there is also an inverse correlation in both cases, but greater in magnitude in the case of men. By urban and rural sector, it is also found that remittances discourage employment, and that there are no significant differences in the effects between both sectors.

Chart 9

Total sample, Nearest Neighbor method

	E1	t	E2	t	E1 and E2 average
2005	-0.075	-20.75	-0.088	-19.264	-0.08
2006	-0.069	-18.662	-0.078	-16.868	-0.07
2007	-0.069	-17.772	-0.080	-16.689	-0.07
2008	-0.067	-16.208	-0.081	-15.657	-0.07
2009	-0.066	-14.657	-0.075	-13.339	-0.07
2010	-0.057	-11.712	-0.073	-11.944	-0.07

	Men: Nearest Neighbor method						Women: Nearest Neighbor method				
	E1	t	E2	t	E1 and E2 average		E1	t	E2	t	E1 and E2 average
2005	-0.095	-15.29	-0.099	-12.635	-0.10	2005	-0.049	-10.42	-0.064	-10.56	-0.06
2006	-0.094	-15.176	-0.109	-14.0	-0.10	2006	-0.047	-9.989	-0.056	-9.471	-0.05
2007	-0.100	-15.475	-0.114	-14.266	-0.11	2007	-0.044	-8.985	-0.059	-9.525	-0.05
2008	-0.086	-12.675	-0.098	-11.432	-0.09	2008	-0.049	-9.209	-0.054	-7.943	-0.05
2009	-0.099	-13.277	-0.121	-12.707	-0.11	2009	-0.041	-7.21	-0.044	-6.0	-0.04
2010	-0.073	-9.244	-0.100	-10.0	-0.09	2010	-0.041	-6.61	-0.050	-6.259	-0.05

	Rural Nearest Neighbor method						Urban Nearest Neighbor method				
	E1	t	E2	t	E1 and E2 average		E1	t	E2	t	E1 and E2 average
2005	-0.070	-10.94	-0.090	-10.167	-0.08	2005	-0.077	-17.83	-0.078	-14.662	-0.08
2006	-0.060	-9.099	-0.083	-9.722	-0.07	2006	-0.070	-10.939	-0.090	-10.167	-0.08
2007	-0.060	-8.706	-0.078	-8.747	-0.07	2007	-0.076	-16.131	-0.084	-14.632	-0.08
2008	-0.060	-8.206	-0.083	-8.986	-0.07	2008	-0.07	-14.088	-0.071	-11.546	-0.07
2009	-0.055	-7.00	-0.085	-8.3	-0.07	2009	-0.072	-13.168	-0.080	-11.9	-0.08
2010	-0.046	-5.58	-0.072	-6.6	-0.06	2010	-0.061	-10.392	-0.073	-10.0	-0.07

Note: E1 (Specification 1): Includes a variable that indicates if the household receives remittances, the number of children below 6 years of age in the household, the educational level of the head of the household, a variable that indicates if the head of the household is male, a variable that indicates if the household is located in a town with fewer than 2,500 inhabitants, and the percentage of women in the household. Specification 2 (E2), in addition to considering the previous variables, includes the age of the head of the household and its squared age.
Source: Economic Studies Service, Mexico, BBVA Research.

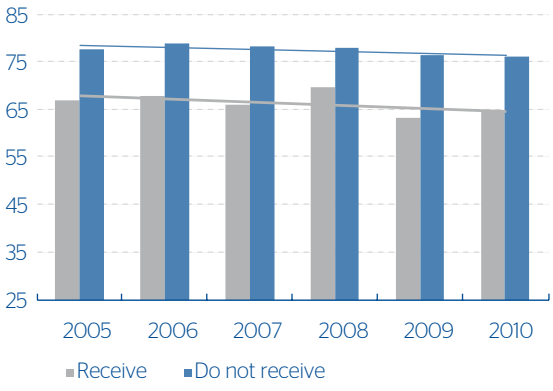
[3] These specifications fulfilled the balance property, necessary to be able to make the estimate for Propensity Score Matching.

To delve further in the results, the percentage share represented by men and women in each of the years of the analysis was calculated based on whether or not they receive remittances and if they live in towns that receive such resources. It is thus likely that both groups could have similar characteristics.

The results show what was previously indicated, namely that people who receive remittances in their households tend to participate less in the labor market than those who do not receive such resources in recipient communities. They also show that in the recent context of economic crisis, different behaviors have emerged in terms of participation in the labor market by gender. While for men such participation has decreased, in women it has increased. This result appears to be in line with what was discovered by Duval and Orraca (2011). These authors pointed out that women (mainly unskilled) increase their participation in the labor market during recessions in order to compensate for the reduction in the family income.

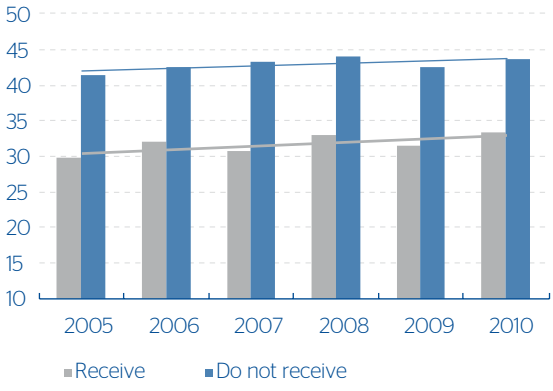
With the recent economic crisis, remittances diminished to levels close to those of 2005. Many households stopped receiving such resources and some of those that continued to receive remittances saw their overall amounts reduced, and it is likely that this situation spurred women's entry in the labor market in the regions receiving such remittances. Female participation in the labor market between 2007 and 2010 increased by close to three percentage points for households receiving remittances and by less than one percentage point in families that do not receive such revenue

Graph 17
Rate of male participation in the labor market in towns receiving remittances



Source: BBVA Research with 2005-2010 ENOE figures

Graph 18
Rate of female participation in the labor market in towns receiving remittances



Source: BBVA Research with 2005-2010 ENOE figures

The results being shown are very strong and indicate that consistently over the course of the years remittances discourage members of the recipient households from holding jobs and, as a result, this reduces their job-related income. Therefore, the possible effect of remittances on development could be declining given such a situation. In the following sections we will explore how remittances act in the case of school enrollment, an important issue since remittances also have an adverse effect on school enrollment and we would be dealing with two important variables in development that would be negatively affected by migration.

Effects of remittances on school enrollment

To begin with, we will present parametric estimates based on the logit and probit modes (as was the case with many of the previous studies), and we will offer an analysis for two groups, children below 15 years of age and young people between the ages of 15 and 29. In this case, the control variables are the following: a variable that indicates if the household receives support from social programs, a variable that indicates if the person is male, the age and the squared age, the number of years of formal education of the head of the household, the age of the head of the household, and a variable that indicates if the individual lives in a town with fewer than 2,500 inhabitants, and in the case of young people, a variable that indicates if the person is married or is in a common law arrangement.

In the first case both models show a positive effect for each of the years, but for the sample of people between 15 and 29 years of age, although the logit model always presents positive results, the probit model offers negative results in some cases. These results suggest that the estimates with the parametric methods could have certain weaknesses, being sensitive to the specifications employed and the methodologies used, but they also have the weakness that they do not take into account the possible endogeneity in the selection between those receiving or nor receiving remittances. This situation could be what explains the contradictory results found in some previous studies

Chart 10

Marginal effect of belonging to a household that receives remittances on the probability of being employed

	Less than 15		15 a 30	
	Logit	Probit	Logit	Probit
2005	**0.04**	**0.03**	**0.04**	**-0.02**
2006	**0.06**	**0.05**	**0.06**	**-0.02**
2007	**0.05**	**0.04**	**0.05**	-0.01
2008	**0.04**	**0.04**	**0.04**	0.00
2009	0.02	0.02	0.02	-0.01
2010	**0.04**	**0.04**	**0.04**	0.01

Control variables: a variable that indicates if the household receives support from social programs, a variable that indicates if the person is male, the age and the squared age, the number of years of formal education of the head of the household, the age of the head of the household, and a variable that indicates if the individual lives in a town with fewer than 2,500 inhabitants, and in the case of young people, a variable that indicates if the person is married or is in a common law arrangement.
Note: The sample includes people between 14 and 65 years of age. Source: BBVA Research with 2005-2010 ENOE figures

We also present estimates through a PSM (a non-parametric method) based on two previously indicated specifications. In this case, the results are always positive, which demonstrates for the two samples and in each of the years that remittances positively affect school enrollment of children and young people, and therefore it is probable that they do indeed encourage investment in human capital.

Chart 11

Less than 15 years of age
Nearest Neighbor method

	E1	t	E2	t
2005	**0.032**	4.51	**0.038**	4.09
2006	**0.032**	4.71	0.015	1.704
2007	**0.019**	2.56	**0.017**	1.827
2008	**0.021**	2.615	**0.016**	1.601
2009	**0.017**	2.029	**0.026**	2.34
2010	0.012	1.272	**0.020**	2.575

Note: E1 (Specification 1): Includes a variable that indicates if the household receives remittances, the number of children below 6 years of age in the household, the educational level of the head of the household, a variable that indicates if the head of the household is male, a variable that indicates if the household is located in a town with fewer than 2,500 inhabitants, and the percentage of women in the household. Specification 2 (E2), in addition to considering the previous variables, includes the age of the head of the household and the square age.
Source: BBVA Research with 2005-2010 ENOE figures

Chart 12

Between 15 and less than 30 years of age
Nearest Neighbor method

	E1	t	E2	t
2005	**0.020**	2.44	0.006	0.54
2006	**0.018**	2.206	0.005	0.522
2007	**0.033**	4.081	**0.023**	2.238
2008	**0.034**	4.013	**0.024**	2.148
2009	**0.019**	1.928	0.006	0.458
2010	**0.038**	3.762	0.017	1.284

Note: E1 (Specification1): Includes a variable that indicates if the household receives remittances, the number of children below 6 years of age in the household, the educational level of the head of the household, a variable that indicates if the head of the household is male, a variable that indicates if the household is located in a town with fewer than 2,500 inhabitants, and the percentage of women in the household. Specification 2 (E2), in addition to considering the previous variables, includes the age of the head of the household and the square age.
Source: BBVA Research with 2005-2010 ENOE figures

Conclusions

The results presented in this study demonstrate that remittances have an income effect on the recipient households. The family members of the households that receive such remittances tend to work outside the home less than families with similar characteristics. It is also shown that in the current context of economic crisis, women's involvement in the labor market tends to increase in communities that receive remittances.

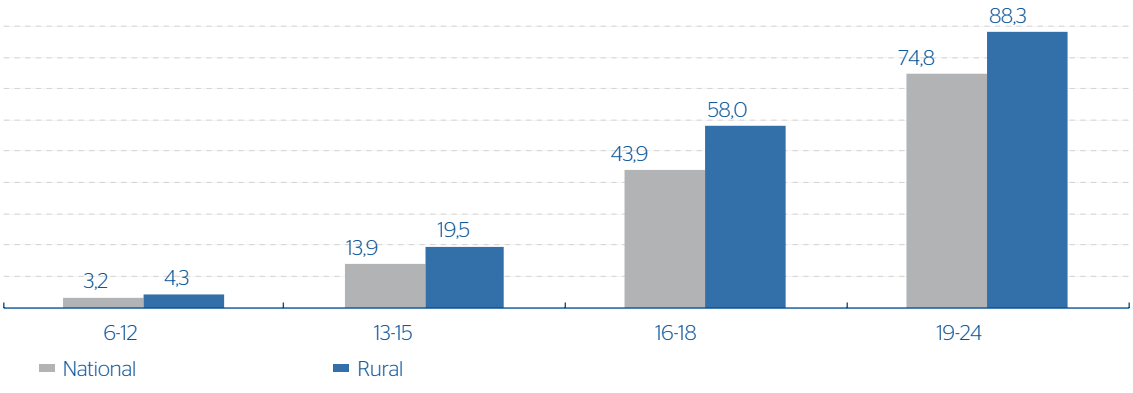
It is likely that in some households that receive remittances, hours of leisure time increase as a result of having such income. Nevertheless, it is also found that in the recipient households, remittances encourage children and young people to have higher levels of school enrollment.

If the recipient households are diminishing their working hours, but are increasing their investments in human capital, it is probable that through such channels the effects of the remittances are positive in the long term, since investments in human capital could increase job-related income in the future.

Although remittances can contribute to raising educational levels in the households that receive them, an important challenge unquestionably is posed on the level of education. The figures of the recent 2010 Population and Housing Census reveal that 75% of all those surveyed between 19 and 24 years of age do not attend school, that is, 7.6 million young people.

Graph 19

Mexico: non-enrollment in school by age groups



Source: BBVA Research with 2010 Population and Housing Census figures

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5. Are remittances a driving force for development in Mexican communities?

In economic literature there is great acceptance that migration, through remittances, is a tool that can facilitate the development of the receiver countries. Development, according to this thesis, can come from the following aspects (Delgado, Márquez, and Puentes 2010):

- Savings and credit: the vast flows of remittances can detonate bank services to excluded sectors. Savings and credit with remittances, under the the scheme of micro-finances becomes the appropriate environment to strengthen the dynamics of development.
- Reduction of poverty: remittances generate the resources that make it possible for those who receive them to overcome poverty and become agents for development.
- The formation of human capital. In addition, remittances constitute an investment in health, food and education for the benefit of the migrants and their families.
- Temporary migration and return. The countries of origin can make use of the capabilities, skills and values acquired by migrants in the destination societies.

Although there are studies that have focused on some of the above elements, the truth is that there has not been hard evidence that shows that remittances are a real driving force for the development of the communities of origin. In this edition of ***Mexico Migration Outlook***, the intention is to conduct an initial general approximation on the subject in the case of communities in Mexico. For this, we have used the official figures of the 2000 Census and the figures disclosed recently for the 2010 Population and Housing Census.

The idea is to set forth a hypothesis on the subject that allows for the continuation of further studies, such as has been done with other subjects in this publication, answering the question in the title of this article.

In Mexico what households remittances?

The figures in the 2010 Census show that in Mexico, there were 28.6 million households in 2010 of which 3.6% received resources from persons abroad. Of these, 2.1% had relatives who had emigrated in the five-year period from 2006 to 2010, while 1% of Mexican households had at least some family member who had emigrated abroad and had returned during the same five-year period.

Chart 13

Mexico: International migrants according to migratory movement in the 2010 census sample

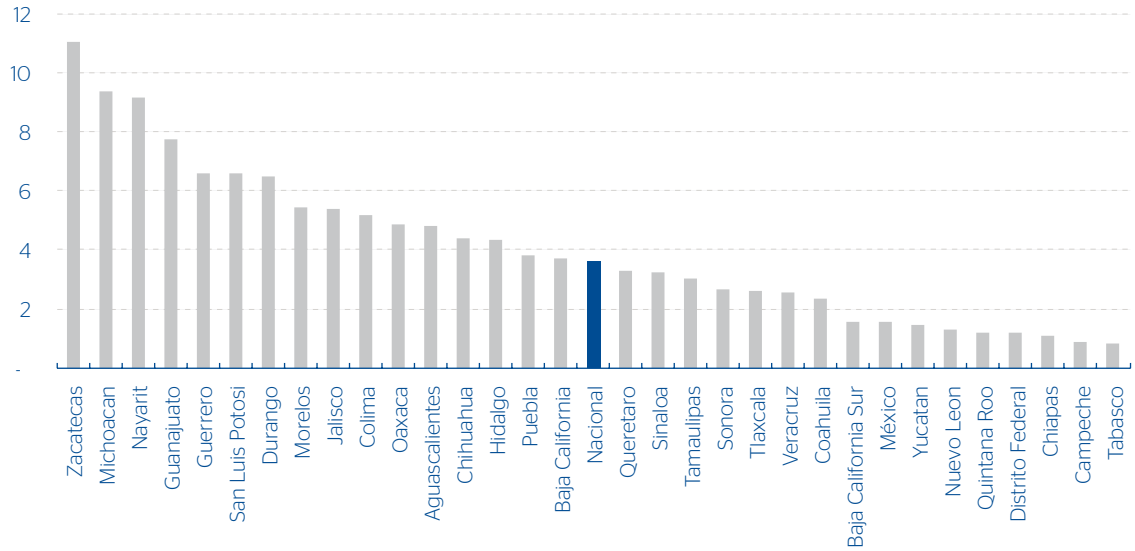
Total households	% of households that receive remittances	% of households with international emigrants from the previous five.year period	% of households with international migrants that returned from the previous five-year period
28.6	3.6	2.1	1.0

Note: considered as a household for purposes of domestic union
Source: Estimates of BBVA Research with figures from the 2010 Population and Housing Census

Based on a review by states, Zacatecas is the state with the greatest proportion of households that receive remittances, with 11%, followed by Michoacan, Nayarit, Guanajuato, Guerrero and San Luis Potosi.

Graph 20

Percentage of households that receive remittances by state, 2010



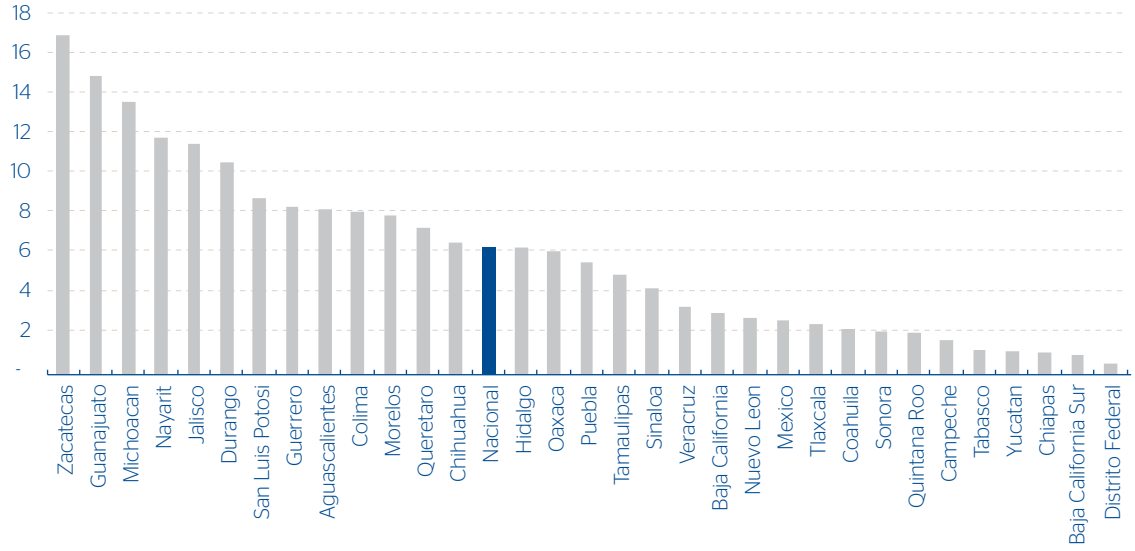
Source: Estimates by BBVA Research based on figures from the sample of the 2010 Population and Housing Census

In most of the states, the proportion of households that receive remittances is greater in the rural than in the urban areas. In this case, Zacatecas is also the state with the greatest proportion of rural households that receive remittances, (17%). Guanajuato, Michoacan, Nayarit, Jalisco and Durango are the states that follow. The states with the lowest proportion of remittances are Quintana Roo, the Federal District (Mexico City), Chiapas, Campeche and Tabasco.

Baja California, Baja California Sur, Coahuila, the Federal District, Sonora, Tlaxcala, and Yucatan are the states where the proportion of rural households that receive remittances is lower than the urban average.

Graph 21

Percentage of households in the urban areas that receive remittances by state, 2010



Source: Estimates of BBVA Research with figures from the 2010 Population and Housing Census sample.

The households that receive remittances are characterized because the heads of the household are women, to a greater extent than non-receptor households. This situation is seen in all the states of the country. The most outstanding are Tabasco, the Federal District, Tlaxcala, Veracruz and Hidalgo, where more than 50% of the households that receive remittances are headed by women, which suggests that in these states, migration has a greater masculine predominance than in other states.

Chart 14

Proportion of households headed by women, whether or not these receive remittances, in each state, 2010

	Receive	Do not receive
Tabasco	60.4	22.6
Distrito Federal	52.5	32.0
Tlaxcala	51.6	21.7
Veracruz	50.9	25.4
Hidalgo	50.1	22.7
Guanajuato	49.7	21.3
Morelos	48.7	27.2
Aguascalientes	48.4	19.5
Queretaro	48.2	23.0
Puebla	47.3	23.9
Colima	47.0	23.7
Sonora	46.8	24.4
Baja California	46.3	25.2
México	45.9	22.9
Oaxaca	45.9	24.5
San Luis Potos	45.6	22.1
Quintana Roo	45.5	22.9
Yucatan	45.5	21.9
National	**45.5**	**23.7**
Jalisco	45.2	23.0
Coahuila	45.1	20.3
Guerrero	44.9	25.9
Tamaulipas	44.2	23.0
Chiapas	44.0	19.6
Chihuahua	43.4	24.7
Sinaloa	42.7	24.6
Nuevo Leon	42.3	19.0
Michoacán	41.7	21.5
Nayarit	38.4	22.2
Zacatecas	37.6	18.6
Baja California Sur	37.5	22.7
Campeche	36.4	23.2
Durango	36.3	23.2
Nacional		24.6

Source: Estimates of BBVA Research with figures from the 2010 Population and Housing Census sample.

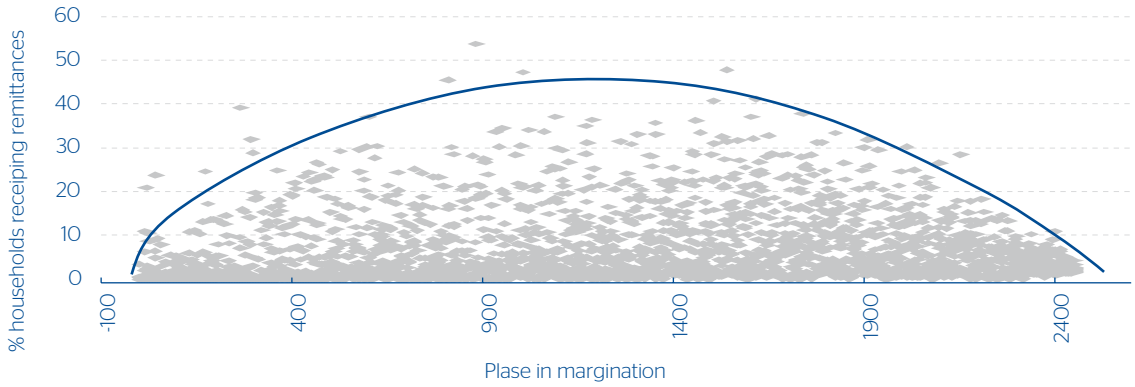
Reception of remittances and development

In the first edition of ***Mexico Migration Outlook*** we saw that international migrants from Mexico do not necessarily come from the poorest or least developed regions in Mexico, but from those with average levels of development. The data of the 2010 Census and CONAPO figures of municipal margination also seem to confirm this, and show that remittances tend to reach to a greater extent those municipalities with average levels of development and to a lesser extent those with greater development or those that are less underprivileged.

Some studies have suggested that migration and declining spreads in wage differences in the places of destination have generated an inverted "U" effect on migration, That is, it is presumed that migration increases in the initial phases of development and later shows a decreasing behavior (De Has, 2008). Some important questions emerge, and we will attempt to deal with them in this space and in subsequent editions. Has emigration affected the development of those municipalities where it has occurred? Will those regions with average levels of development reduce their migratory intensity once they reach higher development levels? Is migration a driving force for the development of communities in Mexico, particularly the poorest ones?

Graph 22

Municipalities of Mexico. Percentage of households that receive remittances compared with those that are impoverished



Source: Estimates of BBVA Research with figures from the sample of the 2010 Population and Housing Census and those of the poverty indices of CONAPO, 2005.

In the following sections we will attempt to offer a certain light to the answers to these questions. To this end, the municipalities are classified by groups of five, according to the proportion of households that receive remittances. In this manner, five groups were formed that distinguish the incidence with which municipalities receive remittances. Very low, low, average, high and very high, according to each group of five.

Reception of remittances and ownership of goods

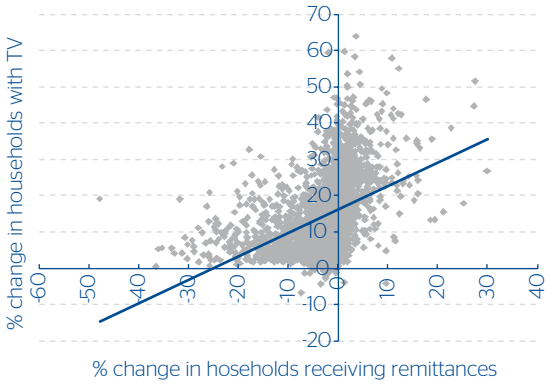
In this section, we compare the variation that exists in the percentage of households that receive remittances between the 2000 Census and the 2010 Census, and the proportion of households that possess a determined good, in each of the municipalities in Mexico. If there is a strong association in the variables, it is expected that when the proportion of households that receive remittances increases, the proportion of households that possess the good also increases.

In general, the results of both censuses do not show a great relationship between the variables. In the cases of television, electricity and refrigerator, there is a slight direct relationship between the variation in the proportion of receptor households and the variation in the proportion of households that possess the good in the municipality, whereas in the case of a washing machine, the relationship seems to be the contrary.

Therefore, it is probable that remittances increase the possession of some goods in the households that receive them, while it does not seem to have a great effect on those households that do not receive remittances, and that also possess those goods.

Graph 23

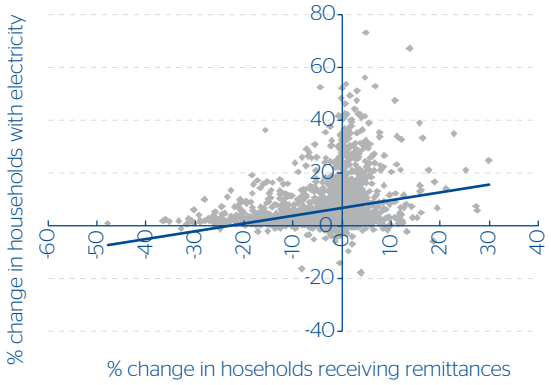
Municipalities of Mexico: Variation in the proportion of households that receive remittances, compared with the proportion of households that possess television sets, between 2000 and 2010 (percentage points)



Source: Estimates of BBVA Research with figures from the samples of the 2010 Population and Housing Census and the 2000 General Population and Housing Census

Graph 24

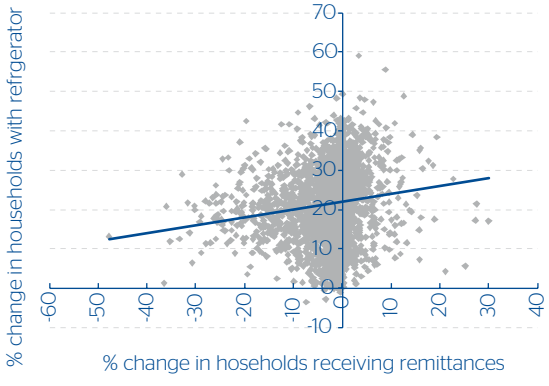
Municipalities of Mexico: Variation in the proportion of households that receive remittances compared with the proportion of households that have electricity, between 2000 and 2010 (percentage points)



Source: Estimates of BBVA Research with figures from the samples of the 2010 Population and Housing Census and the 2000 General Population and Housing Census.

Graph 25

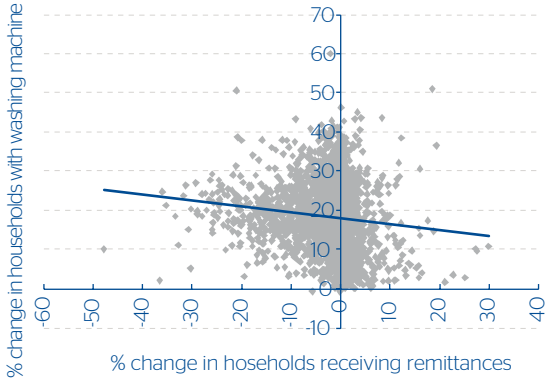
Municipalities of Mexico: Variation in the proportion of households that receive remittances compared with the proportion of households that possess a refrigerator, between 2000 and 2010 (percentage points)



Source: BBVA Research estimates, with figures from the samples of the 2010 Population and Housing Census and the 2000 General Population and Housing Census

Graph 26

Municipalities of Mexico: Variation in the proportion of households that receive remittances compared with the variation in the proportion of households that own a washing machine, between 2000 and 2010 (percentage points)



Source: BBVA Research estimates with figures from the samples of the 2010 Population and Housing Census and the 2000 General Population and Housing Census.

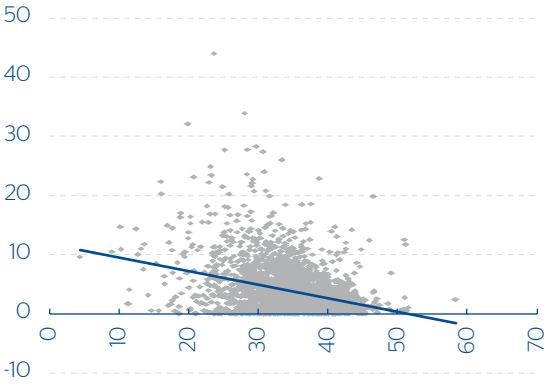
Reception of remittances and population

For remittances to produce development in a community, it is necessary that there be households that receive them and that there are persons that make use of them in a productive manner. That is, there must be persons that carry out work activities in the communities that receive them in order to increase production and make it possible for people to be part of the working sector.

The census figures show a slight inverse relationship between the proportion of households that receive remittances at the municipal level and the participation of the economically active population in the total population. That is, where there is a higher reception level of remittances, there is a lower proportion of persons in a productive age. In like manner, in those municipalities with a greater incidence in the reception of remittances, the proportion of persons 60 years old and over tends to be higher. Thus, although the municipalities receive remittances, these do not necessarily translate into development, given current conditions, while the economically active population tends to decrease and the dependent population tends to increase.

Graph 27

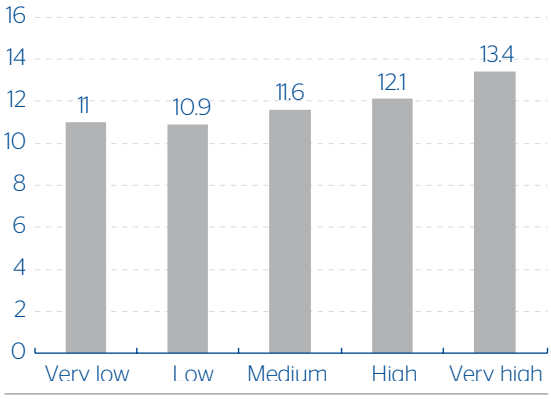
Municipalities in Mexico: Proportion of households that receive remittances compared with the participation of the economically active population. Total, 2010



Source: BBVA Research estimates with figures from the samples of the 2010 Population and Housing Census and the 2000 General Population and Housing Census.

Graph 28

Municipalities in Mexico: Proportion of persons 60 years of age and over per household, according to degree of incidence in the reception of remittances per municipality. 2010



Source: BBVA Research estimates with figures from the sample of the 2010 Population and Housing Census

Remittances and schooling levels

The figures of the 2010 Census show that the municipalities where the incidence in the reception of remittances is low, schooling is also low, while in those places where schooling levles are higher, the reception of remittances is at average levels. Whereas those municipalities where there is a greater level in the reception of remittances have average schooling levels. That is, schooling shows an inverted "U" shape in relation with the frequency in the reception of remittances.

This result can have two interpretations with contrasting results:

- When schooling levels tend to increase, there is also greater emigration and therefore a greater reception of remittances, until there comes a time when it tends to stabilize and even drop. Thus, schooling seems to stimulate the reception of remittances at intermediate levels and tends to discourage it when education levels are high. .
- In those municipalities where emigration is relatively low, the higher the schooling level, the greater the emigration, and therefore a greater reception of remittances. When the reception of remittances tends to increase in a community, the greater the number of persons tend to emigrate and those who do so have higher schooling levels, so that the average schooling level is reduced.

Here, there is another research line on which it is interesting to work. Since, in the first case, it could be surmised that is there is an effect of remittances on development, in the second case the reception of remittances would translate into development if these encourage the outflow of human capital of greater labor capabilities.

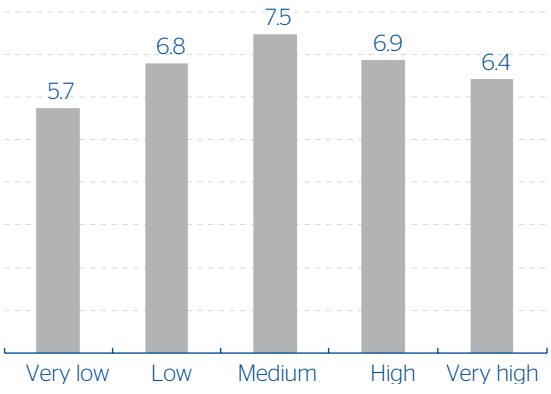
Although knowing what effect occurs requires a more in-depth analysis, there are figures that indicate that in the differenct municipalities, the population that emigrates tends to have higher schooling levels than that of those who stay. Proof of this is that the average schooling of Mexicans older than 15 years of age who live in the United States is higher than nine years, while the average schooling level in Mexico is slightly higher than eight years for the same age range.

Remittances and unemployment

Employment is a variable of great importance in the development of communities. The figures of the 2010 Census show that the greater the incidence in the reception of remittances in the municipalities, the greater unemployment tends to be. A hypothesis in view of these results is that the municipalities that have high unemployment are those where a greater number of migrants send money and therefore the reception of remittances is greater. Nevertheless, this hypothesis is questionable in view of some results that have also been set forth in this publication, such as for example that Mexican migration does not depend so much on unemployment in Mexico, but rather on employment in the United States.

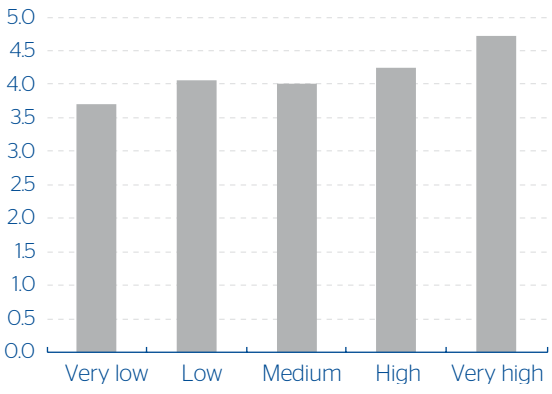
On the other hand, in the article "The Effect of Remittances on Employment and School Attendance in Mexico" which is presented in this edition of Mexico Migration Outlook, it is shown that remittances tend to discourage the number of working hours of those households that receive them. If fewer persons work in a community, two situations can occur: 1) unemployment is reduced, since those persons that have fewer working hours open opportunities for those seeking work, or 2) because there are fewer persons working, there is less production and therefore fewer work opportunities. Undoubtedly, there is an important line of research here. In any case, the role that remittances have played in the generation of employment in those communities that receive them is questionable.

Graph 29
Average municipal school grade, in accordance with the degree of incidence in the reception of remittances



Source: BBVA Research estimates with figures from the sample of the 2010 Population and Housing Census

Graph 30
Unemployment rate, in accordance with the degree of municipal incidence in the reception of remittances



Source: BBVA Research estimates based on the sample of the 2010 Population and Housing Census

Conclusions

The objective of this article of ***Mexico Migration Outlook*** is to present an initial approximation on the subject of migration and the development of communities in Mexico, which answers the question set forth in the title of this article, "Are Remittances a Driving Force for Development in Mexican communities?" The results seem to point toward a negative response, although it is important to continue providing greater elements that allow for greater clarity in answering the question.

Although the possibility cannot be ruled out that remittances contribute to different elements of the well-being of the households that receive them, such as greater levels of consumption, they do not seem to be an important detonator in the development of communities.

The official figures show that those municipalities most likely to receive remittances have average schooling and development levels, tend to present greater unemployment levels, have a greater proportion of older citizens, and a lower proportion of economically active persons. These elements, in general, lead us to believe that it is difficult that remittances would be the sole driving force for development in the communities that receive them. Nevertheless, it is important to delve deeper in this analysis in order to determine to what extent remittances could contribute toward improvement in those communities that receive them.

Given that remittances have positive effects, an important challenge is to set forth mechanisms that will allow for a greater potential effect that will generate greater levels of well-being in the communities that receive them. This will be one of the tasks for future editions of ***Mexico Migration Outloo***k.

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6. Statistical Appendix

Chart 15

International migrants (Millions)

	Both sexes				Male				Female			
	1990	1995	2005	2010	1990	1995	2005	2010	1990	1995	2005	2010
World	155.5	166.0	195.2	213.9	79.1	84.2	99.2	109.1	76.4	81.8	96.1	104.8
Developed countries	82.4	94.1	117.2	127.7	39.6	45.5	56.7	62.0	42.8	48.7	60.5	65.7
Developing countries	73.2	71.8	78.1	86.2	39.6	38.7	42.5	47.2	33.6	33.1	35.6	39.1
North America	27.8	33.6	45.6	50.0	13.6	16.5	22.6	25.0	14.2	17.1	23.0	25.1
Asia	50.9	48.8	55.1	61.3	27.8	26.7	30.3	34.0	23.1	22.1	24.8	27.3
Latin America and the Caribbean	7.1	6.2	6.9	7.5	3.6	3.1	3.4	3.7	3.5	3.1	3.4	3.7
Europe	49.4	54.7	64.4	69.8	23.4	26.0	30.6	33.3	26.0	28.7	33.8	36.5
Africa	16.0	17.9	17.7	19.3	8.6	9.5	9.4	10.3	7.4	8.4	8.3	9.0
Oceania	4.4	4.7	5.5	6.0	2.2	2.4	2.7	2.9	2.1	2.4	2.8	3.1

Annual remittance flow, receipts (Billions of dollars)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010e
Global	126.7	131.5	149.5	169.2	204.2	237.0	274.9	317.9	385.0	443.2	416.0	440.1
Developed countries	50.5	48.4	52.5	55.1	63.2	72.9	77.2	85.2	100.1	110.8	102.1	107.2
Developing countries	74.4	81.3	94.9	111.0	137.4	159.3	192.1	226.7	278.5	324.8	307.1	325.5
Eastern Asia and the Pacific	14.0	15.8	21.0	27.0	32.3	40.0	50.3	57.4	71.1	85.5	85.7	91.2
Southern Asia	15.1	17.2	19.2	24.1	30.4	28.7	33.9	42.5	54.0	71.6	74.9	82.6
Latin America and the Caribbean	15.9	17.7	20.2	24.4	28.2	36.8	43.4	50.1	59.2	63.3	64.6	56.9
Europe and Central Asia	10.2	10.4	10.3	10.7	11.6	16.0	23.3	28.4	39.3	45.8	35.4	36.7
Middle East and Northern Africa	12.9	13.1	15.3	15.9	20.5	23.2	25.1	26.5	32.1	35.9	33.7	35.5
Sub Saharan Africa	4.4	4.6	4.7	5.1	6.0	8.0	9.4	12.7	18.6	21.4	20.6	21.5

Immigrants in the U.S. (Milllons of persons)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total population	266.8	269.1	271.7	276.8	279.5	282.1	285.9	288.3	288.4	299.4	301.6	304.1	307.0
Immigrants	25.8	26.3	26.4	30.0	31.8	32.5	33.5	34.2	35.8	37.5	38.0	38.0	38.5
Gender													
Male	12.9	13.1	13.1	15.1	16.1	16.4	16.8	17.2	17.9	18.9	19.2	19.1	19.2
Female	12.8	13.2	13.3	14.8	15.7	16.1	16.7	17.0	17.8	18.6	18.9	18.9	19.3
Age													
Under 15	1.9	1.8	1.6	2.1	2.2	2.1	2.1	2.2	2.2	2.2	2.1	2.0	2.0
Between 15 and 64	21.1	21.6	21.8	24.7	26.4	27.0	27.7	28.4	29.6	31.0	31.5	31.3	31.7
Over 64	2.8	2.9	3.0	3.2	3.3	3.3	3.7	3.7	3.9	4.3	4.5	4.7	4.8
Region of origin													
Europe	4.3	4.3	4.2	4.4	4.5	4.5	4.6	4.7	5.1	5.2	5.3	5.3	5.2
Asia	6.8	7.0	7.2	7.9	8.5	8.5	8.4	8.7	9.3	9.8	9.9	10.1	10.3
Latin America	13.1	13.4	13.4	15.3	16.0	16.0	17.8	18.3	19.1	20.1	20.1	20.2	20.4
Other areas	1.6	1.6	1.6	2.4	2.8	2.8	2.7	2.6	2.2	2.4	2.8	2.4	2.5

e: Estimated
Source: BBVA Research with information from United Nations, World Bank, United States Census Bureau and Pew Hispanic Center

Chart 16
Mexican Immigrants in the U.S.

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Mexicnas in the U.S. (Millions)	n.d.	n.d.	n.d.	n.d.	23.2	24.0	25.5	26.7	26.9	28.1	29.3	30.3	30.7	31.7	32.3
Mexican Immigrants	6.9	7.3	7.4	7.4	8.1	8.5	9.9	10.2	10.7	11.0	11.1	11.8	11.8	11.9	11.9
Second and third generation	n.d	n.d	n.d	n.d	14.4	14.9	16.0	16.8	16.6	17.5	18.2	18.5	18.9	19.8	20.4
Demographic characteristics of Mexican immigrants															
Gender (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Male	54.7	55.9	54.6	54.4	53.9	54.1	55.4	55.1	55.2	55.4	55.2	56.0	55.5	55.0	55.1
Female	45.3	44.1	45.4	45.6	46.1	45.9	44.6	44.9	44.8	44.6	44.8	44.0	44.5	45.0	44.9
Age groups (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
From 0 to 14 years old	10.7	10.3	9.7	8.0	9.4	9.3	9.1	8.6	8.6	8.6	7.7	7.3	6.6	6.1	5.5
From 15 to 29 years old	34.6	35.1	33.2	33.2	32.6	31.4	33.1	31.9	32.3	31.3	30.2	28.6	27.9	25.8	25.0
From 30 to 44 years old	34.1	33.9	35.8	36.2	36.1	35.6	36.9	37.5	37.4	37.0	37.3	38.1	37.9	38.0	38.7
From 45 to 64 years old	15.5	16.4	16.6	17.4	17.3	18.8	16.8	17.4	17.3	18.6	20.1	20.8	22.1	24.2	25.0
From 65 years or over	5.1	4.3	4.7	5.3	4.6	4.9	4.1	4.6	4.4	4.5	4.7	5.1	5.5	5.9	5.9
Average age (years)	33.3	33.1	33.8	34.5	33.9	34.4	33.6	34.3	34.2	34.5	35.2	35.2	35.8	36.7	37.2
State of residence (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100.0	100.0
California	50.4	46.8	46.3	46.2	47.8	44.5	42.5	39.3	38.3	42.2	39.5	39.5	40.2	39.7	39.9
Texas	20.9	21.1	21.5	21.4	19.0	21.0	20.3	23.0	21.4	20.3	19.4	19.2	19.5	20.3	20.0
Other states	11.0	11.5	11.6	11.3	12.1	14.0	14.9	15.1	18.3	17.0	18.7	18.8	19.0	20.9	20.2
Arizona	4.9	6.8	6.7	6.4	5.3	4.7	5.6	6.0	6.2	5.6	6.4	5.7	5.9	5.0	5.1
Illinois	5.5	5.8	6.5	6.3	5.8	5.5	4.9	6.5	5.5	5.4	4.7	5.3	5.2	5.4	5.4
Florida	2.1	1.5	1.4	2.1	2.4	3.0	3.5	2.2	2.0	2.3	2.8	3.3	2.5	2.1	2.1
North Carolina	0.7	0.9	0.8	1.1	1.4	1.5	1.6	1.6	2.6	2.0	2.5	2.2	1.9	1.7	2.2
New York	1.6	2.2	2.9	2.4	1.8	2.1	2.3	1.8	1.7	1.2	1.9	2.0	1.7	1.8	1.8
Colorado	1.5	2.1	1.2	1.2	2.3	1.9	2.5	2.5	2.3	2.2	2.4	2.0	2.2	1.6	1.7
Nevada	1.3	1.3	1.1	1.5	2.0	1.7	1.8	1.8	1.6	1.9	1.8	1.9	2.0	1.6	1.7
Period of entry (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Before 1975	23.6	20.4	19.6	19.9	17.3	15.5	13.5	13.5	12.3	11.8	10.6	10.3	n.d	n.d	n.d
From 1975 to 1985	30.9	29.6	28.4	28.1	24.4	22.6	20.9	20.9	19.0	16.6	17.0	15.9	n.d	n.d	n.d
From 1986 to 1995	45.5	49.9	44.3	39.8	39.2	36.9	35.8	35.8	30.2	29.7	28.9	28.3	n.d	n.d	n.d
From 1996 to 2007	0.0	0.0	7.7	12.2	19.1	25.0	29.9	29.9	38.5	41.9	43.6	45.5	n.d	n.d	n.d
Mobility condition in the last year (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Non immigrants	91.3	91.8	94.5	92.0	91.6	91.9	91.2	92.3	93.2	89.7	93.1	94.9	n.d	n.d	n.d
Internal immigrants[1]	3.9	4.6	3.3	4.2	4.9	4.7	4.9	5.0	4.4	5.3	4.5	3.4	n.d	n.d	n.d
International immigrants[2]	4.8	3.6	2.2	3.8	3.5	3.5	3.9	2.7	2.4	5.0	2.5	1.8	n.d	n.d	n.d
Social characteristic of the Mexican immigrants (%)															
Education[3]	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Less than 10 grades	60.2	58.7	58.6	56.3	56.2	56.7	54.7	54.1	52.7	52.6	51.0	47.0	n.d	n.d	n.d
From ten to twelve grades	27.5	26.9	28.0	30.3	29.9	28.7	30.6	31.4	32.9	32.9	34.3	38.0	n.d	n.d	n.d
Higher technical	8.9	9.6	8.8	8.8	9.6	9.1	9.3	9.0	9.1	9.2	9.3	9.9	n.d	n.d	n.d
Professional & postgraduate	3.5	4.8	4.6	4.6	4.3	5.5	5.4	5.5	5.3	5.3	5.4	5.0	n.d	n.d	n.d

Notes: 1/ Refers to the population that resided, the year prior to the interview, in a county other than the current one.
2/ Refers to the population that resided, the year prior to the interview , in Mexico.
3/ Population 25 years or over.
n.a. Not available
Source: BBVA Research with CONAPO estimates based on the Census Bureau, Current Population Survey (CPS), March 2088-2010.

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Citizenship in the United States (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
United States citizen	15.5	18.2	21.1	22.7	22.6	22.6	21.4	21.8	21.3	20.4	21.3	21.5	22.7	24.1	25.8
Not United States citizen	84.5	81.8	78.9	77.3	77.4	77.4	78.6	78.2	78.7	79.6	78.7	78.5	77.3	75.9	74.2
Poverty condition[4] (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Poor	34.4	33.7	30.2	28.3	25.7	24.7	24.6	25.4	25.7	26.2	25.7	22.1	n.d	n.d	n.d
Not poor	65.6	66.3	69.8	71.7	74.3	75.3	75.4	74.6	74.3	73.8	74.3	77.9	n.d	n.d	n.d
Type of health coverage (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0			
Public	15.9	13.5	12.5	12.9	12.7	12.3	11.7	12.9	12.9	14.1	14.1	12.7	n.d	n.d	n.d
Private	29.0	31.7	31.2	31.4	33.2	33.1	33.6	32.3	30.3	29.8	29.6	28.3	n.d	n.d	n.d
Both	2.8	2.0	2.4	2.1	2.0	1.9	1.7	2.2	1.8	2.7	2.3	2.6	n.d	n.d	n.d
None	52.4	52.8	53.8	53.6	52.1	52.7	53.0	52.6	55.0	53.4	54.1	56.4	n.d	n.d	n.d
Labor characteristics of Mexican immigrants (%)															
Population 15 years or over (Millions)	6.2	6.5	6.7	6.8	7.3	7.7	9.0	9.3	9.8	10.1	10.3	10.9	11.1	11.1	11.2
Economically active pop.	4.0	4.4	4.6	4.6	5.0	5.3	6.3	6.5	6.7	6.9	7.2	7.7	7.6	7.7	7.7
Employed	3.6	4.0	4.2	4.3	4.6	4.9	5.8	5.8	6.2	6.5	6.8	7.2	7.0	6.7	6.8
Unemployed	0.4	0.4	0.3	0.3	0.4	0.4	0.6	0.6	0.5	0.4	0.4	0.4	0.6	1.0	1.0
Economically inactive pop.	2.1	2.1	2.1	2.2	2.3	2.4	2.6	2.9	3.1	3.1	3.1	3.3	3.4	3.5	3.5
Hours worked weekly (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
34 or less	12.1	12.5	13.0	10.6	9.3	9.7	11.6	11.1	10.3	11.0	9.5	10.5	n.d	n.d	n.d
From 35 to 44 hours	72.1	69.8	70.3	73.7	76.8	75.3	75.2	75.1	76.1	75.2	76.1	75.1	n.d	n.d	n.d
45 or more	15.8	17.7	16.7	15.7	13.9	14.9	13.2	13.8	13.6	13.8	14.4	14.4	n.d	n.d	n.d
Annual wage (U.S. dollars) (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Less than 10 000	31.0	29.8	26.2	23.8	21.0	17.5	17.5	15.0	14.4	13.4	12.8	11.1	n.d	n.d	n.d
From 10 000 to 19 999	43.6	42.1	43.2	44.3	44.1	42.4	40.0	39.9	40.9	39.9	37.1	34.4	n.d	n.d	n.d
From 20 000 to 29 999	15.6	16.6	17.9	18.8	20.1	22.0	24.6	24.3	23.9	24.0	26.2	27.5	n.d	n.d	n.d
From 30 000 to 39 999	6.1	6.8	7.6	6.9	7.8	9.9	9.3	10.7	11.2	11.4	12.4	13.7	n.d	n.d	n.d
From 40 000 or more	3.8	4.7	5.1	6.2	7.0	8.2	8.7	10.1	9.6	11.3	11.5	13.3	n.d	n.d	n.d
Sector of activity (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Primary	11.9	12.4	10.2	10.6	12.1	9.5	8.3	4.4	5.0	5.7	4.2	4.0	5.2	5.2	5.5
Secondary	35.1	36.4	35.3	34.9	36.6	36.5	35.8	35.8	36.1	36.9	39.6	40.6	37.2	33.2	30.9
Tertiary	53.1	51.2	54.5	54.5	51.2	54.0	55.9	59.8	58.9	57.4	56.2	55.4	57.7	61.7	63.6
Type of Employment (%)	n.d	n.d	n.d	n.d	n.d	n.d	n.d	100.0	100.0	100.0	100.0	100.0	n.d	n.d	n.d
Profe. & related employ.	n.d	n.d	n.d	n.d	n.d	n.d	n.d	7.4	7.8	6.7	7.5	7.3	n.d	n.d	n.d
Employment in serv., sales, management[5]	n.d	n.d	n.d	n.d	n.d	n.d	n.d	15.4	15.9	15.0	15.0	14.9	n.d	n.d	n.d
Business cleaning & maintenance, food preparation[6]	n.d	n.d	n.d	n.d	n.d	n.d	n.d	25.6	24.6	25.6	25.3	23.3	n.d	n.d	n.d
Agriculture, fishing and forestry activities	n.d	n.d	n.d	n.d	n.d	n.d	n.d	4.3	4.4	5.4	3.9	3.9	n.d	n.d	n.d
Employ. in construction, maintenance, and repair[7]	n.d	n.d	n.d	n.d	n.d	n.d	n.d	19.5	22.6	23.2	25.3	27.8	n.d	n.d	n.d
Transport and production[8]	n.d	n.d	n.d	n.d	n.d	n.d	n.d	27.9	24.6	24.0	22.8	22.6	n.d	n.d	n.d
Extraction, mining	n.d	n.d	n.d	n.d	n.d	n.d	n.d	0.1	0.1	0.2	0.2	0.2	n.d	n.d	n.d

4/ Methodology for poverty in the U.S.. Individuals are classified as below the poverty level using a poverty index adopted by a Federal Inter Agency Committee in 1969, slightly modified in 1981.
5/ Includes health care services, security jobs such as detectives, inspectors, police officers, supervisors, correctional facilities staff, etc.
personal care activities, such as child care, barbers or hairdressers, funeral services, recreational activities.
6/ Includes doormen, building cleaning staff, maids, domestic employees.
7/ Includes production operators and supervisors, electrical and electrical-mechanical assembly workers, manufacturers of metallic structures, programming operators and computer operators.
8/ Transportation and mobile occupations, systems assembly, electricians, electromechanical workers, machinery assembly, metallic manufacturers and adjusters, plastics workers, vehicle and equipment cleaners, recycling and loading workers.
n.a. Not available.
Source: BBVA Research with CONAPO estimates based on Census Bureau, Current Population Survey (CPS), March 1994-2007.

Chart 17

State information on Migration from Mexico to the United States

State	Immigrants in U.S.			Immigrants in U.S. as % of state population			Ranking	Immigrants in U.S., % breakdown			Ranking
	1990	2000	2003	1990	2000	2003	2003	1990	2000	2003	2003
National	**5,413,082**	**8,780,482**	**9,866,755**	**6.0**	**8.1**	**8.7**		**100.0**	**100.0**	**100.0**	
Baja California	486,173	501,014	498,132	32.8	26.46	23.65	1	9.0	5.71	5.05	6
Zacatecas	360,276	513,810	550,856	16.7	21.93	23.21	2	6.7	5.85	5.58	5
Michoacan	571,002	950,661	1,059,366	11.7	16.72	18.10	3	10.5	10.83	10.74	2
Jalisco	912,093	1,252,615	1,349,238	14.2	16.31	17.06	4	16.8	14.27	13.67	1
Colima	57,170	85,258	92,732	12.8	15.32	15.64	5	1.1	0.97	0.94	25
Durango	204,871	301,832	327,306	10.8	14.33	15.05	6	3.8	3.44	3.32	11
Guanajuato	400,033	800,680	921,477	8.0	13.46	14.92	7	7.4	9.12	9.34	3
Nayarit	99,315	162,600	177,917	9.9	13.81	14.64	8	1.8	1.85	1.80	21
Chihuahua	338,780	457,037	478,760	12.6	14.32	14.24	9	6.3	5.21	4.85	7
Morelos	72,656	168,609	204,851	6.6	11.74	13.20	10	1.3	1.92	2.08	17
Aguascalientes	71,038	119,777	134,738	8.9	11.67	12.70	11	1.3	1.36	1.37	23
San Luis Potosí	200,941	339,314	386,100	7.5	10.82	12.15	12	3.7	3.86	3.91	9
Tamaulipas	137,839	221,284	241,961	6.1	8.09	8.40	13	2.5	2.52	2.45	15
Guerrero	107,405	284,851	347,528	3.3	7.13	8.37	14	2.0	3.24	3.52	10
Nuevo Leon	197,012	279,349	294,178	6.8	7.71	7.85	15	3.6	3.18	2.98	13
Sonora	139,996	165,299	170,604	7.3	7.14	7.08	16	2.6	1.88	1.73	22
Queretaro	47,384	90,036	106,145	4.2	6.28	7.04	17	0.9	1.03	1.08	24
Hidalgo	32,977	141,440	194,075	1.4	5.05	6.76	18	0.6	1.61	1.97	18
Coahuila	133,986	170,195	180,291	5.9	6.37	6.54	19	2.5	1.94	1.83	20
Sinaloa	83,135	161,370	186,534	3.4	5.40	6.01	20	1.5	1.84	1.89	19
Mexico	206,566	485,442	586,196	2.9	5.42	5.95	21	3.8	5.53	5.94	4
Oaxaca	69,574	181,683	231,968	1.8	4.08	5.03	22	1.3	2.07	2.35	16
Puebla	85,369	246,361	305,442	1.8	4.18	4.92	23	1.6	2.81	3.10	12
Baja California Sur	13,637	16,546	17,213	5.1	4.83	4.73	24	0.3	0.19	0.17	29
Distrito Federal	270,978	367,202	413,395	2.7	3.05	3.36	25	5.0	4.18	4.19	8
Quintana Roo	12,790	15,431	16,413	5.2	3.51	3.30	26	0.2	0.18	0.17	30
Veracruz	46,614	197,495	266,256	0.7	2.41	3.16	27	0.9	2.25	2.70	14
Yucatan	33,824	43,313	47,081	2.1	2.23	2.38	28	0.6	0.49	0.48	26
Tlaxcala	4,238	18,836	25,856	0.5	1.76	2.34	29	0.1	0.21	0.26	28
Campeche	4,777	7,505	9,341	1.0	1.15	1.36	30	0.1	0.09	0.09	32
Chiapas	6,318	24,100	32,622	0.2	0.57	0.71	31	0.1	0.27	0.33	27
Tabasco	4,315	9,537	12,183	0.3	0.47	0.58	32	0.1	0.11	0.12	31

Source: BBVA Research based on CONAPO estimates

Chart 18
Indicators on remittance receipts at state level

	Households in the year 2000					
State	Total households (Thousands)	Get the total remittances (%)	With emigrants in the five years preceding U.S. (%)	With emigrants return to the previous five years (%)	Indicator of dependence on remittances 2008*	Degree of dependence on remittances**
National	**28,696**	**3.6**	**3.1**	**1.0**	**2.40**	
Michoacan	1,084	9.3	6.5	2.0	9.5	Very hjgh
Guerrero	817	6.6	4.3	1.0	9.3	Very hjgh
Oaxaca	937	4.9	5.1	0.9	8.7	Very hjgh
Zacatecas	377	11.0	7.0	2.4	8.3	Very hjgh
Nayarit	295	9.1	4.6	2.4	6.1	High
Guanajuato	1,288	7.7	7.7	2.4	5.9	High
Morelos	476	5.4	3.8	1.2	5.7	High
Hidalgo	674	4.3	5.3	1.7	5.4	High
Tlaxcala	277	2.6	4.1	1.4	5.4	High
Puebla	1,383	3.8	4.4	1.2	4.4	High
Chiapas	1,085	1.1	1.7	0.6	4.2	High
San Luis Potosi	641	6.6	4.6	1.4	3.9	Medium
Colima	181	5.2	3.3	1.3	3.6	Medium
Durango	408	6.5	3.9	1.4	3.5	Medium
Veracruz	2,029	2.5	2.7	0.9	3.3	Medium
Aguascalientes	293	4.8	5.0	2.0	3.0	Medium
Jalisco	1,824	5.4	3.8	1.5	3.0	Medium
Queretaro	455	3.3	4.9	1.8	2.3	Low
Sinaloa	723	3.3	1.8	0.7	2.3	Low
Mexico	3,724	1.5	1.9	0.7	2.2	Low
Chihuahua	952	4.4	2.6	0.8	1.4	Low
Tamaulipas	903	3.0	2.1	0.8	1.4	Low
Sonora	739	2.7	1.9	0.7	1.2	Low
Baja California	881	3.7	1.6	0.5	1.2	Low
Yucatan	505	1.4	1.3	0.4	0.9	Low
Coahuila	737	2.4	1.8	0.8	0.9	Low
Quintana Roo	368	1.2	1.2	0.5	0.7	Very low
Distrito Federal	2,451	1.2	1.6	0.6	0.6	Very low
Baja California Sur	187	1.6	1.5	0.8	0.6	Very low
Nuevo Leon	1,216	1.3	1.2	0.5	0.4	Very low
Tabasco	574	0.8	0.9	0.4	0.4	Very low
Campeche	214	0.9	0.8	0.3	0.1	Very low

*Remittances/GDP*100.
**Classification by BBVA Research. The cutoff points were established based on standard deviations in the sample
Source: BBVA Research based on CONAPO estimates

Chart 19

Annual figures on family remittances at the national level

	2003	2004	2005	2006	2007	2008	2009	2010
Millions of dollars								
Total	15,138.7	18,331.7	21,688.3	25,566.8	26,049.6	25,138.6	21,244.7	21,271.2
Money Orders	1,665.3	1,869.7	1,747.9	1,359.7	859.7	598.7	386.2	389.8
Personal Checks	6.4	-	-	-	-	-	-	-
Electronic transfers	13,212.4	16,228.5	19,667.2	23,854.0	24,802.7	24,113.7	20,547.5	20,583.3
Cash and payment in kind	254.6	233.6	273.2	353.2	387.3	426.3	311.0	298.2
Thousands of Transactions								
Total	47,985.9	57,013.4	64,921.7	74,184.6	75,635.8	72,618.6	66,936.9	67,434.7
Money Orders	4,498.1	4,602.8	4,066.9	2,844.6	1,585.9	1,353.3	866.4	816.1
Personal Checks	6.9	-	-	-	-	-	-	-
Electronic transfers	43,132.7	52,087.9	60,509.4	70,697.7	73,278.7	70,478.0	65,381.4	65,930.0
Cash and payment in kind	348.3	322.7	345.4	642.3	771.2	787.2	689.1	688.6
Average remittance (dollars)	315.5	321.5	334.1	344.6	344.4	346.2	317.4	315.4

Source: BBVA Research based on Banxico (central bank) data

Chart 20

Annual figures on household remittances at national level (% breakdown)

	2003	2004	2005	2006	2007	2008	2009	2009
Millions of dollars								
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Money Orders	11.0	10.2	8.1	5.3	3.3	2.4	1.8	1.8
Personal Checks	0.0	-	-	-	-	-	-	-
Electronic transfers	87.3	88.5	90.7	93.3	95.2	95.9	96.7	96.8
Cash and payment in kind	1.7	1.3	1.3	1.4	1.5	1.7	1.5	1.4
Millions of dollars								
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Money Orders	9.4	8.1	6.3	3.8	2.1	1.9	1.3	1.2
Personal Checks	0.0	-	-	-	-	-	-	-
Electronic transfers	89.9	91.4	93.2	95.3	96.9	97.1	97.7	97.8
Cash and payment in kind	0.7	0.6	0.5	0.9	1.0	1.1	1.0	1.0

Source: BBVA Research based on Banxico (central bank) data

Chart 21

Total cost of money remittances from the United States to Mexico (dollars per remittance*)

	Chicago	Dallas	Houston	Indianapolis	Los Angeles	Miami	New York	Sacramento	San Jose	Average
1999	21.8	27.1	21.8	42.1	28.3	27.4	27.0	32.4		28.5
2000	18.8	24.3	21.4	29.7	23.7	22.6	21.6	17.1	29.2	23.2
2001	12.7	16.2	15.7	21.1	13.1	17.0	15.7	14.7	15.0	15.7
2002	13.3	14.6	14.9	17.1	13.9	16.4	14.2	15.3	14.4	14.9
2003	11.2	13.1	13.1	22.9	12.0	13.1	12.8	14.5	13.1	12.8
2004	11.2	12.3	12.6	11.3	11.4	12.0	12.2	12.2	11.7	11.9
2005	10.1	11.7	11.9	9.7	10.6	10.3	11.0	10.7	10.9	10.7
2006	9.3	11.3	11.9	10.1	10.1	10.1	10.8	9.9	10.5	10.4
2007	8.2	10.3	11.9	9.8	8.7	8.7	9.5	7.7	9.3	9.3
2008	5.1	7.1	9.6	7.9	6.1	4.9	6.7	4.8	6.4	6.5
2009	4.4	5.7	7.7	7.4	4.8	5.0	5.6	4.5	5.3	5.6
2010	5.0	6.7	8.6	8.1	5.5	6.5	6.3	5.0	6.5	6.5

* Annual average except for 2010, which refers to the average for the January-April period.
Source: CNBV with information from PROFECO

Chart 22
Annual family remittances at state level (Millions of dollars)

	2003	2004	2005	2006	2007	2008	2009	2010
National	**15,138.7**	**18,331.7**	**21,688.3**	**25,566.8**	**26,049.6**	**25,138.6**	**21,244.7**	**21,271.2**
Michoacan	1,787.5	2,281.4	2,442.4	2,503.7	2,435.0	2,448.2	2,126.1	2,141.2
Guanajuato	1,407.4	1,727.9	1,904.8	2,311.2	2,388.2	2,317.2	1,939.2	1,978.3
Jalisco	1,335.2	1,462.2	1,695.8	1,975.5	1,995.9	1,914.3	1,690.2	1,752.8
Estado de Mexico	1,106.4	1,445.8	1,764.8	2,079.2	2,166.2	2,066.3	1,695.9	1,635.0
Puebla	854.0	1,009.0	1,182.1	1,482.6	1,617.0	1,615.2	1,370.8	1,369.1
Oaxaca	787.1	948.9	1,080.2	1,360.1	1,516.9	1,521.8	1,294.8	1,294.6
Veracruz	999.1	1,168.1	1,373.4	1,680.8	1,775.1	1,618.0	1,292.5	1,235.6
Guerrero	877.4	1,018.4	1,174.7	1,455.7	1,489.0	1,435.1	1,196.8	1,199.7
Distrito Federal	814.7	921.6	1,312.6	1,490.4	1,058.2	1,083.5	963.1	997.7
Hidalgo	608.5	725.6	815.0	982.8	1,091.8	960.7	749.9	714.5
San Luis Potosi	403.6	469.1	562.3	714.4	778.0	760.6	624.9	628.5
Zacatecas	402.4	484.7	540.5	667.7	687.1	681.3	571.6	580.8
Chiapas	435.2	587.5	765.3	940.9	920.7	810.9	607.9	573.5
Morelos	373.2	433.1	505.1	587.9	635.2	622.4	546.5	553.9
Sinaloa	320.5	374.1	451.1	503.3	522.8	487.6	455.4	469.5
Tamaulipas	234.4	284.1	425.3	496.8	516.5	500.3	413.8	401.7
Chihuahua	236.7	279.4	389.2	473.9	460.0	474.7	406.6	397.3
Durango	262.4	329.7	384.3	428.5	452.9	441.9	373.7	378.6
Queretaro	283.3	353.4	405.9	484.1	475.0	436.3	359.1	354.0
Baja California	142.0	165.1	256.6	302.1	334.4	334.3	321.1	347.3
Nayarit	227.5	262.4	302.7	348.2	374.9	376.4	340.7	336.9
Aguascalientes	260.2	314.8	322.6	379.4	372.9	332.2	281.3	293.4
Sonora	128.3	170.5	294.7	326.0	332.1	310.9	277.8	291.5
Nuevo Leon	189.2	295.8	283.9	342.6	327.0	323.7	292.2	283.5
Tlaxcala	149.2	185.0	221.1	270.7	303.3	305.1	258.2	258.2
Coahuila	139.9	180.0	240.7	275.3	293.1	278.3	233.6	233.7
Colima	103.7	134.3	165.0	183.2	199.6	184.5	164.3	171.3
Yucatan	60.3	75.8	94.1	122.1	136.7	136.1	109.6	112.5
Tabasco	86.0	105.3	156.4	187.9	182.7	156.1	114.0	111.1
Quintana Roo	52.9	67.5	85.0	99.5	98.5	97.2	85.4	86.7
Campeche	51.7	53.2	65.7	82.0	80.4	72.7	55.7	55.0
Baja California Sur	19.0	17.7	24.4	28.5	32.1	34.7	31.9	33.7

Source: BBVA Research based on Banxico (central bank) data

Chart 23
Annual family remittances at state level (Breakdown %)

	2003	2004	2005	2006	2007	2008	2009	2010
National	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Michoacan	11.8	12.5	11.4	9.9	9.2	9.8	10.0	10.1
Guanajuato	9.3	9.5	8.8	9.1	9.0	9.2	9.1	9.3
Estado de Mexico	7.4	8.0	8.3	8.3	8.3	8.3	8.0	8.2
Jalisco	8.9	8.1	7.9	7.9	7.7	7.7	8.0	7.7
Veracruz	6.6	6.3	6.3	6.5	6.7	6.4	6.5	6.4
Puebla	5.4	5.3	5.2	5.6	6.0	6.2	6.1	6.1
Oaxaca	5.1	5.1	4.9	5.2	5.4	5.8	6.1	5.8
Guerrero	5.6	5.4	5.2	5.4	5.4	5.6	5.6	5.6
Distrito Federal	5.5	5.1	6.2	6.0	5.3	4.4	4.5	4.7
Hidalgo	3.9	3.8	3.6	3.7	4.2	3.7	3.5	3.4
Chiapas	2.9	3.2	3.6	3.7	3.5	3.2	2.9	3.0
San Luis Potosi	2.6	2.5	2.6	2.8	2.9	3.0	2.7	2.7
Zacatecas	2.7	2.6	2.5	2.6	2.9	2.7	2.9	2.7
Morelos	2.5	2.3	2.3	2.3	2.4	2.5	2.6	2.6
Tamaulipas	1.6	1.6	2.0	2.0	2.0	2.0	2.1	2.2
Sinaloa	2.1	2.1	2.1	2.0	2.0	1.9	1.9	1.9
Chihuahua	1.6	1.6	1.8	1.9	1.8	1.9	1.9	1.9
Durango	1.8	1.8	1.8	1.7	1.7	1.8	1.8	1.8
Querétaro	1.9	2.0	1.9	1.9	1.8	1.8	1.7	1.7
Nayarit	1.5	1.5	1.4	1.4	1.4	1.5	1.5	1.6
Baja California	1.0	0.9	1.2	1.2	1.3	1.4	1.6	1.6
Aguascalientes	1.7	1.7	1.5	1.5	1.4	1.3	1.3	1.4
Nuevo Leon	1.3	1.7	1.3	1.4	1.4	1.3	1.3	1.4
Sonora	0.9	1.0	1.4	1.3	1.3	1.3	1.4	1.3
Coahuila	0.9	1.0	1.1	1.1	1.1	1.2	1.2	1.2
Tlaxcala	1.0	1.0	1.0	1.0	1.1	1.2	1.1	1.1
Colima	0.7	0.8	0.8	0.7	0.8	0.8	0.8	0.8
Tabasco	0.6	0.6	0.7	0.8	0.7	0.6	0.5	0.5
Yucatan	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5
Quintana Roo	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Campeche	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Baja California Sur	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2

Source: BBVA Research based on Banxico (central bank) data

Chart 24

Labor situation of Hispanics and Mexicans in the U.S. (Figures in thousands)

	2008			2009				2010				2011
	II	III	IV	I	II	III	IV	I	II	III	IV	I
Total population*												
Pop. 16 years old & over	233,410	234,110	234,825	234,913	235,459	236,093	236,739	236,996	237,442	238,104	238,712	238,852
Work force	154,228	154,565	154,653	154,235	154,811	154,235	153,544	153,531	154,283	153,956	153,867	153,279
Employed	136,360	136,807	136,652	137,444	137,656	137,544	138,273	138,626	139,331	139,212	139,066	139,587
Unemployed	8,196	9,324	10,730	12,648	14,352	14,895	15,406	14,904	14,952	14,744	14,801	13,693
Share in labor rate	66.1	66.0	65.9	65.7	65.7	65.3	64.9	64.8	65.0	64.7	64.5	64.2
Unemployment rate	5.3	6.0	6.9	8.2	9.3	9.7	10.0	9.7	9.7	9.6	9.6	8.9
Hispanics*												
Pop. 16 years old & over	31,999	32,274	32,557	32,501	32,754	33,018	33,291	33,333	33,579	33,837	34,101	34,078
Work force	22,065	22,131	22,111	22,120	22,403	22,435	22,487	22,644	22,716	22,789	22,865	22,673
Employed	20,479	20,397	20,114	19,723	19,688	19,585	19,586	19,809	19,886	20,004	19,913	20,039
Unemployed	1,585	1,734	1,996	2,397	2,716	2,850	2,901	2,836	2,830	2,785	2,952	2,634
Share in labor rate	69.0	68.6	67.9	68.1	68.4	67.9	67.5	67.9	67.6	67.3	67.1	66.5
Unemployment rate	7.2	7.8	9.0	10.8	12.1	12.7	12.9	12.5	12.5	12.2	12.9	11.6
Hispanics												
Pop. 16 years old & over	31,999	32,274	32,557	32,501	32,754	33,018	33,291	33,333	33,579	33,837	34,101	34,078
Work force	22,063	22,205	22,183	22,033	22,340	22,508	22,528	22,581	22,637	22,886	22,890	22,557
Employed	20,551	20,487	20,240	19,442	19,751	19,680	19,713	19,526	19,942	20,139	20,016	19,729
Unemployed	1,511	1,719	1,943	2,592	2,589	2,828	2,815	3,055	2,695	2,747	2,874	2,829
Share in labor rate	68.9	68.8	68.1	67.8	68.2	68.2	67.7	67.7	67.4	67.6	67.1	66.2
Unemployment rate	6.9	7.7	8.8	11.8	11.6	12.6	12.5	13.5	11.9	12.0	12.6	12.5
Of Mexican origin												
Pop. 16 years old & over	20,427	20,744	20,707	21,056	21,006	20,716	20,913	21,284	21,182	21,170	21,433	21,260
Work force	14,045	14,238	14,144	14,183	14,349	14,140	14,168	14,468	14,322	14,361	14,462	14,123
Employed	13,044	13,158	12,960	12,493	12,671	12,350	12,398	12,471	12,642	12,745	12,632	12,291
Unemployed	1,001	1,080	1,184	1,690	1,678	1,790	1,771	1,997	1,680	1,616	1,831	1,832
Share in labor rate	68.8	68.6	68.3	67.4	68.3	68.3	67.7	68.0	67.6	67.8	67	66
Unemployment rate	7.1	7.6	8.4	11.9	11.7	12.7	12.5	13.8	11.7	11.3	13	13
Mexican native												
Pop. 16 years old & over	9,364	9,429	9,730	10,227	9,976	9,623	10,031	10,493	10,211	9,911	10,363	10,624
Work force	6,274	6,247	6,419	6,662	6,596	6,287	6,417	6,818	6,582	6,432	6,629	6,723
Employed	5,762	5,676	5,831	5,925	5,760	5,387	5,543	5,907	5,677	5,546	5,698	5,818
Unemployed	512	570	588	737	836	899	873	912	904	886	930	905
Share in labor rate	67.0	66.2	66.0	65.1	66.1	65.3	64.0	65.0	64.5	64.9	64	63
Unemployment rate	8.2	9.1	9.2	11.1	12.7	14.3	13.6	13.4	13.7	13.8	14	13
Mexican immigrants												
Pop. 16 years old & over	11,063	11,315	10,977	10,829	11,031	11,093	10,882	10,791	10,971	11,258	11,059	10,636
Work force	7,771	7,991	7,725	7,520	7,753	7,853	7,752	7,650	7,740	7,929	7,834	7,400
Employed	7,282	7,482	7,129	6,568	6,911	6,963	6,854	6,564	6,965	7,198	6,934	6,473
Unemployed	489	510	596	953	841	891	897	1,085	776	731	900	927
Share in labor rate	70.2	70.6	70.4	69.5	70.3	70.8	71.2	70.9	70.5	70.4	71	70
Unemployment rate	6.3	6.4	7.7	12.7	10.9	11.3	11.6	14.2	10.0	9.2	11	13

* Seasonally adjusted figures

BBVA Research with figures from Bureau of Census, Current Population Survey (CPS), 2006-2009

Chart 25

Monthly receipts from remittances in Mexico (Millions of dollars)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Jan	338.7	382.5	399.6	456.3	655.0	711.0	1017.3	1081.9	1367.6	1758.3	1872.9	1781.1	1572.6	1324.3
Feb	331.6	366.4	388.9	447.2	637.7	718.9	962.9	1171.8	1428.4	1823.2	1856.7	1859.4	1810.4	1553.7
Mar	381.9	427.2	464.9	494.5	718.1	744.5	1099.1	1480.2	1691.6	2152.8	2186.3	2115.9	2111.2	1955.3
Apr	425.5	440.0	469.2	498.8	734.8	805.9	1202.5	1513.5	1753.3	2072.7	2166.1	2184.2	1784.2	1789.4
May	486.7	520.4	571.6	590.8	798.2	912.2	1343.8	1770.4	2057.3	2534.6	2411.8	2371.2	1905.2	2144.7
Jun	453.6	503.5	521.9	541.6	747.8	860.0	1351.2	1684.3	1923.3	2340.3	2300.4	2264.1	1928.9	1890.9
Jul	441.7	494.3	506.7	557.6	796.6	843.1	1361.4	1654.4	1840.3	2191.7	2369.2	2182.3	1838.2	1871.5
Aug	428.9	486.6	532.1	608.1	789.3	849.1	1401.3	1786.8	2059.2	2334.3	2411.9	2097.5	1786.7	1954.6
Sep	431.5	476.3	490.5	568.6	772.1	860.6	1365.5	1586.8	1886.0	2141.0	2186.0	2113.4	1747.1	1719.3
Oct	421.7	454.7	474.5	559.5	792.8	848.3	1391.0	1530.0	1862.3	2316.5	2367.4	2636.6	1695.6	1731.7
Nov	343.4	460.7	502.0	583.1	693.8	741.4	1203.7	1506.2	1887.0	1962.8	1958.4	1751.7	1500.4	1629.2
Dec	379.8	614.3	587.7	666.9	759.0	919.4	1341.1	1565.1	1932.1	1938.7	1962.8	1781.2	1564.2	1706.6
Total	**4,864.9**	**5,626.8**	**5,909.6**	**6,572.8**	**8,895.3**	**9,814.5**	**15,040.7**	**18,331.3**	**21,688.3**	**25,566.8**	**26,049.6**	**25,138.6**	**21,244.7**	**21,271.2**

Monthly receipts from remittances in Mexico (Annual % change)

Jan	8.0	13.0	4.5	14.2	43.6	8.6	43.1	6.3	26.4	28.6	6.5	-4.9	-11.7	-15.8
Feb	17.6	10.5	6.1	15.0	42.6	12.7	34.0	21.7	21.9	27.6	1.8	0.1	-2.6	-14.2
Mar	13.2	11.9	8.8	6.4	45.2	3.7	47.6	34.7	14.3	27.3	1.6	-3.2	-0.2	-7.4
Apr	8.2	3.4	6.6	6.3	47.3	9.7	49.2	25.9	15.8	18.2	4.5	0.8	-18.3	0.3
May	17.7	6.9	9.8	3.4	35.1	14.3	47.3	31.7	16.2	23.2	-4.8	-1.7	-19.7	12.6
Jun	24.2	11.0	3.7	3.8	38.1	15.0	57.1	24.7	14.2	21.7	-1.7	-1.6	-14.8	-2.0
Jul	18.2	11.9	2.5	10.1	42.9	5.8	61.5	21.5	11.2	19.1	8.1	-7.9	-15.8	1.8
Aug	11.1	13.5	9.3	14.3	29.8	7.6	65.0	27.5	15.2	13.4	3.3	-13.0	-14.8	9.4
Sep	27.2	10.4	3.0	15.9	35.8	11.5	58.7	16.2	18.9	13.5	2.1	-3.3	-17.3	-1.6
Oct	20.9	7.8	4.4	17.9	41.7	7.0	64.0	10.0	21.7	24.4	2.2	11.4	-35.7	2.1
Nov	8.8	34.1	9.0	16.2	19.0	6.9	62.3	25.1	25.3	4.0	-0.2	-10.6	-14.3	8.6
Dec	6.9	61.8	-4.3	13.5	13.8	21.1	45.9	16.7	23.5	0.3	1.2	-9.3	-12.2	9.1
Total	**15.2**	**15.7**	**5.0**	**11.2**	**35.3**	**10.3**	**53.3**	**21.9**	**18.3**	**17.9**	**1.9**	**-3.6**	**-15.6**	**0.1**

12-month flow of remittances in Mexico (Millions of dollars)

Jan	4,248.8	4,908.7	5,644.0	5,966.2	6,771.5	8,951.3	10,120.7	15,105.3	18,617.0	22,079.0	25,681.4	25,957.8	24,930.1	20,996.4
Feb	4,298.5	4,943.5	5,666.4	6,024.5	6,962.0	9,032.5	10,364.8	15,314.1	18,873.6	22,473.8	25,714.9	25,960.6	24,881.0	20,739.7
Mar	4,343.1	4,988.8	5,704.1	6,054.1	7,185.6	9,059.0	10,719.3	15,695.3	19,085.0	22,935.1	25,748.4	25,890.1	24,876.4	20,583.9
Apr	4,375.2	5,003.3	5,733.3	6,083.7	7,421.6	9,130.1	11,115.9	16,006.3	19,324.8	23,254.5	25,841.8	25,908.2	24,476.4	20,589.0
May	4,448.4	5,037.0	5,784.5	6,102.9	7,629.0	9,244.0	11,547.6	16,432.9	19,611.7	23,731.8	25,719.0	25,867.7	24,010.3	20,828.6
Jun	4,536.7	5,086.9	5,802.9	6,122.6	7,835.3	9,356.2	12,038.7	16,766.0	19,850.6	24,148.8	25,679.1	25,831.5	23,675.0	20,790.6
Jul	4,604.7	5,139.5	5,815.2	6,173.5	8,074.3	9,402.7	12,557.0	17,059.0	20,036.6	24,500.1	25,856.6	25,644.6	23,331.0	20,823.9
Aug	4,647.5	5,197.2	5,860.7	6,249.5	8,255.6	9,462.5	13,109.1	17,444.6	20,309.0	24,775.2	25,934.1	25,330.2	23,020.2	20,991.7
Sep	4,739.8	5,242.1	5,874.9	6,327.5	8,459.1	9,551.0	13,614.1	17,665.9	20,608.1	25,030.2	25,979.1	25,257.6	22,653.9	20,964.0
Oct	4,812.5	5,275.1	5,894.8	6,412.5	8,692.4	9,606.5	14,156.8	17,804.8	20,940.5	25,484.4	26,030.0	25,526.8	21,713.0	21,000.0
Nov	4,840.4	5,392.3	5,936.1	6,493.6	8,803.1	9,654.1	14,619.1	18,107.3	21,321.2	25,560.3	26,025.6	25,320.1	21,461.7	21,128.8
Dec	4,864.9	5,626.8	5,909.6	6,572.8	8,895.3	9,814.5	15,040.7	18,331.3	21,688.3	25,566.8	26,049.6	25,138.6	21,244.7	21,271.2

12-month flow of remittances in Mexico (annual % change)

Jan	13.9	15.5	15.0	5.7	13.5	32.2	13.1	49.3	23.2	18.6	16.3	1.1	-4.0	-15.8
Feb	14.2	15.0	14.6	6.3	15.6	29.7	14.7	47.8	23.2	19.1	14.4	1.0	-4.2	-16.6
Mar	13.8	14.9	14.3	6.1	18.7	26.1	18.3	46.4	21.6	20.2	12.3	0.6	-3.9	-17.3
Apr	11.9	14.4	14.6	6.1	22.0	23.0	21.8	44.0	20.7	20.3	11.1	0.3	-5.5	-15.9
May	12.2	13.2	14.8	5.5	25.0	21.2	24.9	42.3	19.3	21.0	8.4	0.6	-7.2	-13.3
Jun	14.0	12.1	14.1	5.5	28.0	19.4	28.7	39.3	18.4	21.7	6.3	0.6	-8.3	-12.2
Jul	14.8	11.6	13.1	6.2	30.8	16.5	33.5	35.9	17.5	22.3	5.5	-0.8	-9.0	-10.7
Aug	15.2	11.8	12.8	6.6	32.1	14.6	38.5	33.1	16.4	22.0	4.7	-2.3	-9.1	-8.8
Sep	16.8	10.6	12.1	7.7	33.7	12.9	42.5	29.8	16.7	21.5	3.8	-2.8	-10.3	-7.5
Oct	17.9	9.6	11.7	8.8	35.6	10.5	47.4	25.8	17.6	21.7	2.1	-1.9	-14.9	-3.3
Nov	16.8	11.4	10.1	9.4	35.6	9.7	51.4	23.9	17.7	19.9	1.8	-2.7	-15.2	-1.6
Dec	15.2	15.7	5.0	11.2	35.3	10.3	53.3	21.9	18.3	17.9	1.9	-3.5	-15.5	0.1

Source: BBVA Research based on Banxico (central bank) data

7. Special topics included in previous issues

November 2010

- The impact of the recession in the United States on immigrants and remittances from Mexicans and their respective outlooks
- Migration from Mexico to the United States, an essentially economic link
- Immigration in Arizona and the effects of the new law "SB-1070"
  Inset 1: The Arizona SB 1070 Law: Origin and characteristics
- Highly Qualified Mexican Immigrants in the U.S.; A revealing photograph
  Inset 2: An estimate of the transfer of resources due to education expenses from Mexico to the U.S. through Mexican immigrants

May 2010

- The Global Crisis and Its Effects on Migration and Remittances
  Inset 1: Anti-immigration Policies: Motivations and Some Examples
- Migration and Climate Change: The Mexican Case
- The Importance of Social Networks in Migration
- The Impact of Social Networks on the Income of Mexicans in the U.S

November 2009

- Effects of the Recession in the United States on Mexican Migrants and Outlook for 2010
- Sectorial and Regional Mobility of Mexicans in the U.S.
- Economic Effects of Migration in the Destination Country
- Recent Changes in the Conditions of Mexican Households that Receive Remittances
- Importance of the Global Forum on Migration & Development*

Junio 2009

- Determining Factors of Migration
- International Migratory Flows
- Mexican Migration to the U.S.: A Brief X-Ray
- Municipal Factors Spurring Mexican Migration Abroad
- Has Poverty Affected Mexican Migration to the U.S.?
- Immigration Policy of the U.S.: a Historic Retrospective

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