

Migration Watch Mexico

Economic Research Department
Fundación BBVA Bancomer

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* Prepared with the collaboration of Mariana Torres from Fundación BBVA Bancomer

The current economic recession has had major effects on different sectors of the economy, one of which concerns migration and remittances. The strength of migratory flows has diminished, without this leading to a massive return of immigrants. Remittance flows on a world level that grew rapidly in 2007 have begun to decrease as of the last quarter of 2008. Latin America has been one of the most affected regions, and in this area, Mexico, in comparison with other countries where remittances have great weight on the economy, has posted a greater drop this year in percentage terms.

The international environment, in particular the U.S. economy, shows some improvement, but it is not exempt from risks. The application of an aggressive and expansive fiscal and monetary policy, accompanied by specific programs for the financial, auto, and real estate sectors are enabling the financial markets to stabilize, risk aversion premiums to diminish, and signs of recovery in economic activity to emerge. Some analysts have pinpointed this past summer as the tentative date of the end of the recession in the United States. However, doubts persist regarding the strength of the recovery and particularly of its sustainability. On one hand, risks center on the capacity of U.S. consumption to recover, given the strong decline in family income and wealth, and on the other, on the effectiveness of withdrawing economic policy incentives in order to consolidate the recovery.

In the recovery stages we have noted that, historically, the flexibility of the labor markets, both sectorially as well as regionally, facilitates a more rapid revival of employment in the lower income strata of the population, which benefits migrants. Even though in recessionary stages this sector is the most vulnerable, this situation is reversed in times of an improvement in economic activity. In this issue of Migration Watch we offer a comparison with regard to other similar episodes.

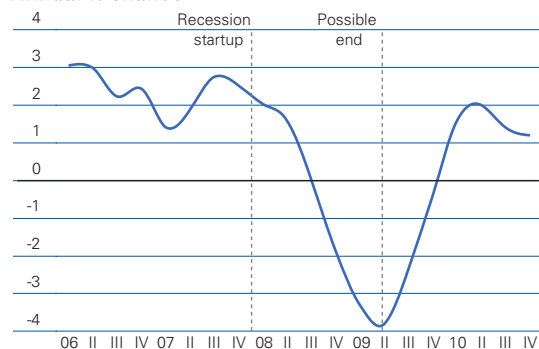
This recovery will undoubtedly be positive for migrants, although insufficient. The crisis has brought with it a regression in poverty levels and development opportunities. Statistics on both an international as well as a domestic level provide evidence to this regard. In the case of Mexico, it has been shown that less revenue from remittances has affected poverty levels. The gradual advances achieved in the past decade were partially reversed in 2008, with poverty increasing to levels of 2005. The crisis has not only led to the loss of jobs, but also to a decline in the purchasing power of many families, the result of lower income and increases in food prices in 2007 and 2008.

This panorama leads us to mention the need to continue advancing on several fronts to contribute to the fight against poverty and improve the conditions of the migrant population. On an international level, once President Obama's administration has been able to advance with regard to different aspects of its agenda, such as controlling the crisis and channeling the recovery and the recently approved social security reforms, the "window of opportunity" will open to move forward on migratory issues. It is necessary to make clear in the debate and in the design of public policies that the receiving countries also obtain benefits from immigration. We are publishing an article in this issue that indicates the theoretical arguments and offers empirical evidence that supports this view. This, in turn, allows articulating and focusing the immigration issue in a more integral and balanced fashion.

In Mexico there is still much to be accomplished. It is necessary to continue expanding the programs to combat poverty and achieve a greater effectiveness in spending, focusing such expenditures on social issues such as health and education. It is also important to improve conditions to boost growth and generate jobs. Many elements converge in this process, but they pass through the pressing need to improve the country's competitiveness. The agenda of issues to be resolved is before us. Mexico must not only deal with the urgent issues, but also the underlying questions and therein lies the responsibility of the different forces in society to create such conditions for moving forward on this level. We should not forget this under the pretext that signs of a recovery are beginning to be seen.

United States: Gross Domestic Product (GDP)

Annual % change



* Estimated as of 4Q09
Source: BBVA with Bureau of Economic Analysis data

The current economic recession in the United States, which extended in different degrees to all regions in the world, began officially in December 2007¹. The only precedent of this crisis was the great depression of the 1930's because of its global financial nature, and the unprecedented collapse of international trade, which has led a large number of countries to enter into recession. Estimates indicate that more than 60% of the countries have entered into recession in this crisis. In the United States, GDP grew 3.2% in the third quarter of 2007; one year later, it posted a drop of 2.8%, which later deepened to 5.4% at the end of the year, and 6.4% at the beginning of 2009. Toward the second quarter of 2009, signs of a halt in the deterioration rate began, with a slowdown of 0.70%.

In our opinion, as of the third quarter, quarterly growth rates returned to positive ground. This expansion will be weak and employment growth will still take some time. From the beginning of the recession to the present time, more than 7 million jobs have been lost, due to which the unemployment rate has risen more than twice, to 10.2%.

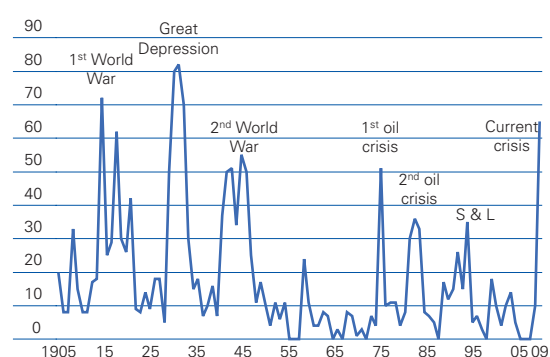
The first sector where this crisis emerged, and which for many was the detonator, was the real estate segment, where a large number of Mexican immigrants work (25% directly in construction at the beginning of the crisis), and it extended to other sectors where the presence of immigrants is also significant. For this reason, it is important to evaluate the effects of the crisis on these groups of people. In the June publication of *Migration Watch Mexico* we discussed some of the main concerns that arose with regard to the migration phenomenon in this crisis. It was stated that there would not be a massive return of Mexican immigrants from the U.S.; a series of arguments were provided to support this claim and, as a way of evaluating the potential impacts, we did a classification of the dependence of Mexican states and households on remittances. Using this as reference, the purpose of this article is to analyze some of the effects of the crisis on Mexican immigrants in the U.S. and the extent of their response in terms of mobility and labor flexibility at the regional and sectorial level, so that we may have a complete view that will allow anticipating the perspectives for the following year in terms of the performance of immigrants and remittances.

The current recession has had greater effects on sectors with a high concentration of Mexican immigrants than in the two previous crises

Three of the sectors with a greater presence of Mexicans in the United States are: construction, retail and manufacturing, which have been strongly affected by the current economic crisis. Contrary to what occurred in the two previous recessions (1990 and 2001) in the present crisis, the impact on these sectors has been greater and this has been reflected on employment. In the construction

Number of Countries in Recession In the Same Year

% of total countries



Source: BBVA

¹ According to the National Bureau of Economic Research (NBER), an institution in charge of determining the economic cycles in the United States, and therefore the initiation dates of recessions and recoveries. To this end, it considers a broad group of indicators and issues a statement that the recession has ended once there is little doubt that this has occurred.

sector, the loss has been 1.6 million jobs, in retail 1.7 million and in manufacturing 2 million. Thus, nearly 70% of jobs lost in the U.S. from the beginning of the recession to date are concentrated in these three sectors.

Since the beginning of the crisis, 22 months have elapsed. In a similar period of time, in the two previous recessions, the construction sector was already showing signs of recovery, that of retail was showing some stabilization and only manufacturing took more months to stabilize. In the present recession, the three sectors seem to show the first symptoms of stabilization. However, it is possible to project, in a central or base scenario, that this time will be different from the two previous cases. Recovery will be slow, so it is probable that, in the following months, there will still be job losses in those sectors, although to a lesser degree than has been seen up to now, and it will only be until the early part of next year that there will be gradual and moderate recovery in some of them. The reasons why we believe that these trends will be seen are based on the way that the economic adjustment in the U.S. will take place. In terms of supply, this will be very concentrated in the construction and automobile sectors, whereas demand will be in consumption of the private sector. There is intense debate regarding the capacity of consumption recovery in the U.S., derived from the effects on family income and wealth, the result among various factors of its high leverage. In our opinion, recovery will be slow and will be accompanied by an increase in the savings rate.

Mexicans are being strongly affected in terms of employment

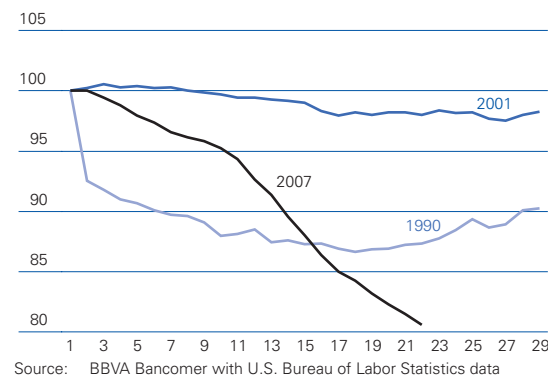
Of total jobs lost in the U.S. from the beginning of the recession to date, nearly 10% have corresponded to Mexicans (first generation or later)². That is, around 800,000 net jobs, 80% of which were held by Mexican immigrants. With this, the unemployment rate among Mexicans as of the third quarter of 2009 (around 12.8%, whereas at the end of 2007 it was 5.4%) had not been seen at least since 1988 (when we began to have information on unemployment for this group).

What can we expect in terms of unemployment among Mexican immigrants going forward? Taking as reference what occurred in previous recessions and the BBVA forecasts for the unemployment rate in the U.S., we could expect the unemployment rate of Mexicans in the U.S. to continue to rise through the rest of this year, although at a more moderate rate. This would allow that it could be stabilized at the beginning of 2010, and in the second half of the year, could show signs of recovery. Once the economy recovers, Mexicans will be among the most favored groups, as has occurred before. This is due to the flexibility that the labor market offers Mexican workers, which has allowed them to move sectorially and regionally. This topic is discussed with greater detail in the box contained in this article.

² First generation Mexicans are those born in Mexico: they are considered immigrants in the United States. Those that are second generation or more, are of Mexican origin born in the United States.

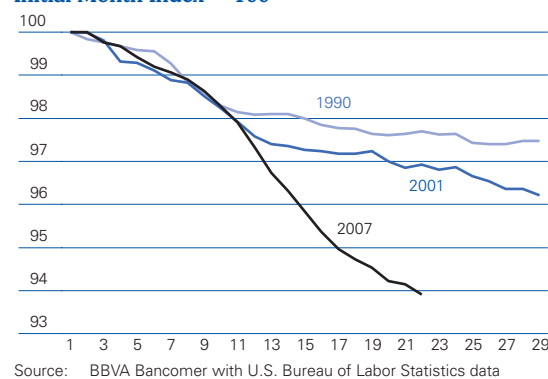
United States: Employment Performance in the Construction Sector as of the Recession Startup

Initial Month Index = 100



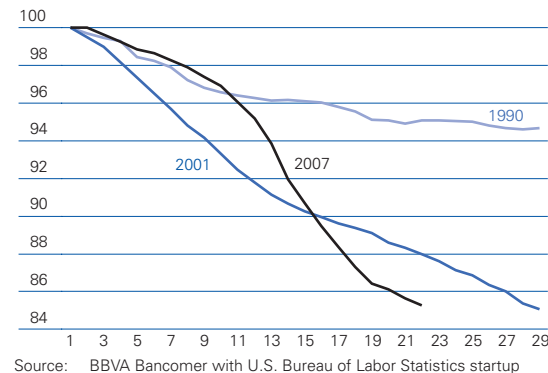
United States: Employment Performance in the Retail Sector as of Recession Startup

Initial Month Index = 100



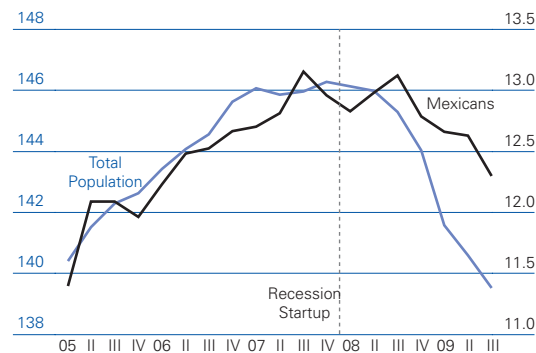
United States: Employment Performance in the Manufacturing Sector as of Recession Startups

Initial Month Index = 100



United States: Employed Workers

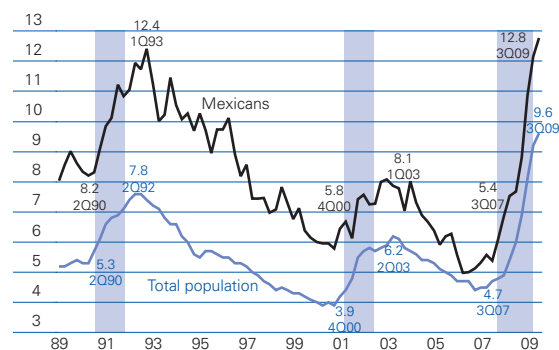
Unseasonally adjusted data, millions



Source: BBVA Bancomer with Current Population Survey data

United States: Quarterly Unemployment Rate

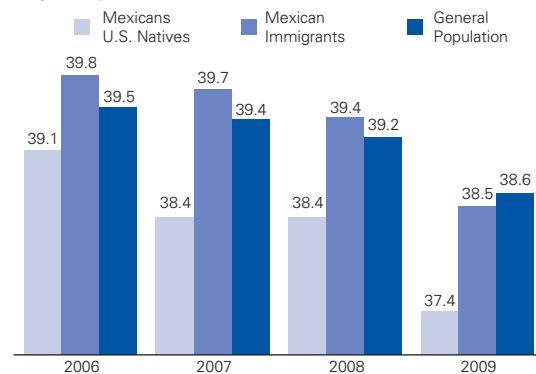
Unseasonally adjusted data



Source: BBVA Bancomer with Current Population Survey data

United States: Average Hours Worked per Week

July – September



Source: BBVA Bancomer with Current Population Survey data

Labor flexibility has helped mitigate the drop in employment

The economic crisis has not only caused many Mexicans living in the United States to lose their jobs, but has also affected those that are employed, who on average, are having to work fewer hours. Although, in general, the hours worked per week have been reduced for all workers, the reduction has been more pronounced among Mexicans. From 2006 to 2009, the number of hours worked by the general population was reduced by one hour per week, while that of immigrants was reduced 1.4 hours a week, and that of Mexican Americans close to 2 hours.

This result can also be considered a sign of labor flexibility, which has allowed some Mexicans to continue to be employed. Although full-time jobs have continued to be lost, the number of part-time Mexican employees has increased significantly, by around 20% in the third quarter of 2009, compared to the same quarter of 2008. This has allowed Mexican workers to mitigate the loss of jobs. Thus, Mexicans in the U.S. have been moving in search for new employment positions in other sectors or regions different from the usual (as shown in the following inset).

Purchasing power of Mexicans in the U.S. has been reduced

Another effect of the crisis on Mexican workers has been the loss of purchasing power. Those who have lost jobs have most probably been left without income, or it has been minimal. But also, those who continue working in general have also suffered a reduction in income. In 2009, in contrast to what occurred in general income, that of Mexicans was reduced in real terms. In the third quarter of 2009, Mexican immigrants' income declined at an annual rate of about 6%, while that of second or more generation Mexicans did so by 3%.

Summary of Some Effects of the Crisis On Mexicans Living in the U.S.

| Indicator | Crisis startup | Current | Result |
|--------------|---|---|---|
| Employment | Around 13.1 million workers of Mexican origin employed | Around 12.3 million workers of Mexican origin employed | Workers of Mexican origin have lost around 800,000 jobs, nearly 80% of which are Mexican immigrants |
| Unemployment | Unemployment rates of workers of Mexican origin: 5.4% | Unemployment rate of workers of Mexican origin: 12.8% | There is no higher unemployment rate than the current one |
| Hours worked | Average number of hours worked per week by Mexican immigrants: 39.7 | Average hours worked per week by Mexican immigrants: 38.5 | The number of hours worked by Mexican immigrants has been reduced |
| Wages | Wages of immigrants in dollars in 2006: \$469.4 | Immigrant wages in dollars of 2005: \$447.4 | Real reduction in immigrant wages of around 5% |
| Poverty | Mexican immigrants in poverty conditions: 22.1% | Mexican immigrants in poverty conditions: 27.1% | Highest poverty levels reached in this decade |

Source: BBVA Bancomer

This had results in terms of poverty, which many Mexican immigrants living in the United States suffer from. The following reviews this point.

From 2007 to 2009, the number of Mexican immigrants in the United States in poverty conditions increased

The rise in unemployment generated by the economic crisis, added to the reduction of working hours, and the loss of purchasing power have led to an increase in poverty among Mexican immigrants in the United States as of 2007, the year that the economic recession began. The proportion of Mexican immigrants in poverty conditions rose 5 percentage points from 2007 to 2009, from 22.1% to 27.1%, bringing the number of Mexican immigrants living in poverty to 3.2 million. The greater incidence is among women, in which the proportion rose from 26.3% to 31.3% during the same period, with 1.5 million currently living in poverty. Thus, Mexican immigrants in the U.S. reached the highest poverty levels of this decade. In this context, it should be noted that the effect of the recession has been so severe that there is certain anecdotal evidence of temporary support from households in Mexico to their immigrant relatives in the U.S., a situation that cannot be considered as generalized.

Mexicans have not been the only ones whose poverty levels have risen, but they have been among the most affected in this sense. Although for the general population, the highest poverty level has been reached in this decade, it has increased to a lower extent in the current crisis than in the case of Mexicans, in absolute and relative terms. Between 2007 and 2008, the general poverty rate rose from 12.5% to 13.2%. For Asians, the increase was from 10.2% to 11.6% in the same years, while that of African Americans rose from 24.5% to 24.7%.

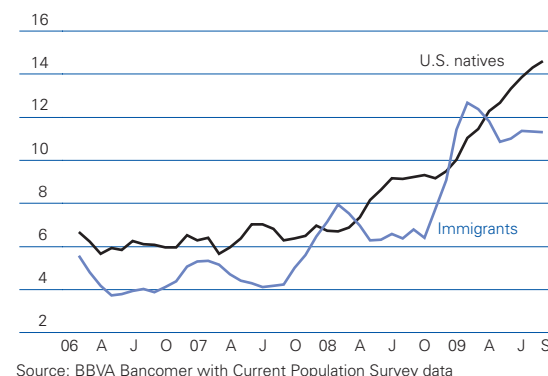
Despite the significant adverse effects, there have not been massive departures of Mexicans from the U.S.

Despite the tremendous effects of the economic crisis on Mexican immigrants in the U.S., which in general have led to high unemployment rates, fewer working hours, lower income levels and an increase in poverty levels, there have not been massive departures among these people, as expected, although some families have returned to Mexico. In the June publication of Migration Watch Mexico, we offered different arguments for this situation, among which are the following:

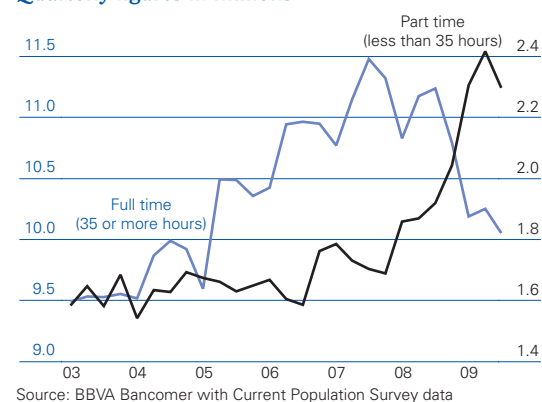
Most Mexicans living in the United States have already established roots in that country. Only 5% of Mexican immigrants live alone, with the rest living with relatives or friends.

Surveillance along the border areas has discouraged migration return. There is evidence that surveillance along the border areas has had the effect of making migration more expensive, which has led a lower number of Mexicans to decide to return to their country and to remain more time in the United States.

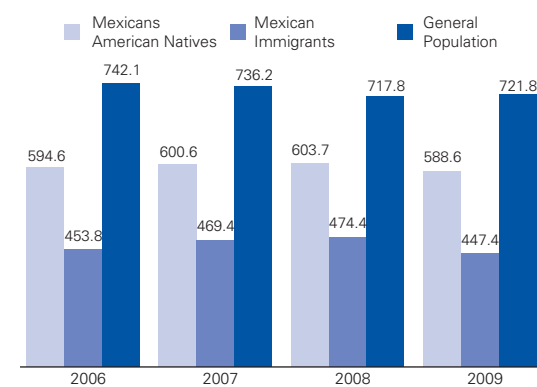
Unemployment Rate of Mexicans 16 yrs. of Age and Over Residents in the United States %, three-month moving average



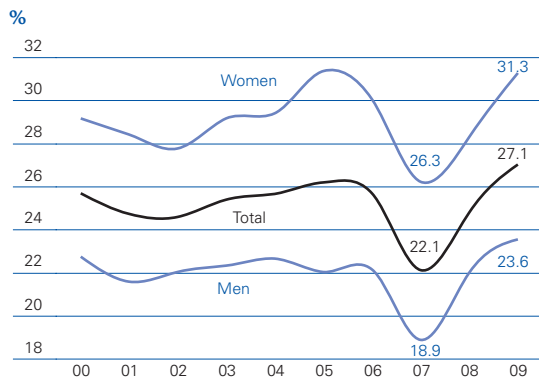
United States: Part Time and Full Time Employees of Mexican Origin Quarterly figures in millions



Average Weekly Income in the U.S. July-September, 2005 dollars

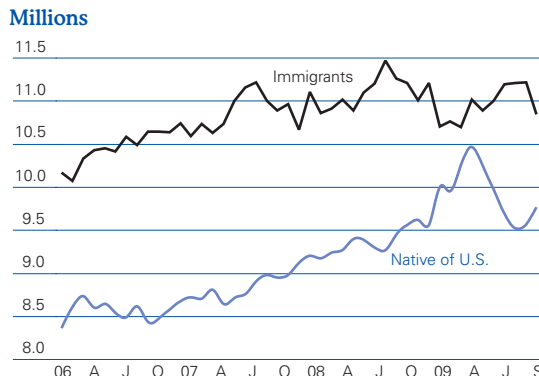


Poverty Levels of Mexican Immigrants In the U.S.



Source: BBVA Bancomer with SIMDE and Current Population Survey data

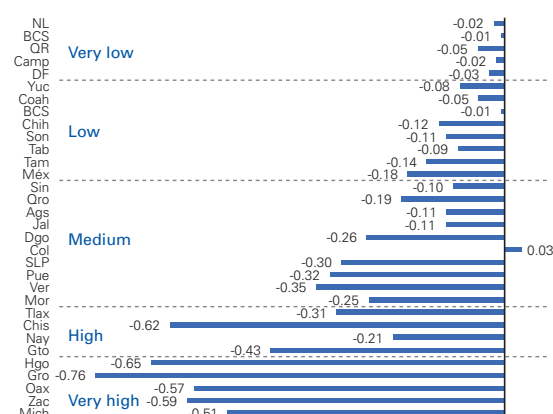
Mexicans 16 Years of Age and Over Residents in the U.S.



Source: BBVA Bancomer with Current Population Survey data

Impact of Change in Remittances in Dollars In Terms of State GDP

First half of 2009, %



Note: The very low to very high classifications refer to the Remittance Dependence Indicator of BBVA Bancomer
Source: BBVA Bancomer with Banco de México data

For some immigrants, the search for employment has been relatively recent and they have been patient in their search for jobs. For many Mexican immigrants, the search has occurred this last year, in which there has been an important loss of jobs.

The labor sector of Mexicans in the U.S. is relatively flexible. The labor flexibility of Mexicans in the U.S. has allowed these immigrants to obtain employment in other sectors or regions, different from the customary segments or regions.

The economic situation of Mexicans living in the United States would probably not be better if they returned to Mexico. If Mexico were not undergoing a difficult economic situation, it is likely that more immigrants would have already returned to this country.

There is hope of a favorable migratory reform for Mexicans. Once President Obama's administration has managed to advance in different aspects of its agenda, such as controlling the crisis and channeling recovery and the recently approved social security reform, the "window of opportunity" will be opened to advance toward migratory reform, which could be favorable for some Mexicans living in the U.S.

There is anecdotal evidence that some immigrants are receiving remittances from their relatives in Mexico. Recently, some communications media in Mexico have documented that, in certain regions of Mexico, some families are sending money to their relatives who live in the United States and are currently unemployed, in order to help them withstand the crisis and avoid returning to Mexico.

Remittance flows have shown considerable drops, but should soon stabilize

As a result of higher unemployment, lower income and fewer hours worked by Mexican immigrants in the United States, income from remittances to Mexico has been reduced. Since November 2008, annual decreases have been seen month by month. Thus, in the first nine months of the year, remittances have posted an accumulated drop of 13.4% in dollars. This has affected the income directly received by many Mexican families. As shown in one of the articles in this publication, the number of households that receive remittances was reduced by 15% between 2006 and 2008. A study conducted by the Pew Research Center (2009) published in September shows evidence to this regard. According to this study, from 2007 to 2009, the number of persons that receive remittances in Mexico was reduced by 5 percentage points. This has contributed to an increase in the poverty levels in Mexico in recent years.

In general, the states most affected by the reduction of remittances in dollars, considering their weight in the economy, have been those with the greatest dependence on these resources. Among these are Guerrero, Hidalgo, Chiapas, Zacatecas, Oaxaca and Michoacan. It is also possible to observe regional effects; Zacatecas and Michoacan belong to a region of traditional migration; while Guerrero, Chiapas and Oaxaca belong to the South-southeast region. Both regions currently have the greatest migratory flows in the country³, and the

3 See June edition, 2009. Migration Watch Mexico.

South-Southeast is the region with the highest concentration of poverty levels.

Currently, some positive symptoms are beginning to appear in the United States economy, and these are related with the remittances received in Mexico. The start of housing construction (housing starts), a variable highly correlated with remittances sent to Mexico, has stopped its drop, and is even beginning to show the first signs of recovery. This suggests that remittances could also soon stabilize and begin to recover in 2010.

In 2009 the depreciation of the peso has offset the drop in remittances

Although remittances have dropped in dollars, the depreciation of the peso has permitted offsetting this drop in the income of families that continue to receive them. This is due to the fact that the percentage variation in the peso/dollar exchange rate has been positive and much higher than inflation. Thus, even though remittances show an annual drop in dollars of 12.9% in the first eight months of the year, once this income is converted to pesos, there is an increase in real terms of 7.5%. This is because the exchange rate is 30% higher than that of the same period the previous year and that annual average inflation is one percentage point higher.

The Outlook for 2010

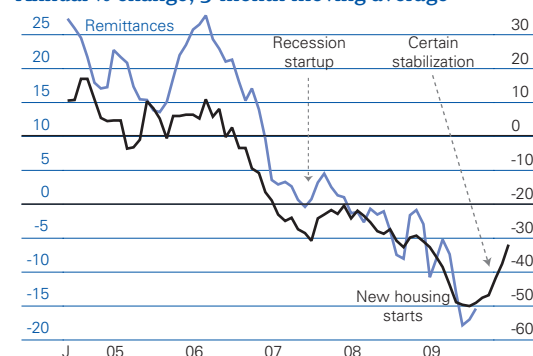
The current economic crisis has had great effects on Mexican families living both in the United States and in Mexico. It has translated into a high unemployment rate, the loss of purchasing power, fewer hours worked, lower remittances and a rise in poverty levels.

The recovery of employment among Mexican immigrants in the United States depends greatly on the performance of construction, manufacturing and retail in that country. These sectors are beginning to show the first signs of stability and have begun to moderate the drops in production and employment. Thus, it is probable that throughout the rest of 2009, the unemployment rate among Mexican immigrants will continue to increase and will stabilize in the first half of 2010, to begin its recovery in the second half of the year.

In view of the moderation in the loss of jobs, which is expected for the rest of the year, the drop in remittances coming to Mexico will be reduced. With this, it is probable that the reduction in dollars will not surpass 13%, slightly lower than that projected initially (15%) in our previous *Migration Watch Mexico* publication. In the first half of 2010, remittances are expected to stabilize and toward the second half of the year, they should begin to recover. Thus, in our central or base scenario, we anticipate that they could increase in an accrued annual form in dollars at the close of 2010, so the change would be in a range between 1% and 5%. Risk scenarios, which consider that the adjustment in consumption in the U.S. has not been sufficient, or that the withdrawal of economic policy stimuli is not efficient, could consider additional reductions, a situation that we consider less probable. The high value of the dollar in terms of the exchange rate in 2009, which has been a factor that has offset the drop in dollar remittances this year, will be a factor in 2010 that will negatively affect remittances once they are translated into pesos. For example, in

Housing Starts in U.S. and Remittances to Mexico

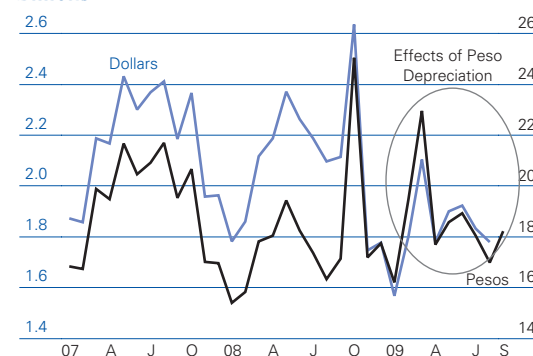
Annual % change, 3-month moving average



Note: U.S. housing starts lagged 4 months
Source: BBVA Bancomer with Current Population Survey data

Mexico: Income from Remittances In Dollars and 2002 Pesos

Billions



Source: BBVA Bancomer with Banco de México data

Nominal and Real % Change in Remittances in Mexico in Different Scenarios, 2009

| | 2009 | | 2010 | | | |
|----------------|-------|-------|------|------|------|------|
| | | | A | B | A | B |
| Nominal change | -12.0 | -13.0 | 1.0 | 5.0 | 1.0 | 5.0 |
| Real change | 2.0 | 0.8 | -6.5 | -2.8 | -7.4 | -3.7 |

A Scenario with 4% annual average inflation
B Scenario with 5% annual average inflation
Note: Annual average exchange rate of 13% in 2010
Source: BBVA Bancomer

2009, in light of an accumulated annual drop of 12%, there would be an increase in real terms of 2%. However, in 2010, an increase of 5% in dollars would imply a reduction of 2.8% in pesos in view of annual average inflation of 5% and a peso appreciation of 3.7%.

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Information System on Migration and Development (Sistema de Información Sobre Migración y Desarrollo (SIMDE), Strategic Indicators Section (*"Sección de Indicadores Estratégicos"*). (Pending publication).

Sectorial and Regional Mobility of Mexicans in the United States

Traditionally, the labor market for Mexican immigrants in the United States has been flexible, in the sense that it allows them to shift employment between one and another sector and even move between regions of the country or adapt to fewer working hours or lower wages. In the current period, marked by a severe recession in the United States concentrated in the economic sectors with the greatest presence of Mexican immigrants, this flexibility has allowed for a certain reduction in its potential impact in terms of the loss of jobs, just as when the economic recovery begins, it will be a factor that in all probability will facilitate insertion in the labor market.

This section seeks to analyze factors behind this labor flexibility in the current context of economic crisis; specifically, how Mexicans living in the United States have transferred their employment sectorially and moved regionally. For such purpose, estimates will be presented on the number of job positions that Mexicans occupy in different economic branches and regions.

Mexicans have lost a large number of jobs in the southwest and the West Coast in the United States

Mexicans, although they are present in practically the entire United States, are in their majority concentrated in the southwest and on the West Coast, mainly in states such as California, Texas, Arizona and Florida. In these two regions they have lost a large number of jobs between 2007 and 2009, mostly in the case of migrant workers, for whom employment fell by 500,000 in this period. Given this panorama, it is likely that some workers have moved to other regions of the country. For example, in the U.S. Northeast, Mexicans have been able to increase the number of jobs they hold, with immigrants obtaining around 70,000 new jobs in this period.

In north-central United States, while Mexican immigrants have lost jobs, those in the second or earlier generations have had better luck in terms of the labor market.

Mexicans' loss of jobs has been considerable in industry and services, but in other economic branches they have obtained new employment

Among workers of Mexican origin, there are certain differences in relation to the economic sectors in

which they are involved. Second or earlier generation Mexican workers have a greater presence in health and education services, wholesale and retail trade, leisure and hospitality, and manufacturing. In turn, first generation immigrants tend to be more concentrated in construction, manufacturing, and leisure and hospitality. However, the sectors where there have been gains or losses in jobs for these segments of the Mexican population in the United States in general are not different. The sectors where there have been job losses include construction, professional and business services, manufacturing, wholesale and retail trade, and financial activities, among others. Meanwhile, employment has increased in sectors such as leisure and hospitality, public administration, transportation, and primary sector activities like agriculture, fishing, and reforestation. Thus far, there has been a net loss of around 800,000 jobs for workers of Mexican origin since the beginning of the crisis, of which around 80% has corresponded to workers born in Mexico.

U.S.A.: Mexican Employment by Region July-September, thousands, non-seasonally adjusted figures

| | 2007 | 2008 | 2009 | Var. 09-07 |
|---------------------------|---------------|---------------|---------------|---------------|
| Of Mexican origin | | | | |
| Northeast | 331 | 413 | 426 | 94 |
| North-central | 1,292 | 1,402 | 1,299 | 8 |
| South | 4,550 | 4,614 | 4,304 | -246 |
| West | 7,010 | 6,729 | 6,321 | -689 |
| Total | 13,183 | 13,158 | 12,350 | -833 |
| Native Mexicans | | | | |
| Northeast | 42 | 61 | 68 | 26 |
| North-central | 478 | 530 | 507 | 29 |
| South | 2,119 | 2,238 | 2,066 | -53 |
| West | 2,910 | 2,847 | 2,746 | -163 |
| Subtotal | 5,548 | 5,676 | 5,387 | -160 |
| Mexican immigrants | | | | |
| Northeast | 290 | 352 | 358 | 68 |
| North-central | 814 | 873 | 792 | -22 |
| South | 2,431 | 2,375 | 2,238 | -194 |
| West | 4,100 | 3,882 | 3,575 | -526 |
| Subtotal | 7,635 | 7,482 | 6,963 | -673 |

Northeast Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, Pennsylvania, New Jersey, and New York
North-central Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota
South Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, Washington D.C., West Virginia, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma, and Texas
West Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming, California, Oregon, and Washington
 Source: BBVA Bancomer with Current Population Survey data

Final thoughts

The current economic crisis began in the construction industry and extended to other sectors with a considerable concentration of Mexican workers, which this has led to a major loss of jobs for this group of workers. This loss of jobs could have been greater were it not for the labor flexibility that characterizes Mexican workers, which has allowed some of them, even in the current economic situation, to obtain work, mainly in tourism and other activities in regions where Mexicans have little presence.

Thus, labor flexibility has been an important element in reducing the loss of jobs for Mexicans in United States, and it will also be a significant factor for recovering jobs once the economy recovers.

EUA: Mexican Employment by Economic Sector July-September, thousands, non-seasonally adjusted figures

| | 2007 | 2008 | 2009 | Var. 09-07 |
|---------------------------------------|---------------|---------------|---------------|---------------|
| Of Mexican origin | | | | |
| Leisure and hospitality | 1,570 | 1,624 | 1,750 | 181 |
| Health and educational services | 1,712 | 1,638 | 1,712 | 1 |
| Wholesale and retail trade | 1,802 | 1,807 | 1,682 | -120 |
| Construction | 2,112 | 2,030 | 1,561 | -551 |
| Manufacturing | 1,668 | 1,674 | 1,465 | -203 |
| Professional & business services | 1,452 | 1,315 | 1,230 | -222 |
| Other services | 676 | 726 | 754 | 78 |
| Information | 605 | 660 | 552 | -52 |
| Financial activities | 593 | 586 | 490 | -103 |
| Agric., forestry, fishing and hunting | 402 | 423 | 429 | 27 |
| Public administration | 343 | 370 | 404 | 61 |
| Transportation and utilities | 166 | 164 | 209 | 43 |
| Mining | 83 | 139 | 111 | 28 |
| Total | 13,183 | 13,158 | 12,350 | -833 |
| Native Mexicans | | | | |
| Health and educational services | 1,179 | 1,124 | 1,167 | -12 |
| Wholesale and retail trade | 937 | 1,054 | 920 | -18 |
| Leisure and hospitality | 478 | 553 | 595 | 117 |
| Manufacturing | 516 | 474 | 448 | -68 |
| Professional & business services | 509 | 453 | 436 | -73 |
| Construction | 511 | 443 | 360 | -151 |
| Financial activities | 391 | 414 | 349 | -42 |
| Public administration | 282 | 286 | 329 | 48 |
| Information | 323 | 373 | 290 | -33 |
| Other services | 200 | 257 | 233 | 33 |
| Transportation and utilities | 118 | 122 | 148 | 30 |
| Mining | 61 | 83 | 69 | 9 |
| Agric., forestry, fishing and hunting | 44 | 41 | 43 | -1 |
| Subtotal | 5,548 | 5,676 | 5,387 | -160 |
| Mexican immigrants | | | | |
| Construction | 1,601 | 1,587 | 1,201 | -400 |
| Leisure and hospitality | 1,092 | 1,072 | 1,156 | 64 |
| Manufacturing | 1,152 | 1,201 | 1,017 | -135 |
| Professional & business services | 943 | 861 | 794 | -149 |
| Wholesale and retail trade | 864 | 753 | 762 | -102 |
| Health and educational services | 533 | 515 | 546 | 13 |
| Other services | 476 | 469 | 521 | 45 |
| Agric., forestry, fishing and hunting | 358 | 382 | 386 | 28 |
| Information | 282 | 287 | 262 | -20 |
| Financial activities | 202 | 172 | 141 | -61 |
| Public administration | 62 | 85 | 75 | 13 |
| Transportation and utilities | 48 | 42 | 61 | 13 |
| Mining | 22 | 56 | 41 | 19 |
| Subtotal | 7,635 | 7,482 | 6,963 | -673 |

Source: BBVA Bancomer and Current Population Survey data

The Economic Effects of Migration in the Destination Country

In international literature dealing with the economic impacts of migration, two focuses have been traditionally analyzed independently. On the one hand that which appears naturally and immediately, centered on the analysis of the positive effects of emigrants on the country of origin, mainly forthcoming from the benefits of remittances, and, on the other, that which corresponds to the negative effects that are perceived in the destination country. Also, the studies that examine the beneficial effects that immigrants bring to the receiving country are less frequent and not as deep. In this sense, the migration study has been frequently developed with a partial vision, not recognizing that it should not be reduced only to a review of the effects for one or another country. A more appropriate and balanced focus is the one that considers all these elements.

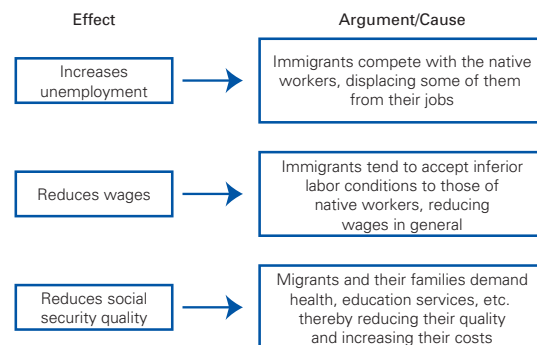
This article, in addition to describing some of the possible negative impacts that some research studies have argued and analyzed amply and empirically, points out that there are certain potential beneficial effects that immigration could generate in the countries of destination. This would allow counting on having a first reference, of a more theoretical nature, regarding the aspects analyzed in the literature, which would allow in the next editions of Migration Watch Mexico, being able to prove empirically some of the hypotheses considered here, in particular, what can be seen in the evidence of migration from Mexico to the United States.

Possible negative effects on employment, wages and social security

It is commonly argued that migration tends to increase the unemployment rates in the country of destination and to reduce the wages of native workers. The former, due to the fact that immigrants increase the labor supply and compete for jobs with native workers and, by this, the latter could be dismissed. It is also argued that immigrants are usually more willing to accept inferior working conditions, lower labor benefits and lower wages, due to which the workers in the country of destination could also be forced to accept lower wages, which gives rise to the reduction of wages in general.

Such hypotheses have been amply evaluated in some countries that are high receivers of immigrants, both at an aggregate level and in specific sectors. Most of the studies conclude that, in macroeconomic terms, the impact of immigration on employment and wages on the labor market is rather low (International Human Rights Commission, 2005). In this respect, Hotchliss and Quispe-Agnokli (2008) point out that the general consensus indicates that, in view of the 10% increase in the proportion of the immigrant population, native workers' wages decrease between 1% and 4% in the United States in real terms. For their part, Butcher and Card (1991) with data for the years 1979-80, 1988-89 find that the effects of immigration in the United States on native workers' wages, even of the least qualified, is practically nil.

Possible Negative Economic Effects of Migration on the Country of Destination



Source: BBVA Bancomer

Immigration Studies

| Author | Country/ Región | Year* | Finding |
|-----------------------------------|--|----------------------|---|
| Butcher y Card (1991) | United States | 1979-80 1988-89 | The effect of immigration on wages of native workers, even of the less qualified ones is practically nil. |
| Goldin (1993) | United States | 1890-1921 | The one percentage point rise in the proportion of migrant population reduced wages between 1% and 6% in real terms. |
| Tapinos (1993) | Europe, USA, Canada, Australia | 1970-1993 | There is no conclusive evidence of adverse effects on the economy of the receiving countries. |
| Friedberg y Hunt (1995) | Review of literature for different countries | Siglo XIX y Siglo XX | There is no significant evidence of an impact in the reduction of employment. A 10% increase in the proportion of immigrants reduces the wages of the native workers by no more than a real 1%. |
| Card, D. y DiNardo, J. (2000) | United States | 1970, 1980 y 1990 | There is no evidence that qualified immigrants displace qualified native workers. |
| Fairlie y Meyer (2000) | United States | 1910-90 | There exist practically no effects of immigration on the income and employment of self-employed workers. |
| Orrenius y Zavodny (2003) | United States | 1994-98 | Between 1994-96, the unqualified native workers wage was reduced between 1% and 5% as a consequence of immigration, but there were no negative effects among qualified workers. |
| Borjas y Hanson (2005) | United States | 1960-2000 | A 10% rise in the proportion of immigrants reduced the wages of the black population by 4% in real terms. |
| Ottaviano y Peri (2006) | United States | 1980-2000 | Immigration increased the wages of native workers by about 2% in real terms in the analysis period, where the most favored are the workers with at least a High School education. |
| Hotchliss y Quispe-Agnokli (2008) | United States | 1990-2006 | The entry of new undocumented workers (immigrants) displaces the first undocumented ones, but does not affect the documented ones. A 1% increase in the proportion of new un-documented workers increases by 0.24% the probability of separation of the previous un-documented workers. |

* Year or period of analysis
Source: BBVA Bancomer

For certain specific sectors, the results are ambiguous. While some research provides an explanation of the possible negative effects of immigration, others do not find adverse effects, and there are even those who can show positive effects. In the case of the self-employed, Fairlie and Meyer (2000) find, for the United States, a limited effect of immigration on income and employment, which is why self-employed immigrant workers could displace the native self-employed workers. When considering qualified workers in the United States, based on census figures of 1970, 1980 and 1990, Card and DiNardo (2000) do not find that immigration displaces this type of workers or reduces their wages. Nevertheless, the Orrenius and Zavodny (2003) authors do not find that immigration tends to reduce the not too qualified workers' wages in the United States. Contrary to these results, Ottaviano and Peri (2006) estimate that for the 1980-2000 period, immigration in the United States in this period increased the wages of native workers by around 2%, where the most favored were the workers with at least a High School education.

Another argument about the negative effects of immigration on the receiving country is that the immigrants and their families require social security benefits such as health and education, by which they raise the costs of social security and have an impact on the quality of the services. On this, Tapinos (1993, quoted in the Inter-American Human Rights Commission, 2005), upon reviewing literature on the effects of migration on the countries of destination, indicated that there is no conclusive evidence surrounding the negative incidence of the presence of immigrants on the system for the well-being of the receiving countries.

Positive effects on the size of the productive population and social security

In general, emigration is usually observed from developing countries to developed countries; the latter concentrate 60% of world migration. The developed countries tend to present relatively low birth and mortality rates, due to which, in relative terms, in these countries there is a faster aging of the population. According to estimates of the Population Division of the United Nations, in the more developed regions, almost one fifth of the population was 60 years old or older. For 2050, it is expected that this proportion will be one third. In less developed regions, only 8% are now over 60 years of age, and it is expected that in 2050, elderly persons will represent a similar proportion to that reached by the developed countries in the year 2000, that is, 30% (Population Division of the UN, 2009). Of the 10 main countries receiving immigrants: the United States, Russia, Germany, Ukraine, France, Saudi Arabia, Canada, India, the United Kingdom and Spain, in eight of them, the dependence rate (measured by the percentage of the population over 65 years of age compared to the total working age population) will increase more than twice between the year 2000 and the year 2050 and, in five of them, this indicator would be at least 40% in 2050.

Therefore, it is probable that some developed countries will have problems maintaining their social security systems in the future, since the proportion of active workers to retired workers could decrease and, in many cases, the pension and health systems are covered with contributions from active workers. This characteristic is common for the developed countries with pension systems of defined benefit or known in the Anglo-Saxon countries as “pay as you go”. In fact, during a long period of time, one of the reasons why the Canadian government promoted immigration consisted, in addition to seeking to populate its territory, in managing to balance the effects in its public finances from these dynamic populations. and, in particular, in its pension systems.

Consequently, the social security systems could present a certain risk when there is a lower proportion of workers contributing and a higher number of retired workers demanding social security benefits. In this sense, the immigration that these countries receive could help to maintain equilibrium in such systems when increasing the proportion of active workers and, by this, the contributions to the social security systems, being that in general, persons who emigrate are productive¹ and, although in some cases they work as undocumented, they do pay taxes. Another advantage for the receiving country is that, on occasion, immigrants travel alone and make little or no use of the educational, health or pension services, which is why they could be net taxpayers.

Positive effects on the fiscal and monetary policy

In the Migration Watch Mexico issue of June 2009, evidence is provided that migratory flows fluctuate in the same direction as the economic cycle does; that is, they behave “pro cyclically”. In expansive stages, they accelerate and, in recessive stages, they decrease. By this, they can empower the effects of fiscal and monetary policy. Let us see why.

If immigration increases the job supply when it is most required, it contributes to accelerating the speed by which the economy expands, favoring the task of fiscal policy and eliminates bottlenecks in employment. Given that when the economy grows, prices tend to rise, because, in general, inputs do not increase quickly, immigration to a certain extent makes it possible that this is not a restriction. When the labor supply increases, immigration causes labor costs to remain relatively stable without generating pressure on prices, by which the pressure on the possible tightening of the monetary policy can be relaxed.

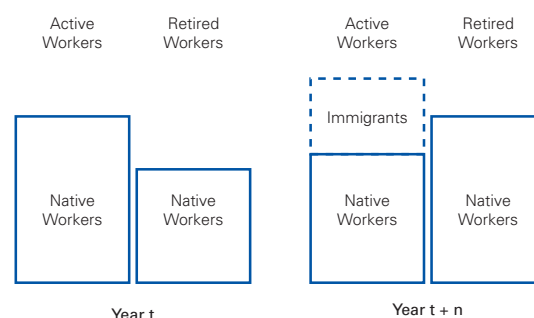
There exists evidence on this possible result. For example, in the economic boom observed in the decade of the nineties in the U.S., growth in productivity and in the labor force were key factors. Both maintained the unit labor costs at low levels and allowed the economy to grow more quickly with lower inflation, perhaps reducing the need for the Federal Reserve (Fed) to intervene by forcing interest rates upward (Orrenius, 2003).

Dependence Rates and Pension Plans in the Main Countries Receiving Immigrants

| | 1950 | 2000 | 2050 | Pension Plans |
|----------------|------|------|------|---------------|
| United States | 13 | 22 | 47 | BD y CD |
| Russia | 10 | 18 | 39 | nd |
| Germany | 14 | 24 | 59 | BD |
| Ukraine | 12 | 20 | 42 | nd |
| France | 17 | 25 | 47 | BD |
| Saudi Arabia | 6 | 5 | 20 | nd |
| Canada | 12 | 18 | 43 | BD |
| India | 5 | 7 | 20 | nd |
| United Kingdom | 16 | 24 | 38 | BD y CD |
| Spain | 11 | 25 | 59 | BD |

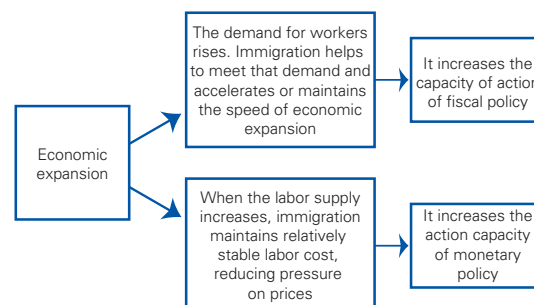
* Percentage of population over 65 years of age compared with the total working age population
 DB Definite Benefit
 DC Definite Contribution
 na not available
 Source: BBVA Bancomer with World Bank, OECD and the United Nations Population Division data

Immigration Favors the Ratio of Active Workers to Retired Workers



Source: BBVA Bancomer

Channels Through Which Immigration Can Favor the Task of Fiscal and Monetary Policy



Source: BBVA Bancomer

¹ A report of the **International Labor Organization** (OIT for its Spanish initials) (2004) revealed that in the year 2000, half of the international immigrants were economically active and the other 50% were companions traveling with the economically active immigrants.

Possible Aspects Through which Immigration Favors Productivity in the Receiving Country

- 1) One of the productive factors is increased: the labor force
- 2) It makes it easy for native workers to move from not too productive areas to those of greater productivity.
- 3) Some micro-companies are encouraged to continue operating and be competitive.
- 4) Qualified immigrants can contribute to human capital formation & to the development of innovation & technology

Source: BBVA Bancomer

Positive effects of aggregate consumption and the employment level

Most people emigrate for economic reasons. Thus, a high proportion of immigrants engage in labor activities for which they receive income. These resources allow the immigrants to demand goods and services in the country of destination, due to which aggregate consumption rises and, in turn, increases the number of persons employed, both national and foreign. Thus, it is common that in the communities where there are immigrants, service networks are created that seek to meet the demand caused by them. Some of the companies or micro-businesses are created even by the immigrants themselves.

Positive effects in productivity

The argument that point to the fact that immigrants displace native workers is based on the assumption that both types of workers are substitutes. Nevertheless, it is known that immigrants take jobs in regions with scarce labor and take positions which sometimes the native workers are not willing to accept. Also, there is evidence that immigrant workers, Mexicans in particular, with certain qualifications, on occasion perform activities with a lower labor qualification (Car and DiNardo, 2000). Thus, the selection of a job by an immigrant can be different from that of a native worker with the same educational level and experience. Consequently, immigrant and native workers are not necessarily substitutes. They could even be complementary, since, wherever native workers are scarce, immigrants tend to be abundant.

Therefore, immigrants raise productivity by increasing one of the important productive factors: the labor force. A beneficial result of this for the receiving country is that human capital of the migrants is made use of, without causing any expense, since the education and the labor experience with which the immigrants arrived were acquired in their place of origin.

Immigrants also increase productivity because they make it easy for native workers to move from not too productive or unproductive areas to those with greater productivity. For example, when immigrants are employed as domestic workers, they reduce the home activities that the native workers do, allowing them to perform in other labor sectors.

Another way by which immigration can raise productivity is that, when immigrants accept low wages, they help to keep afloat certain local companies that necessarily should invest in technology in order to maintain competitive production lines, but perhaps they do not have sufficient critical size (Inter-American Human Rights Commission, 2005). When employing immigrant workers, these companies can lower their costs and compete with other larger companies. This promotes that there are no job losses.

Finally, another favorable element in terms of productivity refers to workers who go to developed countries for post-graduate studies,

or rather, specialization. In some cases, many of these students contribute to teaching activities and research, favoring development and technological innovation, and even, in some cases, they change residence permanently.

Positive effects on economic growth

As a result of the positive economic effects that immigration can have on the places of destination, such as a favorable impact on the rejuvenation of the work force, on improving the finances of the social security systems, on facilitating the task of economic policy, on increasing consumption and on favoring employment generation, among others, immigration can have a positive impact on the economic growth of the receiving country. On this point, Borjas (1994) indicates that when immigrants, who have a high level of productivity and adapt quickly to the job market conditions of the place of destination, can make a significant contribution to economic growth. Contrarily, if the immigrants lack the abilities that employers demand and find it difficult to adapt, immigration can significantly increase the costs associated with the maintenance of the programs and exacerbate the already existing wage differentials in the receiving country.

One way to summarize what has been discussed so far is through the definition of the potential growth of the economies. Economic growth comes from the productive factors that a country has: labor force, capital and productivity which is how these resources are inter-related. Thus, immigration clearly constitutes an increase of one of the production factors, labor, and can allow increasing total productivity in the economies, by which production possibilities and, consequently, potential growth are increased.

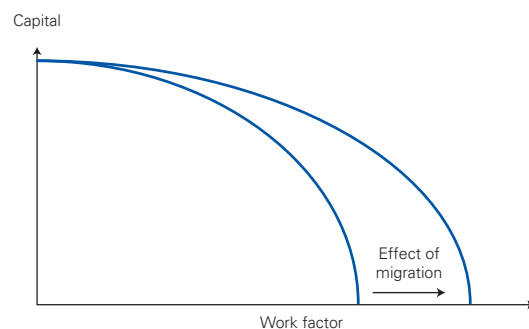
To summarize, a comprehensive analysis of migration should consider both the beneficial and the negative effects on the issuing and receiving countries. It should take into account an overall view. This is with the objective of proposing bilateral immigration policies that can be favorable for both types of countries. In this context, it can be concluded that migration can contribute positive effects for both countries, both for those of origin and those of destination. The effects cannot be classified in a plan, a game of zero sum where the benefits of one are compensated by the negative effects on others. The complementary aspect of the economies, the product of their economic condition and their population dynamics can constitute important structural conditions where both countries can obtain both short- and long-term benefits.

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Source: BBVA Bancomer

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Evidence of Positive Economic Effects in the United States Due to Mexican Immigration

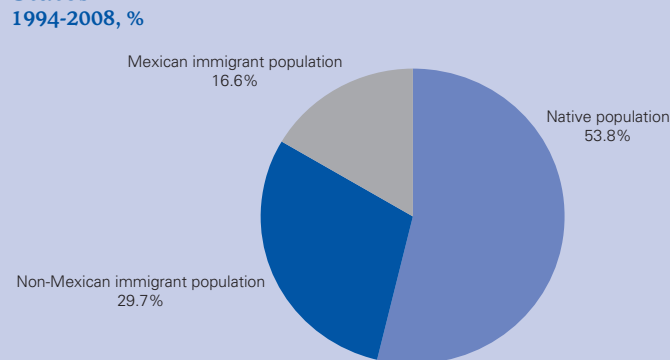
The article: "The economic effects of migration in the destination country" indicates some of the possible effects, both positive as well as negative, of immigration on the economies of receptor nations. As stated in the article, the issue of the positive impact of immigration on the receiving country has not been studied very much. Therefore, in this article we will seek to contribute to the debate on this question, offering evidence of some of the beneficial effects that the United States has received from Mexican immigration. This is a topic that deserves to be analyzed from different aspects and which will be addressed in greater detail in future editions of Migration Watch Mexico.

Most of the figures presented in this article were obtained from the Information System on Migration and Development (SIMDE) ¹. The objective of this project is to provide and facilitate access to databases and a series of specialized indicators for the study and understanding of the phenomenon of international immigration and its effects on the development of the societies involved. This system will be publicly disclosed in 2010.

Mexican immigrants largely satisfy the demand for employment in the United States

Since the decade of the 1990s, immigration to the United States, particularly from Mexico, has considerably contributed to the growth of the U.S. labor force, filling a large percentage of the demand for employment in regions with a shortage of manpower or in filling jobs that local workers often reject. Between 1994 and 2008, one of the longest periods with the highest growth rates in the United States, the number of employed workers rose by 23.3 million, of which almost half (46%) were immigrants, and of them, 3.8 million were Mexicans. Thus, in that period, Mexican immigration covered around 17% of the demand for employment in the United States, contributing to a certain extent in sustaining that country's high economic growth rates, and perhaps also mitigating some inflationary effects, an issue that it is necessary to analyze and document in greater detail and which we plan to do in future editions of this publication.

Contribution to Employment Growth in the United States 1994-2008, %

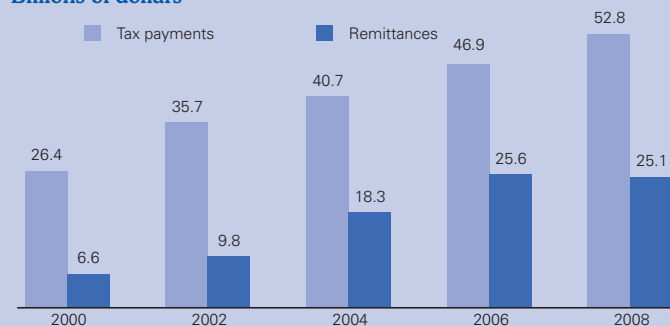


Source: SIMDE

Mexican immigrants pay more in taxes to the United States than what they send home to Mexico in remittances

What Mexicans pay in (direct and indirect) taxes to the U.S. economy is much greater than what they send to their relatives in Mexico, in fact, around twice as much. There is evidence in this regard since 2000. According to SIMDE figures, in 2008, Mexican immigrants paid close to US\$53 billion in taxes, very much more than the US\$25 billion they sent home in remittances.

Remittances Sent to Mexico and Taxes Paid by Mexicans in the United States Billions of dollars



Source: SIMDE

In addition, many of the Mexican immigrants are net taxpayers, since they do not receive social security benefits. Close to 60% of Mexican immigrants do not have access to health-care services. Furthermore, in most cases it can be assumed that the immigrants received their basic education in Mexico.

¹ A project developed jointly by the Autonomous University of Zacatecas (UAZ), the BBVA Bancomer Foundation, and the BBVA Bancomer Economic Research Department. Some of the indicators included in this article were compiled by Dr. Raúl Delgado Wise.

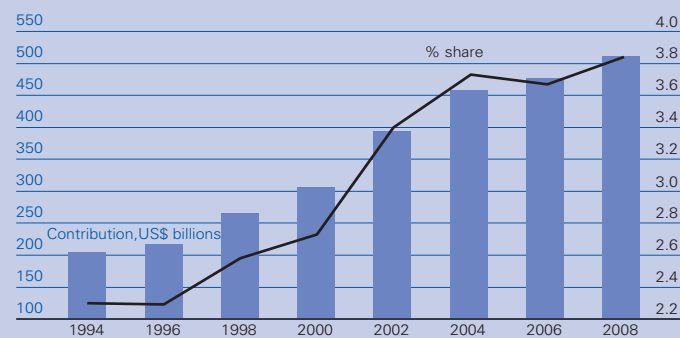
Contribution to consumption

First generation Mexican immigrants who reside in the United States currently total more than 11 million people and represent close to 4% of the country's total population. If second and third generation Mexicans are added, the percentage increases to 10%. All of them make a major contribution to U.S. aggregate consumption. Between 1994 and 2008 consumption in the United States grew in real terms by US\$3.23 trillion. Mexican immigrants in the United States contributed US\$217 billion to that growth, that is, 7.4% of the total, and as a result it is likely that their indirect contribution in generating jobs has also been important.

Contribution to economic growth

The contributions that Mexicans have made to the U.S. economy are reflected in that country's economic growth. Between 1994 and 2008, U.S. GDP grew at constant 2005 prices by US\$4.4 trillion. Mexicans contributed US\$307 billion to U.S. economic growth, that is, 7% in that period. Seen from another angle, Mexicans' annual contribution to U.S. economic growth has been growing and in 2008 represented approximately 3.8% of GDP.

Mexicans' Contribution to U.S. GDP
Constant 2005 U.S. dollars and % share



Source: SIMDE

Final thoughts

One constantly hears the argument about the benefits that Mexico has received from emigration. These benefits are undeniable and emigration has indeed helped families improve their income levels and have access to different services, such as education. There is no question that there have been positive effects. In some of the articles that have been published in Migration Watch Mexico we have examined these questions. Nevertheless, little has been studied regarding the benefits that the U.S. economy has received from Mexican immigration. As shown here, Mexican immigrants have been important contributors to the current growth of the U.S. economy. Thus, these results suggest the need to analyze and consider that the study of immigration should be undertaken from different angles, not only studying the benefits for the immigrants' country of origin. These results also pose elements that could be considered in policies governing immigration between Mexico and the United States.

In synthesis, it is advisable to evaluate the immigration issue with an integral vision. The evidence points to mutual benefits and allows for a better global understanding of the phenomenon.

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Recent Changes in the Conditions of Mexican Households that Receive Remittances

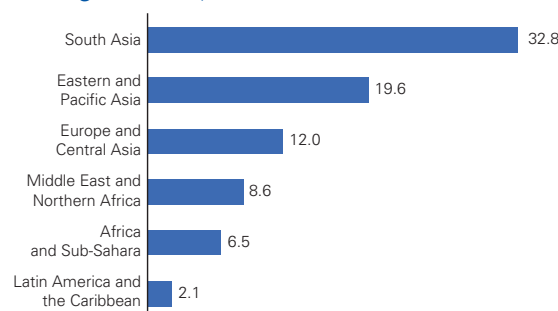
Currently, remittances are a very important source of income for many countries, mainly the developing ones. Available figures show that the flows from remittances at a global level have grown rapidly between 2007 and part of 2008, but that a reduction in these resources began as of the last quarter of 2008. For this year, the World Bank has projected that the remittances received in the developing countries will drop 7.3% in dollars. Within this context, Latin America has been one of the regions most affected since most of its immigrants reside in the United States. While in South Asia remittances increased 32.8% between 2007 and 2008, in the Latin region, they grew by only 2.1% in dollars, with this region posting the lowest growth in that period.

In Latin America, Mexico has been one of the most affected countries due to lower remittances. Compared to the Central American countries where remittances have great weight on their GDP: Honduras El Salvador, Guatemala and the Dominican Republic, in percentage terms, there has been a higher drop in the remittances sent in the first half of 2009.

In the case of Mexico, much of the discussion regarding the benefit that income from remittances brings, has been centered on analyzing their impact on families. The uncertainty is directed toward determining the capacity of remittances as a source of income: the specter of questions considers when these resources can exceed their support in covering subsistence needs, to go beyond, by allowing the households that receive them to generate savings, or if they even act more directly in productive activity, generating higher income and, therefore, as a whole, have positive effects on development. However, so far, the evidence has been relatively ambiguous. We believe that an initial point for approaching this subject is to know specifically the profile of the beneficiaries receiving resources from abroad.

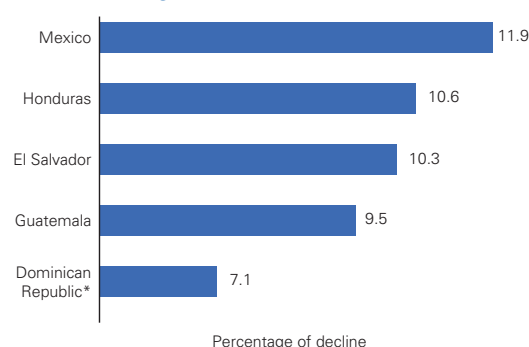
Previously, in the first publication of *Migration Watch Mexico*, we analyzed the characteristics of the states that receive these funds, and made a classification of their dependence level. In this article, the analysis has a higher breakdown level; we reviewed the characteristics of Mexican households receiving remittances, and the importance of these resources in household income, and we did this in the current context of the economic crisis. To this end, we used the information of the 2006 and 2008 National Household Income and Expense Survey (ENIGH for the Spanish Encuesta Nacional de Ingresos y Gastos de los Hogares). Thus, the analysis shows two moments in time when the economic context is different. Whereas in 2006, the U.S. construction sector, where a large part of the remittances that Mexico receives are derived, showed great dynamism, in 2008, in turn, a higher number of Mexican immigrants were unemployed. Therefore, this article has a double purpose: to present a profile of Mexican households receiving remittances and to know which are more vulnerable regarding the resources that they receive from abroad within a context of economic crisis

Remittances in Different Regions % change in dollars, 2007-2008



Source: BBVA Bancomer with World Bank data

Remittance Flows in Mexico and Central American Countries Annual % change, first half of 2009



* January – March
Source: BBVA Bancomer with World Bank data

Distribution of Households in Mexico According to Whether They Receive Remittances or Not By Type of Location

| | 2006 | | | 2008 | | |
|------------------------------|-------|-------|-------|-------|-------|-------|
| | Nat. | Urb. | Rural | Nat. | Urb. | Rural |
| Millions of households | 26.54 | 17.39 | 9.15 | 26.73 | 17.70 | 9.03 |
| Receive | 1.86 | 0.64 | 1.22 | 1.58 | 0.68 | 0.90 |
| Do not receive | 24.68 | 16.75 | 7.93 | 25.15 | 17.02 | 8.13 |
| % of households ^a | 7.0 | 3.7 | 13.4 | 5.9 | 3.8 | 10.0 |
| % locations ^b | 100.0 | 34.2 | 65.8 | 100.0 | 42.9 | 57.1 |

a % of households receiving remittances of each location

b % of each location in total households receiving remittances

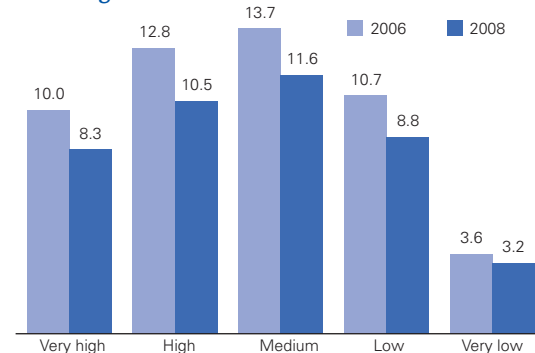
Source: BBVA Bancomer with INEGI data.

Where are the households that receive remittances in Mexico located?

According to data from the ENIGH, in 2006 in Mexico, there were 26.5 million households, of which, 1.86 million, 7%, received remittances. By 2008, the number of households receiving those funds was reduced to 1.58 million, or 5.9% of the total. This reduction can be explained because slightly more than 318,000 rural households (in locations of fewer than 15,000 inhabitants)¹ were no longer receiving these funds, due to which the percentage of those who did receive them in this sector dropped from 13.4% to 10%. In contrast, in urban areas, the number of households receiving funds from abroad increased by slightly more than 42,000, increasing their share from 34.2% to 42.9%². In percentage terms, locations with a very low degree of marginalization, is where fewer households stopped receiving remittances between 2006 and 2008, which could suggest that the less vulnerable groups for obtaining fewer remittances within a context of economic crisis such as the current one, are the ones that are in more developed locations.

The survey data indicate that the number of households receiving remittances tends to be higher as the level of marginalization is reduced. Thus, while 5.1% of the households receiving remittances in 2009 are found in places with a very high level of marginalization, 31.8% is in places that are only slightly marginalized. Nevertheless, the number of households receiving remittances in line with the degree of marginalization is higher in medium developed communities and relatively low when marginalization is very low or very high. For example, in 2008, of the households in places with a very high level of marginalization, 8.3% receive remittances; in places with medium marginalization 11.6%; and, in places with very low marginalization, 3.2%. Previously, in the first edition of *Migration Watch Mexico*, there was evidence of similar performance in the case of immigration, in accordance with the states. The interpretation that can be given to this result is that economic development, in its first stages, seems to stimulate emigration up to a certain point, after which it no longer stimulates but can discourage this movement. It also indicates that a minimum level of income is necessary to consider immigration as an alternative, which would suggest that in areas of extreme poverty, there are certain barriers for migratory movements to take place.

Proportion of Households Receiving Remittances according to their Degree of Marginalization



Source: BBVA Bancomer with INEGI data

Is the reception of remittances related to poverty?

In this section, we classify the population in accordance with its degree of poverty and analyze its reception of remittances. To this end, we take as a reference the three poverty lines officially accepted in Mexico: food, capabilities and assets based³.

1 In some cases in Mexico the rural sector is defined as those localities with 2,500 inhabitants or less: However, The National Evaluation Council of Social Policy (Coneval for its Spanish initials) in Mexico determines as rural the population living in localities no higher than 15,000 inhabitants, and, as urban, that population which lives in localities with more than 15,000 persons. In this article, we consider this last definition.

2 This figure could also be showing a rise in migration of those households receiving remittances from the rural to the urban areas.

3 Food poverty condition is present in households where the monthly per capita income is lower than that necessary to meet basic food needs. Capabilities poverty includes households where the per capita income is lower than necessary to meet the basic consumption pattern for food, education and health. Households are in assets-based poverty if their per capita income is lower than necessary to meet the basic consumption expenses for food, education, health, clothing, footwear, housing and public transportation. For a more detailed explanation see Coneval (2006).

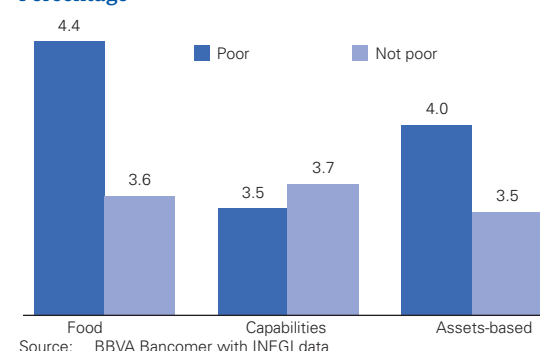
According to ENIGH data, both households in poverty and those that are not, receive remittances, although there are differences between the urban medium and the rural. While in the urban medium, the proportion of poor households is higher and tends to receive funds from abroad, in the rural medium the opposite occurs. How can this result be interpreted? If the number of receptors is associated with the number of persons that send remittances and, therefore, with the number of immigrants, then this result could suggest that poverty is a factor motivating immigration, although it acts differently depending on the conditions of the places of origin. In the rural medium, in view of the lack of opportunities for development for most people, a large number of them wish to emigrate, but only those that are not extremely poor can best assume the costs that emigration involves. For its part, in the urban medium, which can offer better opportunities for development than the rural medium, it is the poorest who have fewer opportunities and, therefore, they are the ones who, to a greater extent, decide to emigrate.

Between 2006 and 2008, the proportion of poor households receiving remittances was reduced in the rural sector. In the urban medium, the proportion of poor households receiving remittances increased.

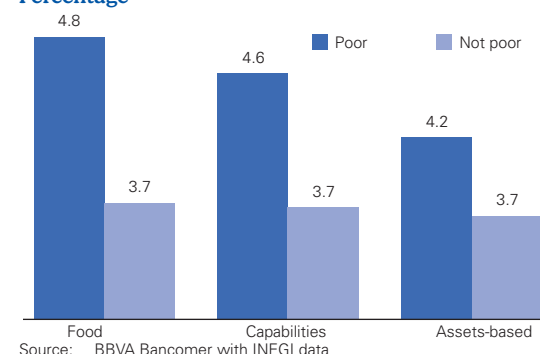
The profile of households receiving remittances

There are important differences between households receiving remittances and those that do not receive those funds. The former tend to have a higher proportion of heads of family who are women (46.6% vs. 23.6%, in 2008) and older in age on average. This could reflect that the persons who emigrate are in great majority men and in productive age. Other ENIGH figures reinforce this argument. The number of persons in a productive age tends to be lower in households receiving remittances and the contrary occurs with persons who are older. Also, the number of women is higher on average in households receiving remittances and that of men is higher in households that do not receive them.

Distribution of Urban Households by Poverty Condition According to Which They Receive Remittances 2006



Distribution of Urban Households by Poverty Condition According to Which They Receive Remittances 2008



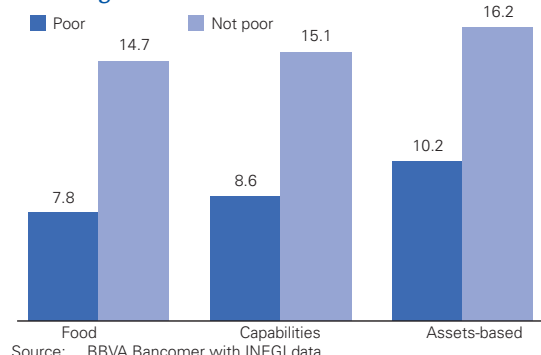
Characteristics of Rural Households Considering whether they Receive Remittances or not

| | 2006 | | | 2008 | | |
|--|---------|-------------|------------|---------|-------------|------------|
| | Receive | Not Receive | Statistics | Receive | Not Receive | Statistics |
| Receive, Do not Receive Statistics | 52.4 | 23.0 | -24.2 | 46.6 | 23.6 | -21.9 |
| Female head of family | 50.9 | 46.7 | -7.5 | 51.8 | 48.0 | -10.3 |
| Age of head of the family | 18.3 | 9.3 | -8.4 | 18.4 | 8.9 | -14.1 |
| Family head without education | 54.0 | 37.9 | -10.0 | 55.4 | 39.1 | -11.6 |
| Family head with primary education | 17.5 | 25.8 | 3.3 | 16.4 | 25.8 | 7.5 |
| Family head with secondary education | 6.6 | 12.2 | 7.2 | 5.7 | 11.8 | 7.5 |
| Family head with high school education | 3.6 | 14.7 | 10.8 | 4.2 | 14.4 | 12.3 |
| Family head with higher education | 4.0 | 3.9 | -1.6 | 4.1 | 4.0 | -3.4 |
| Female family members | 2.3 | 2.0 | -8.0 | 2.3 | 2.0 | -8.5 |
| Male family members | 1.7 | 1.9 | 5.5 | 1.8 | 1.9 | 3.4 |
| 12 year-old and younger family members | 1.1 | 1.0 | -5.7 | 1.1 | 0.9 | -4.1 |
| 12 to 64 year-old family members | 2.4 | 2.7 | 4.8 | 2.7 | 2.8 | 2.0 |
| Over 65 year-old members of the family | 0.4 | 0.2 | -7.4 | 0.4 | 0.3 | -9.3 |
| Number of employed persons | 1.3 | 1.8 | 12.1 | 1.5 | 1.7 | 9.1 |
| Total quarterly income | 26,508 | 36,666 | 6.7 | 30,803 | 38,733 | 6.2 |
| Quarterly current income | 25,182 | 34,801 | 7.2 | 29,201 | 37,165 | 6.7 |
| Total current per capita income | 8,096.9 | 11,181.2 | 6.4 | 8,165.5 | 11,841.5 | 4.9 |

Source: BBVA Bancomer with INEGI data

Distribution of Rural Households in Poverty Condition According to whether they Receive Remittances, 2006

Percentage



The educational level of the heads of family that receive remittances is lower on average than that of households that do not receive them. While in the former, the proportion with no schooling or with primary education as the maximum is higher, in households that do not receive remittances, the proportion of heads of family with secondary or a higher educational level is greater.

Also, the income of those households receiving remittances tends to be lower than that of those that do not receive these funds. In 2006, the current per capita income of the households that receive remittances is equivalent to 72% of those households that do not receive them. In 2008, this figure dropped to 69%, which can be explained by the decrease in income from remittances.

The importance of remittances

In general, as per the ENIGH of 2008, remittances represented 27% of the current earnings of the households that received them. For rural households (in locations of fewer than 15,000 inhabitants), the proportion increases to 29.8%. Thus, these funds are an important source of income for these households. The economic crisis, as has been mentioned before, has caused Mexico to receive less income from remittances. Because of this, their importance was reduced in the earnings of households that receive them. In 2006, they represented 37% on average of the income of the households that received them and, in the rural medium, the proportion was greater, 40%.

This could have had important effects on the well-being of the households that receive these funds. In the next section, we analyze the case of poverty.

Did the decrease in remittances affect poverty?

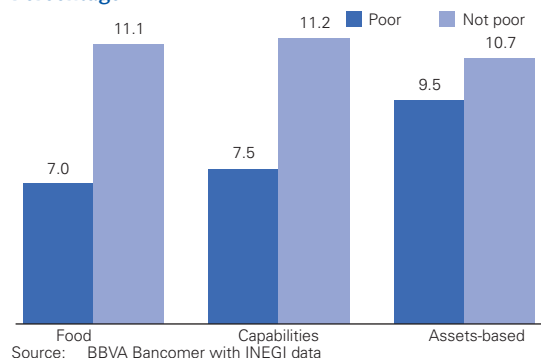
Recently, the Coneval (Spanish initials for Consejo Nacional de Evaluación de la Política de Desarrollo Social or National Council for Evaluation of the Social Development Policy) announced that between 2006 and 2008, poverty in Mexico increased, with poverty reaching close to 5 million more persons. One way of knowing whether remittances could have had an influence on these results is to analyze how the reception of remittances was modified for the households of the poor and its importance on household income.

In general, the poorest households tend to receive lower income from remittances than the less poor. In 2008, households in extreme poverty (food) of the rural medium, receptors of remittances, had a quarterly income from this item of 2,664 pesos, while households in moderate poverty, (assets-based) received 3,961 pesos from such income. In general, poor households from the urban medium receive higher income from remittances than those from the rural medium.

With the economic crisis, both poor urban households and rural are receiving on average lower income from remittances. Nevertheless, the most affected are those of the rural medium. Remittances fell from representing 36% of the current income in rural households in food poverty conditions to 28% between 2006 and 2008. For households in net worth poverty conditions in the same sector, remittances represented 39% in 2006 and 31% in 2008.

Distribution of Rural Households by Poverty Condition According to how they Receive Remittances

Percentage



These data show that the decline in the income from remittances, which has occurred in Mexico, could have contributed to increasing poverty in this country. Other elements that could have had the same effect are the economic recession itself and the rise registered between 2007 and 2008 in the general price level and, in particular, in food items.

Conclusions

In the last two years, the growth rate of remittances directed toward developing countries has been reduced. Mexico has been one of the countries affected by this situation. In this country, both the number of households that receive these resources and their importance in the income of those who receive them have been reduced.

The households that have been more vulnerable in facing these changes are mainly the poor ones in the rural medium, a sector where a higher proportion of households is benefited by these resources. Remittances, an important source of income for the households that receive them, have had an important effect on poverty levels in Mexico, which will become more serious.

This article also shows that poverty can be a factor that spurs emigration, although it can act differently depending of the level of development of the communities of origin. The results obtained also show important differences between the households that receive remittances and those that do not. The former tend to have female heads of family that are older, in a greater proportion. Also, their educational level tends to be lower. Thus, it is probable that they are more vulnerable to adverse economic effects and, due to this, in the current economic crisis, they can be suffering greater negative effects.

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Remittances by Household According to Poverty Type

Current pesos, quarterly average

| | 2006 | | 2008 | |
|--------------|---------------------------------|-------------------------|-------------------------|-------------------------|
| | Remittance ¹ | Proportion ² | Remittance ¹ | Proportion ² |
| Urban | | | | |
| Food | 3,450 | 27.4 | 2,798 | 28.3 |
| Capabilities | 3,790 | 32.1 | 3,808 | 32.4 |
| Assets-based | 5,347 | 31.8 | 4,777 | 27.9 |
| Rural | | | | |
| Food | 2,857 | 36.4 | 2,664 | 27.8 |
| Capabilities | 3,284 | 39.4 | 2,951 | 28.9 |
| Assets-based | 4,053 | 38.5 | 3,961 | 31.3 |
| 1 | Average remittance, dollars | | | |
| 2 | Proportion in current income, % | | | |
| Source: | BBVA Bancomer with INEGI data | | | |

Places that have hosted the Global Forum on Migration and Development

| Year | Place |
|------|---------------------|
| 2007 | Brussels, Belgium |
| 2008 | Manila, Philippines |
| 2009 | Athens, Greece |

Source: BBVA Bancomer

Components of the Global Forum on Migration and Development

| Civil Society Days | Governmental forum |
|---|--|
| Non-governmental organizations, academics, labor unions, immigrant associations, and other interested parties share information on ideas, good practices and policies in the field of migration and development and formulate proposals for the governmental forum. | Governmental representatives discuss issues previously agreed on by consensus of the participating governments of the countries concerned; the consequences of migration are analyzed and policies in the field of migration and development are discussed. In addition, proposals made by the civil society are considered. |

Source: BBVA Bancomer

Background

In September 2006, in the framework of the General Assembly of the United Nations, the High-Level Dialogue on International Migration and Development was held, where more than 140 member countries analyzed the worldwide consequences of international migration and the interaction between migration and development. Important consensus were achieved, among them that a well-managed approach to immigration can contribute to development, both for the country of origin as well as of destination and that it is also important to formulate public policies that seek a positive impact on migration and, as a result, contribute to the development of the immigrant communities.

As a result of these debates, a large number of UN member countries expressed their interest in participating in the dialogue on migration and development through an informal and non-binding process led by the states through a world forum open to all UN member nations. Belgium was the country where the first meeting of the Global Forum on Migration and Development (GFMD) was held, with the event taking place in Brussels in 2007. The second meeting was held in Manila, Philippines in 2008 and the 2009 Global Forum on Migration and Development was just held in Athens, Greece.

The structure of the Global Forum on Migration and Development

The meetings of the GFMD are comprised of two separate but interrelated events: the Governmental Forum and the Civil Society Days. In the Governmental Forum, topics formulated by the participating governments are discussed and proposals from the civil society on these same issues are considered. In the Civil Society Days event, non-governmental organizations, labor unions, immigrant associations, and other interested parties formulate proposals so that they be taken into account by the governments. For several months before the Forum is held, the governments discuss the agenda and the workshops that will be held. Civil society participants and international experts are consulted so that a consensus is reached among the UN member countries on the issues that are to be dealt with and progress made on formulating a common agenda.

Different institutions have had the responsibility for organizing the Civil Society Days; in 2007, the King Balduino Foundation in Brussels, in 2008 the Ayala Foundation in Philippines, and the Alexander S. Onassis Foundation this year in Greece.

In 2009 the main donor for the Civil Society Days was the MacArthur Foundation. The Open Society Institute also made a major contribution.

The Global Forum on Migration and Development offers a platform for political figures in the field to share information on ideas and good practices and policies on migration and development and to put forward new initiatives for international cooperation, as well as alliances of the different directly involved interested parties. In

addition, the Forum seeks to stimulate concrete actions aimed at achieving results, including new performance recommendations, innovative pilot programs, the development of immigrant associations, the elimination of obstacles to obtain beneficial effects for both the home and host countries, and the possibility of learning from nations' experiences in this regard.

Main results of the Athens Forum

The main topic of the 2009 Forum was the "integration of migration policies in development strategies for the benefit of all." Among its objectives was to provide continuity to the issues discussed in the previous forums and to explore other new questions such as the current economic crisis and its effects, as well as to promote the integration of migratory policies in development strategies.

The starting point was to indicate that migration is not a substitute for development or vice versa. Emphasis was placed on the importance of recognizing the human rights of immigrants and therefore it was suggested that the countries conduct campaigns to fight against the rejection that at times exists toward them. It was recognized that the contribution that immigrants make to the host countries is important, and therefore the more integrated they are in the economies of the destination countries the greater their contribution will be.

In the sessions it was said that climate change can have effects on migratory movements and therefore it is necessary to promote studies that analyze the interrelation between the two phenomena.

A significant issue was that of including a gender perspective in migratory and development policies. It is important to bear in mind that men and women have different needs. In this regard, it was explained that the crisis has had different effects in terms of gender and in many cases women have been more vulnerable. It was considered important that there be cooperation among the countries with the aim of jumpstarting economic recovery. Emphasis was also placed on the importance of the interrelation between the governments and immigrant organizations, especially those that are oriented toward women. These associations support immigrants in the contributions that they make in their households.

The source and destination countries should work together with the private sector, non-governmental organizations, and international institutions to link the return and reintegration of immigrants with development projects, particularly on a local and community level. It is important that training programs be promoted for immigrants before they return home and that information programs be available in all the stages of the migratory process.

The forum dealt with the question of circular migration and it was explained that it is important that the immigrants return to their home countries. The creation of legal frameworks for the reintegration of the immigrants was considered key. It was also argued that it will be important to provide sources of information and prepare indicators to evaluate the effects of immigrants' reintegration in their places of origin. Furthermore, the host countries should include circular

migration in their immigration and development policies. It was also proposed that the countries prepare manuals on good immigration policies and on the experiences in migratory flows in some of the countries. It was suggested that the migration question be included in countries' development plans and in strategies to reduce poverty.

Mexico, will host the 2010 Global Forum on Migration and Development

Mexico will host the 2010 Global Forum on Migration and Development and it will be the first Latin American country to hold this event of such enormous importance on a world scale.

The organization of the Civil Society Days will be under the responsibility of the BBVA Bancomer Foundation, which has undertaken different initiatives on the question of migration and development. Since 2006 the Foundation has been sponsoring the "For those who remain" scholarship program, through which it has granted scholarships to Mexican students of less than 15 years of age in migrant communities so that they can continue their secondary school education. In 2010 the program will provide support to the most outstanding scholarship holders who have graduated so that they can go on to pursue middle-level higher education. The Foundation also financially supported the making of the documentary "Those who remain", which reflects the experience of millions of migrant families in Mexico.

Issues dealt with in the round-tables and the main conclusions of the 2009 Global Forum on Migration and Development.

| Round-table | Conclusions and main recommendations |
|--|--|
| 1. How to make the link between migration and development help attain Millennium Development Targets | <ul style="list-style-type: none"> • Migration should be included in national development plans. • It is recommended that countries create national immigration profiles based on those established by the European Commission. • Information should be provided to immigrants in all the stages of the migratory process. • To establish manuals based on some of the countries' experiences in migratory flows. • To consider the effects of climate change on migration. • To recognize the human rights of immigrants. It was suggested that the countries conduct campaigns to fight against the rejection that at times exists toward immigrants. • The countries will work together for a more rapid recovery from the crisis. |
| 2. Integration, reintegration, and circulation of migrants to favor development | <ul style="list-style-type: none"> • To reduce the costs of migration. • To compile the best immigration integration practices and publish them on the GFMD web page. • To create legal frameworks for the reintegration of immigrants. • Destination countries could include circular migration within their migratory and development policies. • The countries of origin and destination should work together with the private sector, non-governmental organizations, and international institutions to link the return and reintegration of immigrants with development projects, particularly on a local and community level. • To establish a database of circular migration programs as an informational tool for the GFMD. • To define a series of indicators to evaluate the impact of reintegration strategies on development. |
| 3. Policies, Institutional Cohesion and Associations | <ul style="list-style-type: none"> • Plans for adapting to climate change should be proposed, including immigrants' origin, transit, and destination countries. • The migratory profiles that the countries prepare should be flexible and adapted to the individual needs of the nations involved. • The 2010 global census will be an important opportunity for the governments to include questions on migration and development to advance out knowledge in the field. • Between each forum, interested parties should exchange information through the Forum web page. |

Fuente: BBVA Bancomer

In terms of research, the BBVA Bancomer Foundation, together with the BBVA Mexican Economic Research Department publishes a quarterly journal "***Migration Watch Mexico***." It has also participated in organizing seminars such as the "International Conference on Migration and Development, a Comprehensive Perspective from the South", with the participation of world renowned academic specialists, government authorities, and civil society organizations. In 2007, together with the Autonomous University of Zacatecas, the BBVA Bancomer Foundation began developing the System of Information on Migration and Development (SIMDE), an innovative on-line data consultation system that seeks to promote an understanding of the international migratory phenomenon and its implications on development in the source, transit, and destination countries. The system will soon go public.

There are big expectations on the results that can be achieved in the 2010 Global Forum on Migration and Development, given that Mexico is a source, transit, and destination country for migratory flows and one of the main recipients of remittances in the world. Therefore, this event can offer a great opportunity for Mexico to propose new policies that promote and strengthen the link between migration and development.

Statistical Appendix

Number of International Immigrants, (Millions)

| | 1960 | 1965 | 1970 | 1975 | 1980 | 1985 | 1990 | 1995 | 2000 | 2005 |
|---------------------------------|------|------|------|------|------|-------|-------|-------|-------|-------|
| World | 75.5 | 78.4 | 81.3 | 86.8 | 99.3 | 111.0 | 154.9 | 165.1 | 176.7 | 190.6 |
| Developed Countries | 32.3 | 35.4 | 38.4 | 42.5 | 47.5 | 53.6 | 82.4 | 94.9 | 105.0 | 115.4 |
| Developing Countries | 43.1 | 43.0 | 43.0 | 44.3 | 51.8 | 57.4 | 72.6 | 70.2 | 71.7 | 75.2 |
| Northern America | 14.2 | 16.7 | 18.8 | 20.2 | 21.9 | 23.5 | 49.4 | 55.3 | 58.2 | 64.1 |
| Asia | 28.5 | 28.2 | 27.8 | 28.0 | 32.1 | 37.2 | 49.9 | 47.2 | 50.3 | 53.3 |
| Latin America and the Caribbean | 12.5 | 12.7 | 13.0 | 15.3 | 18.1 | 22.1 | 27.6 | 33.6 | 40.4 | 44.5 |
| Europe | 9.1 | 9.4 | 9.9 | 11.0 | 14.1 | 14.4 | 16.4 | 17.9 | 16.5 | 17.1 |
| Africa | 6.0 | 5.9 | 5.7 | 5.7 | 6.1 | 6.3 | 7.0 | 6.1 | 6.3 | 6.6 |
| Oceania | 2.1 | 2.6 | 3.0 | 3.4 | 3.8 | 4.2 | 4.8 | 5.1 | 5.1 | 5.0 |

Annual remittances, inflows, (US\$ billion)

| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008e |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| World | 119.5 | 121.2 | 126.6 | 131.5 | 146.8 | 169.5 | 207.3 | 234.9 | 267.8 | 306.6 | 370.8 | 397.0 |
| Developed Countries | 48.2 | 47.9 | 49.4 | 47.3 | 51.6 | 54.0 | 63.0 | 70.5 | 73.1 | 77.9 | 90.1 | 91.8 |
| Developing Countries | 71.4 | 73.3 | 77.2 | 84.2 | 95.2 | 115.5 | 144.3 | 164.4 | 194.8 | 228.7 | 280.7 | 305.3 |
| East Asia and Pacific | 15.2 | 12.9 | 15.7 | 16.7 | 20.1 | 29.5 | 35.4 | 39.2 | 46.7 | 52.9 | 65.2 | 69.9 |
| South Asia | 14.6 | 13.4 | 15.1 | 17.2 | 19.2 | 24.1 | 30.4 | 28.7 | 33.1 | 39.6 | 52.1 | 66.0 |
| Latin America and Caribbean | 14.4 | 15.8 | 17.6 | 20.0 | 24.2 | 27.9 | 36.6 | 43.3 | 50.1 | 59.2 | 63.1 | 63.3 |
| Europe and Central Asia | 10.0 | 13.8 | 11.6 | 12.8 | 12.4 | 13.7 | 15.5 | 22.2 | 31.2 | 38.3 | 50.4 | 53.1 |
| Middle-East and North Africa | 12.8 | 13.1 | 12.8 | 12.9 | 14.7 | 15.2 | 20.4 | 23.0 | 24.3 | 25.7 | 31.3 | 33.7 |
| Sub-Saharan Africa | 4.4 | 4.3 | 4.4 | 4.6 | 4.7 | 5.0 | 6.0 | 8.0 | 9.4 | 12.9 | 18.6 | 19.8 |

U.S. Immigration, Millions of people

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total population | 264.3 | 266.8 | 269.1 | 271.7 | 276.8 | 279.5 | 282.1 | 285.9 | 288.3 | 288.4 | 299.4 | 301.6 |
| Immigrants | 24.6 | 25.8 | 26.3 | 26.4 | 30.0 | 31.8 | 32.5 | 33.5 | 34.2 | 35.8 | 37.5 | 38.0 |
| Gender | | | | | | | | | | | | |
| Male | 12.0 | 12.9 | 13.1 | 13.1 | 15.1 | 16.1 | 16.4 | 16.8 | 17.2 | 17.9 | 18.9 | 19.2 |
| Female | 12.5 | 12.8 | 13.2 | 13.3 | 14.8 | 15.7 | 16.1 | 16.7 | 17.0 | 17.8 | 18.6 | 18.9 |
| Age | | | | | | | | | | | | |
| Less than 15 | 2.0 | 1.9 | 1.8 | 1.6 | 2.1 | 2.2 | 2.1 | 2.1 | 2.2 | 2.2 | 2.2 | 2.1 |
| 15 to 64 | 19.8 | 21.1 | 21.6 | 21.8 | 24.7 | 26.4 | 27.0 | 27.7 | 28.4 | 29.6 | 31.0 | 31.5 |
| More than 64 | 2.8 | 2.8 | 2.9 | 3.0 | 3.2 | 3.3 | 3.3 | 3.7 | 3.7 | 3.9 | 4.3 | 4.5 |
| Region of Birth | | | | | | | | | | | | |
| Europe | 4.1 | 4.3 | 4.3 | 4.2 | 4.4 | 4.5 | 4.5 | 4.6 | 4.7 | 5.1 | 5.2 | 5.3 |
| Asia | 6.6 | 6.8 | 7.0 | 7.2 | 7.9 | 8.5 | 8.5 | 8.4 | 8.7 | 9.3 | 9.8 | 9.9 |
| Latin America | 12.2 | 13.1 | 13.4 | 13.4 | 15.3 | 16.0 | 16.0 | 17.8 | 18.3 | 19.1 | 20.1 | 20.1 |
| All other | 1.7 | 1.6 | 1.6 | 1.6 | 2.4 | 2.8 | 2.8 | 2.7 | 2.6 | 2.2 | 2.4 | 2.8 |

Source: BBVA Bancomer tabulations of United Nations, World Bank, U.S. Census Bureau and Pew Hispanic Center data

Mexican immigrants in the U.S.

| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Mexicans in the U.S. (Millions) | na | na | na | 23.2 | 24.0 | 25.5 | 26.7 | 26.9 | 28.1 | 29.3 | 30.3 |
| Foreign Born | 7.3 | 7.4 | 7.4 | 8.1 | 8.5 | 9.9 | 10.2 | 10.7 | 11.0 | 11.1 | 11.8 |
| U.S. Born | na | na | na | 14.4 | 14.9 | 16.0 | 16.8 | 16.6 | 17.5 | 18.2 | 18.5 |
| Demographic Characteristics of Mexican Emigrants | | | | | | | | | | | |
| Gender | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Male | 55.9 | 54.6 | 54.4 | 53.9 | 54.1 | 55.4 | 55.1 | 55.2 | 55.4 | 55.2 | 56.0 |
| Female | 44.1 | 45.4 | 45.6 | 46.1 | 45.9 | 44.6 | 44.9 | 44.8 | 44.6 | 44.8 | 44.0 |
| Age groups | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 0 to 14 | 10.3 | 9.7 | 8.0 | 9.4 | 9.3 | 9.1 | 8.6 | 8.6 | 8.6 | 7.7 | 7.3 |
| 15 to 29 | 35.1 | 33.2 | 33.2 | 32.6 | 31.4 | 33.1 | 31.9 | 32.3 | 31.3 | 30.2 | 28.6 |
| 30 to 44 | 33.9 | 35.8 | 36.2 | 36.1 | 35.6 | 36.9 | 37.5 | 37.4 | 37.0 | 37.3 | 38.1 |
| 45 to 64 | 16.4 | 16.6 | 17.4 | 17.3 | 18.8 | 16.8 | 17.4 | 17.3 | 18.6 | 20.1 | 20.8 |
| 65 and older | 4.3 | 4.7 | 5.3 | 4.6 | 4.9 | 4.1 | 4.6 | 4.4 | 4.5 | 4.7 | 5.1 |
| Average age (in years) | 33.1 | 33.8 | 34.5 | 33.9 | 34.4 | 33.6 | 34.3 | 34.2 | 34.5 | 35.2 | 35.2 |
| By State | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| California | 46.8 | 46.3 | 46.2 | 47.8 | 44.5 | 42.5 | 39.3 | 38.3 | 42.2 | 39.5 | 39.5 |
| Texas | 21.1 | 21.5 | 21.4 | 19.0 | 21.0 | 20.3 | 23.0 | 21.4 | 20.3 | 19.4 | 19.2 |
| All other | 11.5 | 11.6 | 11.3 | 12.1 | 14.0 | 14.9 | 15.1 | 18.3 | 17.0 | 18.7 | 18.8 |
| Arizona | 6.8 | 6.7 | 6.4 | 5.3 | 4.7 | 5.6 | 6.0 | 6.2 | 5.6 | 6.4 | 5.7 |
| Illinois | 5.8 | 6.5 | 6.3 | 5.8 | 5.5 | 4.9 | 6.5 | 5.5 | 5.4 | 4.7 | 5.3 |
| Florida | 1.5 | 1.4 | 2.1 | 2.4 | 3.0 | 3.5 | 2.2 | 2.0 | 2.3 | 2.8 | 3.3 |
| North Carolina | 0.9 | 0.8 | 1.1 | 1.4 | 1.5 | 1.6 | 1.6 | 2.6 | 2.0 | 2.5 | 2.2 |
| New York | 2.2 | 2.9 | 2.4 | 1.8 | 2.1 | 2.3 | 1.8 | 1.7 | 1.2 | 1.9 | 2.0 |
| Colorado | 2.1 | 1.2 | 1.2 | 2.3 | 1.9 | 2.5 | 2.5 | 2.3 | 2.2 | 2.4 | 2.0 |
| Nevada | 1.3 | 1.1 | 1.5 | 2.0 | 1.7 | 1.8 | 1.8 | 1.6 | 1.9 | 1.8 | 1.9 |
| Period of arrival | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Before 1975 | 20.4 | 19.6 | 19.9 | 17.3 | 15.5 | 13.5 | 13.5 | 12.3 | 11.8 | 10.6 | 10.3 |
| 1975 to 1985 | 29.6 | 28.4 | 28.1 | 24.4 | 22.6 | 20.9 | 20.9 | 19.0 | 16.6 | 17.0 | 15.9 |
| 1986 to 1995 | 49.9 | 44.3 | 39.8 | 39.2 | 36.9 | 35.8 | 35.8 | 30.2 | 29.7 | 28.9 | 28.3 |
| 1996 to 2007 | — | 7.7 | 12.2 | 19.1 | 25.0 | 29.9 | 29.9 | 38.5 | 41.9 | 43.6 | 45.5 |
| Mobility status 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 |
| Non- immigrants | 91.8 | 94.5 | 92.0 | 91.6 | 91.9 | 91.2 | 92.3 | 93.2 | 89.7 | 93.1 | 94.9 |
| Internal migrants ¹ | 4.6 | 3.3 | 4.2 | 4.9 | 4.7 | 4.9 | 5.0 | 4.4 | 5.3 | 4.5 | 3.4 |
| International migrants ² | 3.6 | 2.2 | 3.8 | 3.5 | 3.5 | 3.9 | 2.7 | 2.4 | 5.0 | 2.5 | 1.8 |

¹ Refers to the population that resided, the previous year to the interview, in a different county to the current one.

² Refers to the population that resided, the previous year to the interview, in Mexico.

na not available

Source: Source: BBVA Bancomer tabulations of Conapo data, based on U.S. Census Bureau, Current Population Survey (CPS) data, March 1994-2007

Mexican migrants in the U.S.

| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Social characteristics on Mexican emigrants | | | | | | | | | | | |
| Educational Attainment ¹ | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than 10th grade | 58.7 | 58.6 | 56.3 | 56.2 | 56.7 | 54.7 | 54.1 | 52.7 | 52.6 | 51.0 | 47.0 |
| From 10th to 12th grade | 26.9 | 28.0 | 30.3 | 29.9 | 28.7 | 30.6 | 31.4 | 32.9 | 32.9 | 34.3 | 38.0 |
| Some college | 9.6 | 8.8 | 8.8 | 9.6 | 9.1 | 9.3 | 9.0 | 9.1 | 9.2 | 9.3 | 9.9 |
| College graduate or advanced degree | 4.8 | 4.6 | 4.6 | 4.3 | 5.5 | 5.4 | 5.5 | 5.3 | 5.3 | 5.4 | 5.0 |
| Citizenship | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| American citizen | 18.2 | 21.1 | 22.7 | 22.6 | 22.6 | 21.4 | 21.8 | 21.3 | 20.4 | 21.3 | 21.5 |
| Not American citizen | 81.8 | 78.9 | 77.3 | 77.4 | 77.4 | 78.6 | 78.2 | 78.7 | 79.6 | 78.7 | 78.5 |
| Poverty status ² | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Poor | 33.7 | 30.2 | 28.3 | 25.7 | 24.7 | 24.6 | 25.4 | 25.7 | 26.2 | 25.7 | 22.1 |
| Non-poor | 66.3 | 69.8 | 71.7 | 74.3 | 75.3 | 75.4 | 74.6 | 74.3 | 73.8 | 74.3 | 77.9 |
| Health Insurance Coverage type | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Public | 13.5 | 12.5 | 12.9 | 12.7 | 12.3 | 11.7 | 12.9 | 12.9 | 14.1 | 14.1 | 12.7 |
| Private | 31.7 | 31.2 | 31.4 | 33.2 | 33.1 | 33.6 | 32.3 | 30.3 | 29.8 | 29.6 | 28.3 |
| Both | 2.0 | 2.4 | 2.1 | 2.0 | 1.9 | 1.7 | 2.2 | 1.8 | 2.7 | 2.3 | 2.6 |
| None | 52.8 | 53.8 | 53.6 | 52.1 | 52.7 | 53.0 | 52.6 | 55.0 | 53.4 | 54.1 | 56.4 |
| Employment situation of Mexican emigrants | | | | | | | | | | | |
| 16 years and over | 6.5 | 6.7 | 6.8 | 7.3 | 7.7 | 9.0 | 9.3 | 9.8 | 10.1 | 10.3 | 10.9 |
| Labor force | 4.4 | 4.6 | 4.6 | 5.0 | 5.3 | 6.3 | 6.5 | 6.7 | 6.9 | 7.2 | 7.7 |
| Employed | 4.0 | 4.2 | 4.3 | 4.6 | 4.9 | 5.8 | 5.8 | 6.2 | 6.5 | 6.8 | 7.2 |
| Unemployed | 0.4 | 0.3 | 0.3 | 0.4 | 0.4 | 0.6 | 0.6 | 0.5 | 0.4 | 0.4 | 0.4 |
| Not in labor force | 2.1 | 2.1 | 2.2 | 2.3 | 2.4 | 2.6 | 2.9 | 3.1 | 3.1 | 3.1 | 3.3 |
| Median weekly hours of work | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Up to 34 | 12.5 | 13.0 | 10.6 | 9.3 | 9.7 | 11.6 | 11.1 | 10.3 | 11.0 | 9.5 | 10.5 |
| 35 to 44 | 69.8 | 70.3 | 73.7 | 76.8 | 75.3 | 75.2 | 75.1 | 76.1 | 75.2 | 76.1 | 75.1 |
| 45 or more | 17.7 | 16.7 | 15.7 | 13.9 | 14.9 | 13.2 | 13.8 | 13.6 | 13.8 | 14.4 | 14.4 |
| Annual earnings (in 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 |
| Less than 10,000 | 29.8 | 26.2 | 23.8 | 21.0 | 17.5 | 17.5 | 15.0 | 14.4 | 13.4 | 12.8 | 11.1 |
| 10,000 to 19,999 | 42.1 | 43.2 | 44.3 | 44.1 | 42.4 | 40.0 | 39.9 | 40.9 | 39.9 | 37.1 | 34.4 |
| 20,000 to 29,999 | 16.6 | 17.9 | 18.8 | 20.1 | 22.0 | 24.6 | 24.3 | 23.9 | 24.0 | 26.2 | 27.5 |
| 30,000 to 39,999 | 6.8 | 7.6 | 6.9 | 7.8 | 9.9 | 9.3 | 10.7 | 11.2 | 11.4 | 12.4 | 13.7 |
| 40,000 or more | 4.7 | 5.1 | 6.2 | 7.0 | 8.2 | 8.7 | 10.1 | 9.6 | 11.3 | 11.5 | 13.3 |
| Economic sector | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Primary | 12.4 | 10.2 | 10.6 | 12.1 | 9.5 | 8.3 | 4.4 | 5.0 | 5.7 | 4.2 | 4.0 |
| Secondary | 36.4 | 35.3 | 34.9 | 36.6 | 36.5 | 35.8 | 35.8 | 36.1 | 36.9 | 39.6 | 40.6 |
| Tertiary | 51.2 | 54.5 | 54.5 | 51.2 | 54.0 | 55.9 | 59.8 | 58.9 | 57.4 | 56.2 | 55.4 |
| Occupation | na | na | na | na | na | na | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Professional and related | na | na | na | na | na | na | 7.4 | 7.8 | 6.7 | 7.5 | 7.3 |
| Sales and management ³ | na | na | na | na | na | na | 15.4 | 15.9 | 15.0 | 15.0 | 14.9 |
| Building clean., mainten. and food preparat. ⁴ | na | na | na | na | na | na | 25.6 | 24.6 | 25.6 | 25.3 | 23.3 |
| Farming, fishing, and forestry | na | na | na | na | na | na | 4.3 | 4.4 | 5.4 | 3.9 | 3.9 |
| Construction, maintenance, and repair ⁵ | na | na | na | na | na | na | 19.5 | 22.6 | 23.2 | 25.3 | 27.8 |
| Transportation and Production ⁶ | na | na | na | na | na | na | 27.9 | 24.6 | 24.0 | 22.8 | 22.6 |
| Extraction | na | na | na | na | na | na | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 |

¹ People 25 and older

² U.S. poverty methodology. Families and unrelated individuals are classified as being above or below the poverty level using a poverty index adopted by a Federal Interagency Committee in 1969 and slightly modified in 1981.

³ Includes: health care services, protection occupation as detectives, inspectors, police officers, supervisors, managers of correctional institutions, etc., personal care occupations as child care workers, barbers, and funeral and recreation services.

⁴ Includes: doorman, building cleaners, and domestic servants.

⁵ Includes: operators and supervisors of production, assemblers of electrical and electromechanical, metallic structure-makers, computer programmers and operators.

⁶ Transportations and mobile occupations, system assemblers, electricians, electromechanical, machinery assemblers, manufacturers and fitters of metallic structures, workers of the plastic, cleaners of vehicles and equipment, workers in recycling and shipper.

Source: BBVA Bancomer tabulations of Conapo estimates from U.S. Census Bureau, Current Population Survey (CPS) data, March 1994-2007

Information by state of the Mexico-United States Migration

| | Migrants in U.S | | | Migrants in U.S/population* | | | | Migrants in U.S, Percent Distribution % | | | |
|---------------------|------------------|------------------|------------------|-----------------------------|------------|------------|---------|---|---------------|---------------|---------|
| | 1990 | 2000 | 2003 | 1990 | 2000 | 2003 | Rank'03 | 1990 | 2000 | 2003 | Rank'03 |
| Total | 5,413,082 | 8,780,482 | 9,866,755 | 6.0 | 8.1 | 8.7 | | 100.00 | 100.00 | 100.00 | |
| Baja California | 486,173 | 501,014 | 498,132 | 32.8 | 26.46 | 23.65 | 1 | 8.98 | 5.71 | 5.05 | 6 |
| Zacatecas | 360,276 | 513,810 | 550,856 | 16.7 | 21.93 | 23.21 | 2 | 6.66 | 5.85 | 5.58 | 5 |
| Michoacán | 571,002 | 950,661 | 1,059,366 | 11.7 | 16.72 | 18.10 | 3 | 10.55 | 10.83 | 10.74 | 2 |
| Jalisco | 912,093 | 1,252,615 | 1,349,238 | 14.2 | 16.31 | 17.06 | 4 | 16.85 | 14.27 | 13.67 | 1 |
| Colima | 57,170 | 85,258 | 92,732 | 12.8 | 15.32 | 15.64 | 5 | 1.06 | 0.97 | 0.94 | 25 |
| Durango | 204,871 | 301,832 | 327,306 | 10.8 | 14.33 | 15.05 | 6 | 3.78 | 3.44 | 3.32 | 11 |
| Guanajuato | 400,033 | 800,680 | 921,477 | 8.0 | 13.46 | 14.92 | 7 | 7.39 | 9.12 | 9.34 | 3 |
| Nayarit | 99,315 | 162,600 | 177,917 | 9.9 | 13.81 | 14.64 | 8 | 1.83 | 1.85 | 1.80 | 21 |
| Chihuahua | 338,780 | 457,037 | 478,760 | 12.6 | 14.32 | 14.24 | 9 | 6.26 | 5.21 | 4.85 | 7 |
| Morelos | 72,656 | 168,609 | 204,851 | 6.6 | 11.74 | 13.20 | 10 | 1.34 | 1.92 | 2.08 | 17 |
| Aguascalientes | 71,038 | 119,777 | 134,738 | 8.9 | 11.67 | 12.70 | 11 | 1.31 | 1.36 | 1.37 | 23 |
| San Luis Potosí | 200,941 | 339,314 | 386,100 | 7.5 | 10.82 | 12.15 | 12 | 3.71 | 3.86 | 3.91 | 9 |
| Tamaulipas | 137,839 | 221,284 | 241,961 | 6.1 | 8.09 | 8.40 | 13 | 2.55 | 2.52 | 2.45 | 15 |
| Guerrero | 107,405 | 284,851 | 347,528 | 3.3 | 7.13 | 8.37 | 14 | 1.98 | 3.24 | 3.52 | 10 |
| Nuevo León | 197,012 | 279,349 | 294,178 | 6.8 | 7.71 | 7.85 | 15 | 3.64 | 3.18 | 2.98 | 13 |
| Sonora | 139,996 | 165,299 | 170,604 | 7.3 | 7.14 | 7.08 | 16 | 2.59 | 1.88 | 1.73 | 22 |
| Querétaro | 47,384 | 90,036 | 106,145 | 4.2 | 6.28 | 7.04 | 17 | 0.88 | 1.03 | 1.08 | 24 |
| Hidalgo | 32,977 | 141,440 | 194,075 | 1.4 | 5.05 | 6.76 | 18 | 0.61 | 1.61 | 1.97 | 18 |
| Coahuila | 133,986 | 170,195 | 180,291 | 5.9 | 6.37 | 6.54 | 19 | 2.48 | 1.94 | 1.83 | 20 |
| Sinaloa | 83,135 | 161,370 | 186,534 | 3.4 | 5.40 | 6.01 | 20 | 1.54 | 1.84 | 1.89 | 19 |
| México | 206,566 | 485,442 | 586,196 | 2.9 | 5.42 | 5.95 | 21 | 3.82 | 5.53 | 5.94 | 4 |
| Oaxaca | 69,574 | 181,683 | 231,968 | 1.8 | 4.08 | 5.03 | 22 | 1.29 | 2.07 | 2.35 | 16 |
| Puebla | 85,369 | 246,361 | 305,442 | 1.8 | 4.18 | 4.92 | 23 | 1.58 | 2.81 | 3.10 | 12 |
| Baja California Sur | 13,637 | 16,546 | 17,213 | 5.1 | 4.83 | 4.73 | 24 | 0.25 | 0.19 | 0.17 | 29 |
| Distrito Federal | 270,978 | 367,202 | 413,395 | 2.7 | 3.05 | 3.36 | 25 | 5.01 | 4.18 | 4.19 | 8 |
| Quintana Roo | 12,790 | 15,431 | 16,413 | 5.2 | 3.51 | 3.30 | 26 | 0.24 | 0.18 | 0.17 | 30 |
| Veracruz | 46,614 | 197,495 | 266,256 | 0.7 | 2.41 | 3.16 | 27 | 0.86 | 2.25 | 2.70 | 14 |
| Yucatán | 33,824 | 43,313 | 47,081 | 2.1 | 2.23 | 2.38 | 28 | 0.62 | 0.49 | 0.48 | 26 |
| Tlaxcala | 4,238 | 18,836 | 25,856 | 0.5 | 1.76 | 2.34 | 29 | 0.08 | 0.21 | 0.26 | 28 |
| Campeche | 4,777 | 7,505 | 9,341 | 1.0 | 1.15 | 1.36 | 30 | 0.09 | 0.09 | 0.09 | 32 |
| Chiapas | 6,318 | 24,100 | 32,622 | 0.2 | 0.57 | 0.71 | 31 | 0.12 | 0.27 | 0.33 | 27 |
| Tabasco | 4,315 | 9,537 | 12,183 | 0.3 | 0.47 | 0.58 | 32 | 0.08 | 0.11 | 0.12 | 31 |

** Migrant in the US as proportion of the population in the state
Source: BBVA Bancomer tabulations of Conapo data

Figures of Remittances inflows to State Level

| | Households in 2000 | | | | Return ⁴ | Ratio ⁵ | Level ⁶ |
|---------------------|--------------------|--------------------------|------------------------|-----------------------|---------------------|--------------------|--------------------|
| | Number | Remittances ¹ | Emigrants ² | Circular ³ | | | |
| Total | 22,639,808 | 4.4 | 4.1 | 0.9 | 0.8 | 2.70 | |
| Michoacán | 893,671 | 11.4 | 10.4 | 2.8 | 2.3 | 15.72 | Very high-level |
| Zacatecas | 306,882 | 13.0 | 12.2 | 3.3 | 2.5 | 11.94 | Very high-level |
| Oaxaca | 762,517 | 4.1 | 4.8 | 0.6 | 0.7 | 11.57 | Very high-level |
| Guerrero | 677,731 | 7.9 | 6.8 | 0.8 | 1.1 | 11.48 | Very high-level |
| Hidalgo | 507,225 | 5.1 | 7.1 | 1.6 | 0.9 | 9.76 | Very high-level |
| Guanajuato | 990,602 | 9.2 | 9.6 | 2.2 | 1.6 | 8.93 | High level |
| Nayarit | 222,714 | 9.6 | 6.8 | 2.0 | 2.0 | 8.44 | High level |
| Chiapas | 832,111 | 0.8 | 0.8 | 0.1 | 0.1 | 7.74 | High level |
| Tlaxcala | 203,259 | 2.2 | 2.7 | 0.5 | 0.4 | 6.75 | High level |
| Morelos | 376,140 | 6.4 | 7.5 | 1.3 | 1.1 | 5.85 | Middle level |
| Veracruz | 1,649,332 | 2.7 | 3.2 | 0.5 | 0.2 | 5.23 | Middle level |
| Puebla | 1,098,409 | 3.3 | 4.0 | 0.5 | 0.7 | 5.16 | Middle level |
| San Luis Potosí | 509,582 | 8.2 | 7.4 | 1.3 | 1.2 | 4.98 | Middle level |
| Colima | 136,926 | 7.3 | 5.6 | 1.4 | 2.1 | 4.63 | Middle level |
| Durango | 331,242 | 9.7 | 7.3 | 1.8 | 1.6 | 4.49 | Middle level |
| Jalisco | 1,457,326 | 7.7 | 6.5 | 1.8 | 1.7 | 4.31 | Middle level |
| Aguascalientes | 207,327 | 6.7 | 6.7 | 2.7 | 1.5 | 4.00 | Middle level |
| Querétaro | 311,896 | 3.7 | 4.8 | 1.4 | 0.7 | 3.59 | Middle level |
| Sinaloa | 586,245 | 4.6 | 3.6 | 0.9 | 0.6 | 3.57 | Middle level |
| México | 2,978,023 | 2.1 | 2.6 | 0.6 | 0.3 | 2.90 | Low level |
| Tamaulipas | 690,067 | 3.6 | 3.0 | 0.6 | 0.7 | 2.10 | Low level |
| Tabasco | 426,653 | 0.6 | 0.6 | 0.2 | 0.0 | 2.02 | Low level |
| Sonora | 539,528 | 3.2 | 1.6 | 0.3 | 0.9 | 1.56 | Low level |
| Chihuahua | 767,679 | 4.3 | 3.7 | 1.0 | 1.3 | 1.42 | Low level |
| Baja California | 613,602 | 4.0 | 2.4 | 0.4 | 2.3 | 1.14 | Low level |
| Coahuila | 555,793 | 3.4 | 2.2 | 0.8 | 0.7 | 1.14 | Low level |
| Yucatán | 387,434 | 1.4 | 1.0 | 0.2 | 0.2 | 1.12 | Low level |
| Distrito Federal | 2,203,741 | 1.7 | 1.6 | 0.4 | 0.3 | 0.94 | Very low-level |
| Campeche | 163,451 | 1.0 | 0.9 | 0.2 | 0.1 | 0.91 | Very low-level |
| Quintana Roo | 219,671 | 1.0 | 0.7 | 0.2 | 0.2 | 0.86 | Very low-level |
| Baja California Sur | 107,536 | 1.1 | 1.0 | 0.6 | 0.6 | 0.63 | Very low-level |
| Nuevo León | 925,493 | 2.5 | 1.9 | 0.7 | 0.6 | 0.62 | Very low-level |

1 Households receiving remittances (%)

3 Households with circular emigrants in the U.S in the 5 years preceding (%)

5 Remittances dependency ratio (Remittances /GDP*100)

Source: BBVA Bancomer tabulations of Conapo estimates

2 Households with emigrants in the U.S in the 5 years preceding (%)

4 Households with return emigrants in the U.S in the 5 years preceding (%)

6 Level of dependence on remittances. Classification made by BBVA Bancomer. Rankings are based on standards deviation of the sample.

Annual figures on Remittances Nationwide

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Millions of U.S. dollars | | | | | | | |
| Total | 15,040.7 | 18,331.3 | 21,688.7 | 25,566.8 | 26,068.7 | 25,137.4 | 16,434.8 |
| Money Orders | 1,665.3 | 1,869.7 | 1,747.9 | 1,359.7 | 859.7 | 598.2 | 297.7 |
| Personal checks | 6.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Wire transfers | 13,114.4 | 16,228.0 | 19,667.7 | 23,854.0 | 24,821.7 | 24,113.0 | 15,912.6 |
| Cash and Kind | 254.6 | 233.6 | 273.2 | 353.2 | 387.3 | 426.3 | 224.5 |
| Thousands of transactions | | | | | | | |
| Total | 44,308.5 | 57,011.3 | 64,923.3 | 74,183.6 | 75,700.8 | 72,627.3 | 50,736.4 |
| Money Orders | 4,163.6 | 4,602.8 | 4,066.9 | 2,844.6 | 1,585.9 | 1,352.7 | 669.4 |
| Personal checks | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Wire transfers | 39,819.1 | 52,085.8 | 60,511.0 | 70,696.7 | 73,343.7 | 70,487.4 | 49,590.0 |
| Cash and Kind | 320.3 | 322.7 | 345.4 | 642.3 | 771.2 | 787.2 | 477.0 |
| Average remittance (in U.S. dollars) | 336.4 | 321.0 | 333.7 | 344.6 | 344.4 | 346.1 | 323.9 |

* As of third quarter
Source: BBVA Bancomer tabulations of Banco de Mexico data

Annual Remittances by State, Millions of U.S. dollars

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total | 15,040.4 | 18,331.8 | 21,688.8 | 25,566.5 | 26,068.5 | 25,137.6 | 16,434.5 |
| Michoacán | 1,778.9 | 2,298.9 | 2,461.8 | 2,520.4 | 2,392.0 | 2,457.2 | 1,649.0 |
| Guanajuato | 1,403.2 | 1,734.1 | 1,904.8 | 2,319.4 | 2,353.6 | 2,324.5 | 1,521.7 |
| Estado de México | 1,345.4 | 1,485.7 | 1,723.1 | 2,009.0 | 2,008.7 | 1,942.4 | 1,328.1 |
| Jalisco | 1,112.1 | 1,466.1 | 1,791.6 | 2,110.8 | 2,171.4 | 2,095.6 | 1,326.6 |
| Veracruz | 989.6 | 1,162.6 | 1,364.4 | 1,672.4 | 1,736.2 | 1,620.4 | 1,009.8 |
| Puebla | 804.9 | 963.0 | 1,133.3 | 1,425.9 | 1,555.4 | 1,567.5 | 1,024.2 |
| Oaxaca | 770.8 | 929.6 | 1,053.6 | 1,321.0 | 1,420.3 | 1,456.5 | 939.9 |
| Guerrero | 845.5 | 982.7 | 1,117.3 | 1,378.0 | 1,418.2 | 1,401.6 | 894.0 |
| Distrito Federal | 826.8 | 928.8 | 1,333.9 | 1,524.6 | 1,374.8 | 1,105.3 | 750.7 |
| Hidalgo | 589.1 | 698.1 | 782.1 | 945.5 | 1,085.6 | 939.5 | 578.0 |
| Chiapas | 397.7 | 465.3 | 557.5 | 710.0 | 760.6 | 758.3 | 472.2 |
| San Luis Potosí | 439.3 | 595.6 | 772.1 | 943.6 | 906.3 | 799.9 | 491.3 |
| Zacatecas | 400.5 | 485.3 | 541.0 | 670.0 | 757.5 | 677.7 | 444.1 |
| Morelos | 368.5 | 429.8 | 504.9 | 588.7 | 614.9 | 621.2 | 420.4 |
| Tamaulipas | 319.4 | 377.4 | 455.4 | 507.3 | 516.4 | 489.1 | 327.8 |
| Sinaloa | 238.1 | 290.9 | 435.6 | 508.0 | 521.2 | 511.4 | 349.0 |
| Chihuahua | 240.5 | 286.0 | 398.7 | 485.3 | 471.9 | 475.3 | 314.6 |
| Durango | 265.3 | 336.2 | 392.5 | 437.2 | 450.6 | 450.4 | 294.3 |
| Querétaro | 283.2 | 357.7 | 412.4 | 492.4 | 474.7 | 442.3 | 285.8 |
| Nayarit | 229.6 | 267.2 | 308.3 | 355.0 | 376.9 | 383.6 | 265.8 |
| Baja California | 144.4 | 168.8 | 263.2 | 309.6 | 336.1 | 342.1 | 248.0 |
| Aguascalientes | 193.3 | 303.0 | 291.4 | 351.5 | 358.6 | 331.1 | 216.8 |
| Nuevo León | 260.9 | 318.6 | 324.8 | 382.0 | 355.5 | 331.8 | 229.6 |
| Sonora | 130.5 | 174.6 | 302.5 | 334.4 | 335.7 | 318.3 | 221.3 |
| Coahuila | 142.2 | 184.3 | 247.0 | 282.3 | 294.2 | 299.6 | 191.2 |
| Tlaxcala | 143.1 | 181.3 | 218.0 | 268.0 | 293.5 | 299.3 | 197.8 |
| Colima | 105.2 | 137.6 | 169.1 | 187.5 | 196.3 | 197.9 | 134.6 |
| Tabasco | 87.3 | 107.8 | 160.3 | 192.5 | 185.2 | 159.4 | 91.5 |
| Yucatán | 59.5 | 73.0 | 88.8 | 119.0 | 133.4 | 129.0 | 81.5 |
| Quintana Roo | 53.7 | 68.9 | 86.9 | 102.0 | 99.4 | 99.5 | 66.0 |
| Campeche | 52.5 | 54.6 | 67.4 | 84.0 | 81.0 | 74.4 | 44.2 |
| Baja California Sur | 19.4 | 18.3 | 25.1 | 29.2 | 32.4 | 35.5 | 24.7 |

* As of third quarter
Source: BBVA Bancomer tabulations of Banco de Mexico data

Annual figures on Remittances Nationwide, percent distribution %

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Millions of U.S. dollars | | | | | | | |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Money Orders | 11.1 | 10.2 | 8.1 | 5.3 | 3.3 | 2.4 | 1.8 |
| Personal checks | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Wire transfers | 87.2 | 88.5 | 90.7 | 93.3 | 95.2 | 95.9 | 96.8 |
| Cash and Kind | 1.7 | 1.3 | 1.3 | 1.4 | 1.5 | 1.7 | 1.4 |
| Thousands of transactions | | | | | | | |
| Total | 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 |
| Personal checks | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Wire transfers | 89.9 | 91.4 | 93.2 | 95.3 | 96.9 | 97.1 | 97.7 |
| Cash and Kind | 0.7 | 0.6 | 0.5 | 0.9 | 1.0 | 1.1 | 0.9 |

* As of third quarter
Source: BBVA Bancomer tabulations of Banco de Mexico data

Annual Remittances by State, percent distribution %

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Michoacán | 11.8 | 12.5 | 11.4 | 9.9 | 9.2 | 9.8 | 10.0 |
| Guanajuato | 9.3 | 9.5 | 8.8 | 9.1 | 9.0 | 9.2 | 9.3 |
| Estado de México | 7.4 | 8.0 | 8.3 | 8.3 | 8.3 | 8.3 | 8.1 |
| Jalisco | 8.9 | 8.1 | 7.9 | 7.9 | 7.7 | 7.7 | 8.1 |
| Veracruz | 6.6 | 6.3 | 6.3 | 6.5 | 6.7 | 6.4 | 6.1 |
| Puebla | 5.4 | 5.3 | 5.2 | 5.6 | 6.0 | 6.2 | 6.2 |
| Oaxaca | 5.1 | 5.1 | 4.9 | 5.2 | 5.4 | 5.8 | 5.7 |
| Guerrero | 5.6 | 5.4 | 5.2 | 5.4 | 5.4 | 5.6 | 5.4 |
| Distrito Federal | 5.5 | 5.1 | 6.2 | 6.0 | 5.3 | 4.4 | 4.6 |
| Hidalgo | 3.9 | 3.8 | 3.6 | 3.7 | 4.2 | 3.7 | 3.5 |
| Chiapas | 2.9 | 3.2 | 3.6 | 3.7 | 3.5 | 3.2 | 2.9 |
| San Luis Potosí | 2.6 | 2.5 | 2.6 | 2.8 | 2.9 | 3.0 | 3.0 |
| Zacatecas | 2.7 | 2.6 | 2.5 | 2.6 | 2.9 | 2.7 | 2.7 |
| Morelos | 2.5 | 2.3 | 2.3 | 2.3 | 2.4 | 2.5 | 2.6 |
| Tamaulipas | 1.6 | 1.6 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Sinaloa | 2.1 | 2.1 | 2.1 | 2.0 | 2.0 | 1.9 | 2.1 |
| Chihuahua | 1.6 | 1.6 | 1.8 | 1.9 | 1.8 | 1.9 | 1.9 |
| Durango | 1.8 | 1.8 | 1.8 | 1.7 | 1.7 | 1.8 | 1.8 |
| Querétaro | 1.9 | 2.0 | 1.9 | 1.9 | 1.8 | 1.8 | 1.7 |
| Nayarit | 1.5 | 1.5 | 1.4 | 1.4 | 1.4 | 1.5 | 1.6 |
| Baja California | 1.0 | 0.9 | 1.2 | 1.2 | 1.3 | 1.4 | 1.5 |
| Aguascalientes | 1.7 | 1.7 | 1.5 | 1.5 | 1.4 | 1.3 | 1.3 |
| Nuevo León | 1.3 | 1.7 | 1.3 | 1.4 | 1.4 | 1.3 | 1.4 |
| Sonora | 0.9 | 1.0 | 1.4 | 1.3 | 1.3 | 1.3 | 1.3 |
| Coahuila | 0.9 | 1.0 | 1.1 | 1.1 | 1.1 | 1.2 | 1.2 |
| Tlaxcala | 1.0 | 1.0 | 1.0 | 1.0 | 1.1 | 1.2 | 1.2 |
| Colima | 0.7 | 0.8 | 0.8 | 0.7 | 0.8 | 0.8 | 0.8 |
| Tabasco | 0.6 | 0.6 | 0.7 | 0.8 | 0.7 | 0.6 | 0.6 |
| Yucatán | 0.4 | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 |
| Quintana Roo | 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 |
| Baja California Sur | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 |

* As of third quarter
Source: BBVA Bancomer tabulations of Banco de Mexico data

Employment status of the Hispanic and Mexican population in the U.S. (Numbers in thousands)

| | IV 06 | I 07 | II 07 | III 07 | IV 07 | I 08 | II 08 | III 08 | IV 08 | I 09 | II 09 | III 09 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Total population* | | | | | | | | | | | | |
| Population (16 years and over) | 229,896 | 230,839 | 231,482 | 232,210 | 232,937 | 232,807 | 233,410 | 234,110 | 234,825 | 234,913 | 235,459 | 236,093 |
| Labor force | 152,376 | 152,965 | 152,789 | 153,127 | 153,625 | 153,738 | 154,281 | 154,650 | 154,648 | 153,993 | 154,913 | 154,362 |
| Employed | 145,622 | 146,081 | 145,873 | 145,969 | 146,275 | 146,138 | 145,990 | 145,299 | 144,046 | 141,578 | 140,591 | 139,518 |
| Unemployed | 6,754 | 6,884 | 6,915 | 7,157 | 7,349 | 7,599 | 8,291 | 9,351 | 10,602 | 12,415 | 14,321 | 14,844 |
| Labor force participation rate | 66.3 | 66.3 | 66.0 | 65.9 | 66.0 | 66.0 | 66.1 | 66.1 | 65.9 | 65.6 | 65.8 | 65.4 |
| Unemployment rate | 4.4 | 4.5 | 4.5 | 4.7 | 4.8 | 4.9 | 5.4 | 6.0 | 6.9 | 8.1 | 9.2 | 9.6 |
| Total population | | | | | | | | | | | | |
| Population (16 years and over) | 229,896 | 230,839 | 231,482 | 232,210 | 232,937 | 232,807 | 233,410 | 234,110 | 234,825 | 234,913 | 235,459 | 236,093 |
| Labor force | 152,519 | 152,013 | 152,810 | 153,921 | 153,752 | 152,822 | 154,264 | 155,399 | 154,662 | 153,659 | 154,697 | 154,923 |
| Employed | 146,073 | 144,692 | 146,040 | 146,723 | 146,732 | 144,755 | 146,166 | 146,029 | 144,501 | 140,125 | 140,592 | 140,069 |
| Unemployed | 6,446 | 7,321 | 6,771 | 7,199 | 7,020 | 8,067 | 8,099 | 9,370 | 10,161 | 13,534 | 14,105 | 14,854 |
| Labor force participation rate | 66.3 | 65.9 | 66.0 | 66.3 | 66.0 | 65.6 | 66.1 | 66.4 | 65.9 | 65.4 | 65.7 | 65.6 |
| Unemployment rate | 4.2 | 4.8 | 4.4 | 4.7 | 4.6 | 5.3 | 5.2 | 6.0 | 6.6 | 8.8 | 9.1 | 9.6 |
| Hispanic* | | | | | | | | | | | | |
| Population (16 years and over) | 30,507 | 30,966 | 31,238 | 31,520 | 31,809 | 31,732 | 31,999 | 32,274 | 32,557 | 32,501 | 32,754 | 33,018 |
| Labor force | 20,993 | 21,387 | 21,447 | 21,747 | 21,829 | 21,760 | 22,048 | 22,174 | 22,132 | 22,069 | 22,387 | 22,445 |
| Employed | 19,971 | 20,235 | 20,236 | 20,501 | 20,555 | 20,333 | 20,449 | 20,435 | 20,165 | 19,708 | 19,691 | 19,601 |
| Unemployed | 1,022 | 1,151 | 1,211 | 1,246 | 1,274 | 1,428 | 1,599 | 1,738 | 1,966 | 2,361 | 2,696 | 2,844 |
| Labor force participation rate | 68.8 | 69.1 | 68.7 | 69.0 | 68.6 | 68.6 | 68.9 | 68.7 | 68.0 | 67.9 | 68.3 | 68.0 |
| Unemployment rate | 4.9 | 5.4 | 5.6 | 5.7 | 5.8 | 6.6 | 7.3 | 7.8 | 8.9 | 10.7 | 12.0 | 12.7 |
| Hispanic | | | | | | | | | | | | |
| Population (16 years and over) | 30,507 | 30,966 | 31,238 | 31,520 | 31,809 | 31,732 | 31,999 | 32,274 | 32,557 | 32,501 | 32,754 | 33,018 |
| Labor force | 21,054 | 21,254 | 21,482 | 21,781 | 21,891 | 21,646 | 22,063 | 22,205 | 22,183 | 22,033 | 22,340 | 22,508 |
| Employed | 20,045 | 20,008 | 20,341 | 20,549 | 20,630 | 20,106 | 20,552 | 20,486 | 20,239 | 19,442 | 19,751 | 19,680 |
| Unemployed | 1,009 | 1,245 | 1,141 | 1,232 | 1,260 | 1,540 | 1,511 | 1,719 | 1,943 | 2,592 | 2,589 | 2,828 |
| Labor force participation rate | 69.0 | 68.6 | 68.8 | 69.1 | 68.8 | 68.2 | 68.9 | 68.8 | 68.1 | 67.8 | 68.2 | 68.2 |
| Unemployment rate | 4.8 | 5.9 | 5.3 | 5.7 | 5.8 | 7.1 | 6.9 | 7.7 | 8.8 | 11.8 | 11.6 | 12.6 |
| Mexican | | | | | | | | | | | | |
| Population (16 years and over) | 19,254 | 19,403 | 19,674 | 19,985 | 20,018 | 20,161 | 20,427 | 20,744 | 20,707 | 21,056 | 21,006 | 20,716 |
| Labor force | 13,392 | 13,334 | 13,592 | 13,921 | 13,841 | 13,700 | 14,045 | 14,238 | 14,144 | 14,183 | 14,349 | 14,140 |
| Employed | 12,714 | 12,559 | 12,878 | 13,183 | 13,011 | 12,687 | 13,044 | 13,158 | 12,960 | 12,493 | 12,671 | 12,350 |
| Unemployed | 678 | 774 | 714 | 738 | 830 | 1,012 | 1,001 | 1,080 | 1,184 | 1,690 | 1,678 | 1,790 |
| Labor force participation rate | 69.6 | 68.7 | 69.1 | 69.7 | 69.1 | 68.0 | 68.8 | 68.6 | 68.3 | 67.4 | 68.3 | 68.3 |
| Unemployment rate | 5.1 | 5.8 | 5.3 | 5.3 | 6.0 | 7.4 | 7.1 | 7.6 | 8.4 | 11.9 | 11.7 | 12.7 |
| Native-born Mexican | | | | | | | | | | | | |
| Population (16 years and over) | 8,580 | 8,750 | 8,707 | 8,948 | 9,106 | 9,230 | 9,364 | 9,429 | 9,730 | 10,227 | 9,976 | 9,623 |
| Labor force | 5,743 | 5,927 | 5,822 | 5,954 | 6,105 | 6,111 | 6,274 | 6,247 | 6,419 | 6,662 | 6,596 | 6,287 |
| Employed | 5,401 | 5,548 | 5,451 | 5,548 | 5,708 | 5,702 | 5,762 | 5,676 | 6,024 | 5,925 | 5,760 | 5,387 |
| Unemployed | 343 | 379 | 371 | 406 | 397 | 409 | 512 | 570 | 588 | 737 | 836 | 899 |
| Labor force participation rate | 66.9 | 67.7 | 66.9 | 66.5 | 67.0 | 66.2 | 67.0 | 66.2 | 66.0 | 65.1 | 66.1 | 65.3 |
| Unemployment rate | 6.0 | 6.4 | 6.4 | 6.8 | 6.5 | 6.7 | 8.2 | 9.1 | 9.2 | 11.1 | 12.7 | 14.3 |
| Foreign-born Mexican | | | | | | | | | | | | |
| Population (16 years and over) | 10,674 | 10,654 | 10,967 | 11,037 | 10,912 | 10,930 | 11,063 | 11,315 | 10,977 | 10,829 | 11,031 | 11,093 |
| Labor force | 7,649 | 7,406 | 7,770 | 7,968 | 7,736 | 7,589 | 7,771 | 7,991 | 7,725 | 7,520 | 7,753 | 7,853 |
| Employed | 7,313 | 7,011 | 7,427 | 7,635 | 7,304 | 6,985 | 7,282 | 7,482 | 7,129 | 6,568 | 6,911 | 6,963 |
| Unemployed | 336 | 395 | 343 | 332 | 432 | 603 | 489 | 510 | 596 | 953 | 841 | 891 |
| Labor force participation rate | 71.7 | 69.5 | 70.8 | 72.2 | 70.9 | 69.4 | 70.2 | 70.6 | 70.4 | 69.5 | 70.3 | 70.8 |
| Unemployment rate | 4.4 | 5.3 | 4.4 | 4.2 | 5.6 | 8.0 | 6.3 | 6.4 | 7.7 | 12.7 | 10.9 | 11.3 |

* Seasonally adjusted

Source: BBVA Bancomer tabulations of Bureau of Census, Current Population Survey data, 2006-2008

Monthly income for Remittances in Mexico, million dollars

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Jan | 313.5 | 338.7 | 382.5 | 399.6 | 456.3 | 655.0 | 711.0 | 1,017.3 | 1,081.9 | 1,367.6 | 1,758.3 | 1,872.9 | 1,781.1 | 1,568.2 |
| Feb | 281.9 | 331.6 | 366.4 | 388.9 | 447.2 | 637.7 | 718.9 | 962.9 | 1,171.8 | 1,428.4 | 1,823.2 | 1,856.7 | 1,859.4 | 1,803.4 |
| Mar | 337.3 | 381.9 | 427.2 | 464.9 | 494.5 | 718.1 | 744.5 | 1,099.1 | 1,480.2 | 1,691.6 | 2,152.8 | 2,186.3 | 2,115.9 | 2,104.3 |
| Apr | 393.4 | 425.5 | 440.0 | 469.2 | 498.8 | 734.8 | 805.9 | 1,202.5 | 1,513.5 | 1,753.3 | 2,072.7 | 2,166.1 | 2,188.4 | 1,779.8 |
| May | 413.5 | 486.7 | 520.4 | 571.6 | 590.8 | 798.2 | 912.2 | 1,343.8 | 1,770.4 | 2,057.3 | 2,534.6 | 2,431.9 | 2,371.2 | 1,900.1 |
| Jun | 365.3 | 453.6 | 503.5 | 521.9 | 541.6 | 747.8 | 860.0 | 1,351.2 | 1,684.3 | 1,923.3 | 2,340.3 | 2,300.4 | 2,264.1 | 1,922.8 |
| Jul | 373.7 | 441.7 | 494.3 | 506.7 | 557.6 | 796.6 | 843.1 | 1,361.4 | 1,654.4 | 1,840.3 | 2,191.7 | 2,369.2 | 2,186.7 | 1,833.4 |
| Aug | 386.1 | 428.9 | 486.6 | 532.1 | 608.1 | 789.3 | 849.1 | 1,401.3 | 1,786.8 | 2,059.2 | 2,334.3 | 2,411.9 | 2,097.5 | 1,780.7 |
| Sep | 339.3 | 431.5 | 476.3 | 490.5 | 568.6 | 772.1 | 860.6 | 1,365.5 | 1,586.8 | 1,886.4 | 2,141.0 | 2,186.0 | 2,113.4 | 1,742.1 |
| Oct | 348.9 | 421.7 | 454.7 | 474.5 | 559.5 | 792.8 | 848.3 | 1,391.0 | 1,530.0 | 1,862.3 | 2,316.5 | 2,367.4 | 2,636.6 | |
| Nov | 315.6 | 343.4 | 460.7 | 502.0 | 583.1 | 693.8 | 741.4 | 1,203.7 | 1,506.2 | 1,887.0 | 1,962.8 | 1,957.8 | 1,747.3 | |
| Dec | 355.3 | 379.8 | 614.3 | 587.7 | 666.9 | 759.0 | 919.4 | 1,341.1 | 1,565.1 | 1,932.1 | 1,938.7 | 1,962.2 | 1,775.8 | |
| Total | 4,223.7 | 4,864.9 | 5,626.8 | 5,909.6 | 6,572.8 | 8,895.3 | 9,814.5 | 15,040.7 | 18,331.3 | 21,688.7 | 25,566.8 | 26,068.7 | 25,137.4 | 16,434.8 |

Monthly income for Remittances in Mexico, variation % per year

| | | | | | | | | | | | | | | |
|--------------|-------------|-------------|-------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|-------------|-------|
| Jan | 23.2 | 8.0 | 13.0 | 4.5 | 14.2 | 43.6 | 8.6 | 43.1 | 6.3 | 26.4 | 28.6 | 6.5 | -4.9 | -12.0 |
| Feb | 13.7 | 17.6 | 10.5 | 6.1 | 15.0 | 42.6 | 12.7 | 34.0 | 21.7 | 21.9 | 27.6 | 1.8 | 0.1 | -3.0 |
| Mar | 17.4 | 13.2 | 11.9 | 8.8 | 6.4 | 45.2 | 3.7 | 47.6 | 34.7 | 14.3 | 27.3 | 1.6 | -3.2 | -0.5 |
| Apr | 31.6 | 8.2 | 3.4 | 6.6 | 6.3 | 47.3 | 9.7 | 49.2 | 25.9 | 15.8 | 18.2 | 4.5 | 1.0 | -18.7 |
| May | 15.6 | 17.7 | 6.9 | 9.8 | 3.4 | 35.1 | 14.3 | 47.3 | 31.7 | 16.2 | 23.2 | -4.1 | -2.5 | -19.9 |
| Jun | 3.7 | 24.2 | 11.0 | 3.7 | 3.8 | 38.1 | 15.0 | 57.1 | 24.7 | 14.2 | 21.7 | -1.7 | -1.6 | -15.1 |
| Jul | 9.0 | 18.2 | 11.9 | 2.5 | 10.1 | 42.9 | 5.8 | 61.5 | 21.5 | 11.2 | 19.1 | 8.1 | -7.7 | -16.2 |
| Aug | 6.6 | 11.1 | 13.5 | 9.3 | 14.3 | 29.8 | 7.6 | 65.0 | 27.5 | 15.2 | 13.4 | 3.3 | -13.0 | -15.1 |
| Sep | 8.0 | 27.2 | 10.4 | 3.0 | 15.9 | 35.8 | 11.5 | 58.7 | 16.2 | 18.9 | 13.5 | 2.1 | -3.3 | -17.6 |
| Oct | 7.5 | 20.9 | 7.8 | 4.4 | 17.9 | 41.7 | 7.0 | 64.0 | 10.0 | 21.7 | 24.4 | 2.2 | 11.4 | |
| Nov | 23.5 | 8.8 | 34.1 | 9.0 | 16.2 | 19.0 | 6.9 | 62.3 | 25.1 | 25.3 | 4.0 | -0.3 | -10.8 | |
| Dec | 29.5 | 6.9 | 61.8 | -4.3 | 13.5 | 13.8 | 21.1 | 45.9 | 16.7 | 23.5 | 0.3 | 1.2 | -9.5 | |
| Total | 15.0 | 15.2 | 15.7 | 5.0 | 11.2 | 35.3 | 10.3 | 53.3 | 21.9 | 18.3 | 17.9 | 2.0 | -3.6 | |

Flow 12 Months of Remittances in Mexico, million dollars

| | | | | | | | | | | | | | | |
|-----|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|
| Jan | 3,732 | 4,249 | 4,909 | 5,644 | 5,966 | 6,771 | 8,951 | 10,121 | 15,105 | 18,617 | 22,079 | 25,681 | 25,977 | 24,925 |
| Feb | 3,766 | 4,298 | 4,944 | 5,666 | 6,025 | 6,962 | 9,033 | 10,365 | 15,314 | 18,874 | 22,474 | 25,715 | 25,980 | 24,868 |
| Mar | 3,815 | 4,343 | 4,989 | 5,704 | 6,054 | 7,186 | 9,059 | 10,719 | 15,695 | 19,085 | 22,936 | 25,748 | 25,909 | 24,857 |
| Apr | 3,910 | 4,375 | 5,003 | 5,733 | 6,084 | 7,422 | 9,130 | 11,116 | 16,006 | 19,325 | 23,255 | 25,842 | 25,931 | 24,448 |
| May | 3,966 | 4,448 | 5,037 | 5,784 | 6,103 | 7,629 | 9,244 | 11,548 | 16,433 | 19,612 | 23,732 | 25,739 | 25,871 | 23,977 |
| Jun | 3,979 | 4,537 | 5,087 | 5,803 | 6,123 | 7,835 | 9,356 | 12,039 | 16,766 | 19,851 | 24,149 | 25,699 | 25,835 | 23,636 |
| Jul | 4,009 | 4,605 | 5,140 | 5,815 | 6,173 | 8,074 | 9,403 | 12,557 | 17,059 | 20,037 | 24,501 | 25,877 | 25,652 | 23,283 |
| Aug | 4,033 | 4,648 | 5,197 | 5,861 | 6,249 | 8,256 | 9,462 | 13,109 | 17,445 | 20,309 | 24,776 | 25,954 | 25,338 | 22,966 |
| Sep | 4,058 | 4,740 | 5,242 | 5,875 | 6,328 | 8,459 | 9,551 | 13,614 | 17,666 | 20,609 | 25,030 | 25,999 | 25,265 | 22,595 |
| Oct | 4,083 | 4,813 | 5,275 | 5,895 | 6,413 | 8,692 | 9,606 | 14,157 | 17,805 | 20,941 | 25,484 | 26,050 | 25,534 | |
| Nov | 4,143 | 4,840 | 5,392 | 5,936 | 6,494 | 8,803 | 9,654 | 14,619 | 18,107 | 21,322 | 25,560 | 26,045 | 25,324 | |
| Dec | 4,224 | 4,865 | 5,627 | 5,910 | 6,573 | 8,895 | 9,814 | 15,041 | 18,331 | 21,689 | 25,567 | 26,069 | 25,137 | |

Flow 12 Months of Remittances in Mexico, variation % per year

| | | | | | | | | | | | | | | |
|-----|------|------|------|------|------|------|------|------|------|------|------|------|-------|--|
| Jan | 13.9 | 15.5 | 15.0 | 5.7 | 13.5 | 32.2 | 13.1 | 49.3 | 23.2 | 18.6 | 16.3 | 1.2 | -4.1 | |
| 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 | -4.3 | |
| 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 | -4.1 | |
| 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 | -5.7 | |
| May | 12.2 | 13.2 | 14.8 | 5.5 | 25.0 | 21.2 | 24.9 | 42.3 | 19.3 | 21.0 | 8.5 | 0.5 | -7.3 | |
| Jun | 14.0 | 12.1 | 14.1 | 5.5 | 28.0 | 19.4 | 28.7 | 39.3 | 18.4 | 21.7 | 6.4 | 0.5 | -8.5 | |
| Jul | 14.8 | 11.6 | 13.1 | 6.2 | 30.8 | 16.5 | 33.5 | 35.9 | 17.5 | 22.3 | 5.6 | -0.9 | -9.2 | |
| Aug | 15.2 | 11.8 | 12.8 | 6.6 | 32.1 | 14.6 | 38.5 | 33.1 | 16.4 | 22.0 | 4.8 | -2.4 | -9.4 | |
| Sep | 16.8 | 10.6 | 12.1 | 7.7 | 33.7 | 12.9 | 42.5 | 29.8 | 16.7 | 21.5 | 3.9 | -2.8 | -10.6 | |
| Oct | 17.9 | 9.6 | 11.7 | 8.8 | 35.6 | 10.5 | 47.4 | 25.8 | 17.6 | 21.7 | 2.2 | -2.0 | | |
| Nov | 16.8 | 11.4 | 10.1 | 9.4 | 35.6 | 9.7 | 51.4 | 23.9 | 17.8 | 19.9 | 1.9 | -2.8 | | |
| Dec | 15.2 | 15.7 | 5.0 | 11.2 | 35.3 | 10.3 | 53.3 | 21.9 | 18.3 | 17.9 | 2.0 | -3.6 | | |

Source: BBVA Bancomer tabulations of Banco de Mexico data

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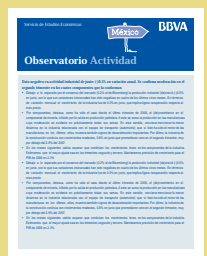
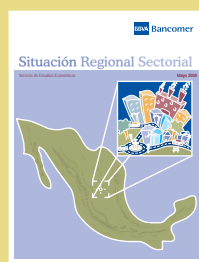
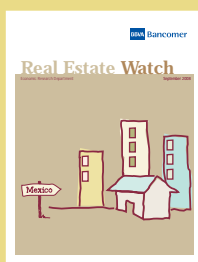
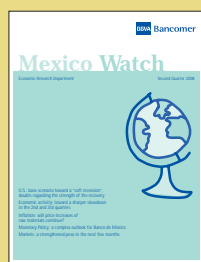
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