

**The impact of transnational activities of Colombian migrants living in the US on  
the sending country's socioeconomic development**

**A thesis submitted in partial fulfilment of the  
Requirements for the degree of  
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**By**

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## **Abstract**

This research aims to determine, analyse and understand the impact of transnational activities carried out by Colombian migrants living in the US on the socioeconomic development of the country of origin at the micro level of the household, the meso level of the community and the macro level of the nation. Additionally, the role the Colombian government has adopted towards its migrants and their transnationalism has also been examined in order to provide recommendations for future policy action to reduce the cost of migration and enhance its benefits for the country in general.

The research recognises the importance of considering diverse levels of analysis (De Haas, 2012), and of including both agency and structure (De Haas, 2007a) when studying the link between migration and development. To accomplish this, New Economics of Labour Migration (NELM) and Transnationalism approaches have been used as a conceptual basis of the thesis.

The thesis applies a qualitative methodology, namely multiple case studies, to gain a deep understanding of transnationalism and its impact. It discusses the transnational activities of Colombian migrants, including the reasons behind their engagement or the lack thereof and the impact those activities could have at the three levels of analysis proposed. The main data collection method used was focus groups with semi-structured open-ended questions with migrant families, and interviews with context-oriented actors, including three governmental officials and two experts on Colombian migration. Other sources of data included conference participation, review of previous studies, publicly available data and statistics, and governmental public information, among others. The research has adopted a multidisciplinary approach, employing concepts from international business, management, economics and sociology.

The analysis of the data collected and its association with the literature has allowed to establish that Colombian migrants living in the US do engage in some transnational activities, especially those individually oriented. However, collective transnational activities such as political participation, and community remittances, have shown to have a low level of engagement. The personal characteristics of the migrant and the

structures in both the sending and receiving countries have influenced migrants' willingness to get involved in transnational activities.

The involvement at diverse levels and frequency in transnational activities creates various impacts at the household, community and national level. Those impacts seem to be mainly beneficial for households, while more diverse outcomes can be observed at the community and national levels. Therefore, migrants' transnationalism by itself cannot be considered a tool that could reduce the North-South dependence in the case of Colombia; the impacts of those activities in the country of origin point towards both increasing and decreasing the development gap between both countries. Individual migrants conduct a number of international activities through which they exercise their agency, within the limitations imposed upon them by the structures of the place of origin and destination. At the same time, those structures are shaped by transnationalism and the impact migrants' activities could generate. However, migrant activity impact on socioeconomic development will not reduce the development gap as long as the country of origin does not provide the right environment to support local development.

The Colombian government, on the other hand, has made some efforts to include its migrants within national projects, and has recently aimed to include them not only as a political force but also as economic agents. Nonetheless, most of the strategies used are limited in scope, and therefore their impacts are limited too. To enhance the potential positive impact of transnationalism on the socioeconomic development of the community and the country a number of recommendations have been provided in this research, recognising that local development is not dependent on the migrant but on governments and their institutions.

Finally, migration as a family strategy and transnational activities provide migrants' families with livelihood improvements, as explained by the approaches of NELM and Transnationalism, while the community and the country are impacted in both positive and negative ways. The challenge for communities and governments is to design the right strategies to reduce the negative impacts migration and transnationalism can generate while enhancing their potential benefits. All those strategies must be developed taking into account migrant profile and the structure of the place of origin and destination.

## Dedication

To my *Ohana*, my family and all those who sacrificed a part of themselves to support my studies

To my spiritual guide, my god, and my shadowed assistance leader

For all those who supported me and those who didn't but pushed me further to pursue this challenge: Thanks a lot.

*“Algún día quise regalarte alas para que tuvieras vuelo junto a mi... no para que volaras con mis alas...sin mi...”.*

*“There was a time when I wanted to give you wings so you could fly next to me...not for you to fly with my wings...without me...”.*

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## **Chapter 1. Introduction**

This thesis examines the impact of transnational activities carried out by Colombian migrants living in the United States (US) on the socioeconomic development at the household (micro), community (meso) and national (macro) level of the country of origin. To accomplish this, it draws on theoretical insights from New Economics of Labour Migration (NELM) and transnationalism.

The first chapter of this research is the introductory section, which aims to contextualize the proposed research, highlighting the significance of this study and its key contributions, followed by the objectives and proposed questions to be answered. Then, the definitions to be used and the context of departure, Colombia, are described. Finally, an outline of the structure of this thesis is offered.

### **1.1 Context**

The internationalization process that has taken place during recent years has encouraged more people to migrate and live outside their countries of origin, and at the same time, increased the volume of remittances sent to their home markets (OECD, 2008) along with the upsurge of transnational activities carried out. In the Report of the Expert Group Meeting on Measuring International Migration: Concepts and Methods (UN, 2006), it has been established that international migration has more than doubled from 1975 to 2000, and approximately 215 million people (around 3% of the entire population of the world) are migrants (World Bank, 2013a).

Although the economic global crisis of 2008 impacted on the amounts of money sent home, by 2010 this decline seemed to have disappeared, except for countries intensely affected by the crisis, because the volume of both migration and remittances started to grow again (OECD, 2012).

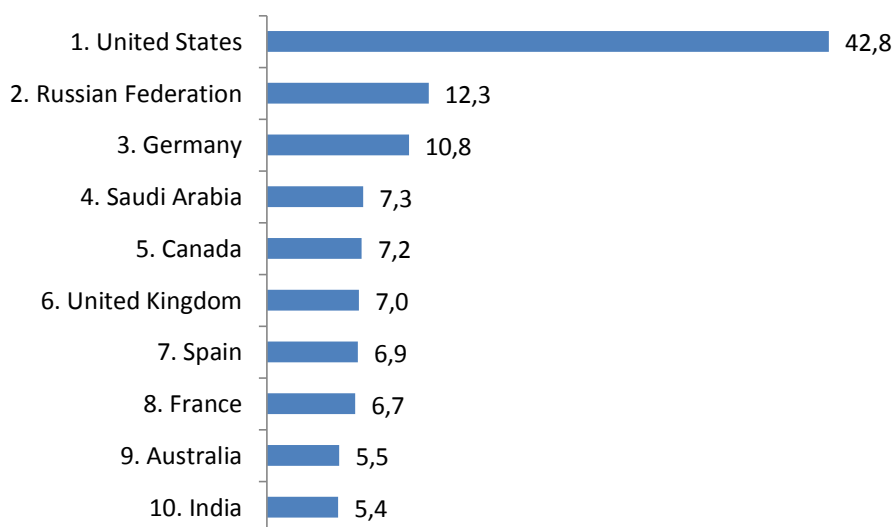
Castles and Delgado Wise (2007) declare that migration is a component of the globalization process, being in part influenced by the global capital that relocates labour

forces in diverse countries. Massey (2000) also states that countries might see migration as a natural response of nations to the process of globalization and therefore, they should maximize its benefits and minimize its costs. The same author compares the international migration process today with the one at the beginning of the 1900s, finding a number of similarities. These similarities are the increased flow of international trade, capital, information, and the movement of people. This movement initially occurred between developed countries, and later on from developing to developed ones.

However, Massey (2000) suggests that there is one difference: restrictions to migration did not exist in the early part of the 20<sup>th</sup> century (Massey, 2000), since there was no need to have a visa. Even today, most countries do not allow a free movement of people. Furthermore, there is also an important south-south migration largely ignored in migration literature (Hatton and Williamson, 2003).

The World Bank in its Migration and Remittances Outlook (2011) reports that the main destination countries are the United States of America, the Russian Federation, Germany, Saudi Arabia, Canada, the United Kingdom, Spain, France, Australia and India. The main emigration countries are Mexico, India, the Russian Federation, China, Ukraine, Bangladesh, Pakistan, the United Kingdom, the Philippines and Turkey (See Figures 1 and 2; World Bank, 2011).

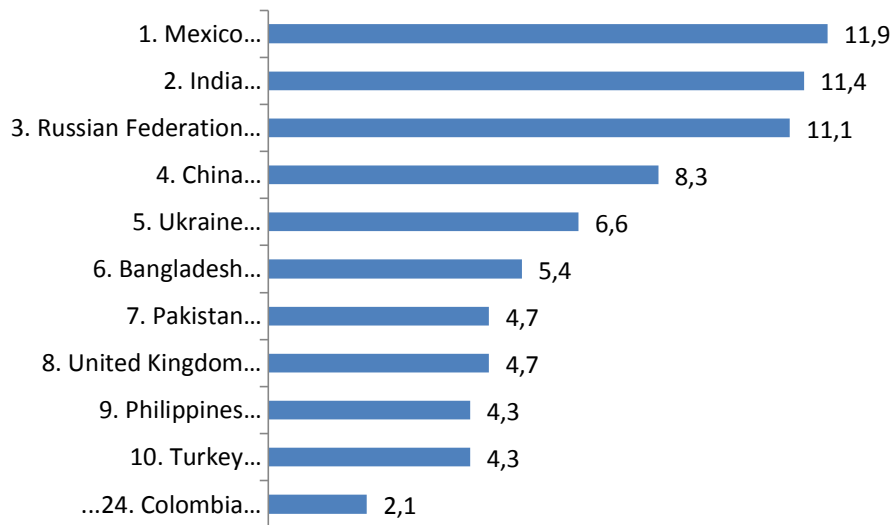
**Figure 1: Top Immigration Countries 2010**  
(Number of immigrant, millions)



Source: Modified from World Bank Migration and Remittances Factbook, 2011.

**Figure 2: Top Emigration Countries 2010**

**(Number of emigrants, millions)**



Source: Modified from World Bank Migration and Remittances Factbook, Top 10, 2008b.

Colombia is the second largest emigration country in Latin America, being surpassed only by Mexico, which is the biggest emigration country of the world. Therefore, Colombia is the main South American emigration country.

Diverse theories and concepts have been developed in an attempt to enhance migration (and its related activities) knowledge and understanding. That diversity has been developed by multiple disciplines that have studied migration, including economics, sociology, anthropology, geography, business, and politics, among others. To date, a universal theory of migration does not exist, and the possibility of arriving at one is questioned because the complexity, multiplicity and multi-layered characteristics of migration make it difficult to build one all-inclusive theory. Rather, there exist a set of unrelated theories, frameworks and models of migration (Arango, 2000; De Haas, 2007a). Also, according to OECD (2009), there is no consensus as to which theory is the most accurate.

Among the main theories developed (Neoclassical theory -or Labour mobility-; Ravenstein, 1885, 1889; New Economics of Labour Migration; Stark, 1991; Dual labour

market; Piore, 1979; World System Theory; Wallerstein, 1974, 1980; Migration Network; Massey, 1987; Massey *et al.*, 1993; Cumulative causation; Massey, 1998) only the New Economics of Labour Migration or NELM, described by economic studies, explicitly mention one transnational activity - remittances, as a key component of the migration processes linking migrants and their families, therefore having the potential to impact their households, communities and countries of origin.

NELM is a migration theory that highlights the importance of the family within migration processes, since this approach describes how the decision to migrate is made by the family, not just by one of its members (Stark, 1991). Therefore, NELM allows the researcher to study the migrant as a part of a family and a community, and not isolated from others, as many studies have done in the past. This is a family economic approach (Taylor, 1999). According to NELM, families use migration as a strategy to overcome budget constraints and improve their living standards, using remittances as a vehicle to reach the objective of enhancing the whole family welfare (Massey *et al.*, 1994). Because of this, the use of NELM in this study is relevant in order to better understand migration in a developing country, such as Colombia, as suggested by De Haas (2011).

Remittances in particular and transnational activities in general carried out by Colombian migrants abroad might have the potential to impact the micro, meso and macro socioeconomic development of the home country. Therefore, using the NELM approach, this research aims to address how the output of the transnational activities in which Colombians living in United States engage can benefit their families, their communities and their country of origin. For this, it will be necessary to determine whether or not those migrants get involved in transnational activities, and if so, in which ones and why, and the impact those activities could have at diverse levels in the country of origin.

Transnationalism relates to the process followed by migrants to carry out activities of diverse economic, political and social domains that connect their country of origin and destination and that are part of their everyday activities (Basch, Glick Schiller and Blanc-Szanton, 1994). Stodolska and Almeida Santos (2006) argue that though there is a lack of a clear understanding of what constitutes transnational activities, some activities that can be considered transnational are: remittances, international trade,

circular labour migration, small business creation, international entrepreneurship, political participation at home, expatriate activities at home, and activities that reinforce the home society culture (such as social remittances, travel to home country, and folk music exchanges). In other words, it includes monetary and non-monetary remittances. Bringing together transnationalism and NELM approaches allows for including both types of remittances in this research. Furthermore, transnationalism approaches developed within the social studies include activities with a socioeconomic component (Glick Schiller, Basch and Szanton Blanc, 1995; Portes, 2001) which can affect socioeconomically households, communities and countries.

Adding to the NELM approach, transnationalism perspectives allows for the inclusion of many other international activities conducted by migrants, such as investment, trade and tourism, among others. Those activities might have the potential to impact the socioeconomic development at the three levels of analysis proposed. Also, those are the international business activities that are usually ignored in mainstream international business literature, where studies of multinational companies are the main concern. Even though the size of transnational activities performed at the individual level might not be as high as that of MNCs, the total volume of migrants' operations is undoubtedly of significance for international business. Also, they might become important instruments for emerging and for less developed countries to enhance their people's wellbeing. Migrants' activities can impact diverse international operations and businesses, such as telecommunications, transportation, investment, trade, financial markets, and international business environments (economic, political, cultural, social and legal), either because they might use them frequently or because they develop new ways to operate in those businesses within the international field.

Whether the impacts of migration and transnationalism are positive or negative for the development of the country of origin of the migrant is still a topic under debate. In this case, positive (negative) impacts relate to the support (weakening) migration and transnational activities can provide to local socioeconomic development. According to De Haas (2007a, 2010, 2012), migration-development nexus research has "swung back and forth like a pendulum" (2012: 8), with more optimistic perspectives prevalent at some points in time (50s to 60s, 90s to 2000) and more pessimistic views in others (60s to 70s, and perhaps today).

The author argues that more optimistic appraisals tend to claim that migration supports development of the country of origin because it generates brain gain and circulation, knowledge and technological transfers, remittances, income, trade, reduction of poverty, investment, health and education improvements, multiplier effects on the economy, and reduction of local capital constraints, among other things (De Haas, 2007a, 2010, 2012).

Conversely, less optimistic commentators argue that migration can hurt local development since it causes brain drain, dependency, inequality, decreases in local output, increases in imports, and negative effects on the exchange rate (Acosta, Lartey and Mandelman, 2007; De Haas, 2009; Durand *et al.*, 1996; Kireyev, 2006). Supporters of the negative impact of migration on development argue that migration helps to keep the imbalance between north and south, where skilled labour educated at the expense of the south will benefit richer countries while impacting negatively on its own socioeconomic development thanks to brain drain and increased imports (De Haas, 2010).

The potential benefits of migration are widely propagated by neoliberal agendas and organizations (United Nations, World Bank, and IOM, among others), that promote individuals' agency and markets as the main agents of development, relegating the states to a second stage, but who cannot by themselves change the structure that surrounds them and therefore, cannot be responsible for national socioeconomic development (De Haas, 2012). Those neoliberal thinkers usually see in remittances a stable and growing source of income for sending countries, which in turn can provide finance in a time of global economic crisis (Vammen and Bronden, 2012).

Although migration does seem to provide individuals and families with the possibility of improving their capabilities and therefore their living standards (De Haas, 2009; Sen, 1999), it cannot become a potential tool for development unless the national government enhances the local environment and guarantees the right conditions to promote development (De Haas, 2012).

Moreover, less optimistic perspectives consider migration a sort of exploitation mechanism of the south which in turn increases the disparities between north and south, increasing dependence and underdevelopment (De Haas, 2010). Yet most proponents of this approach towards a migration and development nexus place a strong emphasis on

the role of capitalism, global markets and structures, while less attention is given to agency. In other words, migrants are considered as passive agents who do not act within the structures that surround them to improve their livelihood. This perspective can even ignore the benefits migrants can generate for themselves and their families (De Haas, 2012).

As such, both the role of migrant's agency and structure need to be addressed when assessing the potential impact of transnational activities of a particular migrant group, with the intention of encompassing the benefits and drawbacks associated with migration and development for the sending nation. Consequently, to further contribute to migration-development studies, this research considers the specific characteristics of the country of origin and destination (structure) and the migrants (and their agency), to respond to the call for incorporating those to advance migration knowledge (Bailey, 2001; De Haas, 2010, 2011), but also to compare the results obtained with other, more frequently studied migrant communities in the US, such as Mexicans (Beard and Sarmiento, 2010; Cohen, Rios and Byars, 2009; Durand *et al.*, 1996; among others). Therefore, differences among migrant groups will also be elaborated on, thus enriching knowledge about migration. Including structure and agency can shed light on how specific contexts and migrants themselves could have a diverse influence at different levels on the national socioeconomic development of the country of origin of the migrant (De Haas, 2012).

The importance of considering the context of the country of origin and the particular circumstances of each migrant group in migration studies is based on the diverse composition, socio-economic profile, geographical location and characteristics of the migrants and the activities they might get involved in, impacting in diverse manners their country of origin (Itzigsohn and Saucedo, 2002). Moreover, the local context in both the place of origin and destination will influence the types of transnational activities migrants engage in and their impact at the macro, meso and micro level in the country of origin.

In this research, as stated before, the impact of transnational activities will be analysed at three levels: the micro level of the household, the meso level of the community and the macro level of the national sphere. In doing so, a comprehensive understanding of the potential impact of migration in countries of origin will be offered, which is a topic



in need of deeper studies within migration research (Dustmann and Kirchkamp, 2002; Guarnizo, 2003). Moreover, using the transnationalism approach will allow for analysing the impact of migrant activities in various fields (Bailey, 2001).

To recapitulate, this research explores the potential impact of transnational activities carried out by Colombian migrants living in the US at the micro, meso, and macro level, drawing on the approaches of NELM and transnationalism, and considering in the analysis the influence of both agency and structure. Consistent with this, the researcher aims to put forward policy implications and recommendations for the Colombian government in order to determine if it is possible to enhance the socioeconomic development of the three levels of analysis proposed and if so, what action the government should take to improve the potential positive impacts of transnationalism and migration within the country. With this in mind, the role of the local government regarding its migrants will also be included, articulating policy actions to procure more benefits than costs from migration for countries of the south, such as Colombia.

### ***1.1.1 Research question***

The proposed research aims to answer the question: Can transnational activities carried out by Colombian migrants living in the United States become an engine for the socioeconomic development in Colombia at the household, community and national level?

### ***1.1.2 Research Sub-Questions:***

- In what ways has the Colombian government supported its migrants' transnational activities?
- Which types of transnational activities do Colombian migrants in the US get involved in and what are the reasons for participation in those?
- How do transnational activities carried out by Colombian migrants in the US impact their families back in Colombia?
- How do transnational activities carried out by Colombian migrants in the US impact their community of origin?

- How do transnational activities carried out by Colombian migrants in the US impact Colombia's socioeconomic development?
- Which policy implications or recommendations can be implemented by local communities and the Colombian government to enable migrants' transnational activities to become an engine for socioeconomic development?

According to diverse authors (De Haas 2007b, 2010, 2012; Massey *et al.*; 1998), there is an actual deficiency in the theoretical conception and data collection related to the relationships existing between migration and economic development, and the perception that migration might weaken or enhance local development has been changing over time. The questions proposed for this research support the development of those conceptions, contributing to migration-development nexus studies through the inclusion of agency, structure and impacts at diverse levels, while using the Colombian case, a developing country that is a net exporter of qualified people (Medina and Posso, 2009), and where there is a lack of migration studies that consider not only remittances, but also other migrant related activities that affect the country (Guarnizo, 2005). The results of this research could be compared to studies conducted in other countries, to further explore the impact of transnationalism on the socioeconomic development of other emerging economies.

NELM and transnationalism approaches are migration theories that directly consider within their analysis remittances and other activities that have the potential to impact socioeconomically the three levels of analysis proposed for this research. Also, the combination of both allows for using the households as unit of analysis while considering the structure of the country of origin and destination, as well as the migrant's agency, including not only labour migrants, as proposed by NELM (Stark, 1991), but also other types of migrants and their networks, as discussed in the literature on transnationalism (Basch, Glick Schiller and Blanc-Szanton, 1994; Glick Schiller, 1997).

Levitt, Dewind and Vertovec (2003) argue there is still a lot to be studied regarding transnationalism. One of those areas is related to the benefits of transnational migration and living. Guarnizo (2003: 688-689) considers that the "economic effects of migrants'

transnational living are more varied, multidirectional, and consequential than thus far acknowledged”.

Extant literature not only illustrates that there is no consensus regarding whether migration can be considered positive or not for the socioeconomic development of the country of origin of the migrant, but also that studies carried out to explore the impacts of migration are usually based on the inclusion of agency or structure, not both at the same time, and only one level of analysis. With this in mind, this research aims to contribute theoretically and empirically to this debate, including at the same time agency, structure (Bailey, 2001; De Haas 2010, 2011) and three levels of analysis (micro-meso-macro). For this NELM and transnationalism approaches are used as a means to better understand migration in a developing country context (De Haas, 2011), and to realize its impacts at the diverse levels of analysis proposed (Bailey, 2001). The Colombian case serves as the empirical site of this investigation.

## **1.2 Discussion of key terms**

### ***1.2.1 Migration***

It is difficult to discuss migration and to establish the total number of international migrants in the world, not only because some stay irregularly in the recipient country, but also because of a lack of agreement on the definition of migration. According to the Glossary on Migration of the International Organization for Migration-IOM- (2004: 33), international migration is defined as the “movement of persons who leave their country of origin, or the country of habitual residence, to establish themselves either permanently or temporarily in another country. An international frontier is therefore crossed”.

This definition ascertains that international migration can be related to a temporary or permanent establishment in another country, as long as the purpose of settlement exists. However, a deeper understanding of international migration and the temporary dimension of this concept can be sought in the same glossary when it describes the difference between a long and short time migrant:

- Long term migrant: “A person who moves to a country other than that of his or her usual residence for a period of at least a year, so that the country of destination effectively becomes his or her new country of usual residence. From the perspective of the country of departure, the person will be a long-term emigrant and from that of the country of arrival, the person will be a long-term immigrant”. (p. 39)
  
- Short term migrant: “A person who moves to a country other than that of his or her usual residence for a period of at least three months (but less than a year) except in cases where the movement to that country is for purposes of recreation, holiday, visits to friends or relatives, business or medical treatment. For purposes of international migration statistics, the country of usual residence of short-term migrants is considered to be the country of destination during the period they spend in it”. (p. 60)

On the other hand, The United Nations Recommendations on Statistics of International Migration, Revision 1 (1998) establishes that international migration occurs when an individual changes the country of habitual habitation. If the change is for at least one year then it becomes long-term migration, but if it is for less than a year but more than three months then it is considered to be short term migration (except in cases of visits to relatives and friends, recreation, holidays, medical treatment, religious pilgrimage or business; Lemaitre, 2005).

In both definitions, the time interval used to differentiate between a long and short term migrant is the same. However, each country within its regulations has the autonomy to define the length of stay for a person to be considered long, short or non-migrant. This autonomy creates problems when trying to compare statistics, since each country might measure the volume of migrants using their own definition of migration and time lapses to distinguish between a long- and short- term migrant. For example, for the US Census Bureau, international migration refers to the movement of an individual across national boundaries (2014), a definition also used by the World Bank (2014). In both these cases, no time lapse is considered in the definition. Similarly, the US Department of Homeland Security defines a migrant as an individual who departs from his/her country of residence in search for a new residence in a different country (2014).

For UNESCO, migration involves the:

*“...crossing of the boundary of a political or administrative unit for a certain minimum period of time. It includes the movement of refugees, displaced persons, uprooted people as well as economic migrants. Internal migration refers to a move from one area (a province, district or municipality) to another within one country. International migration is a territorial relocation of people between nation-states. Two forms of relocation can be excluded from this broad definition: first, a territorial movement which does not lead to any change in ties of social membership and therefore remains largely inconsequential both for the individual and for the society at the points of origin and destination, such as tourism; second, a relocation in which the individuals or the groups concerned are purely passive objects rather than active agents of the movement, such as organised transfer of refugees from states of origins to a safe haven.*

*The dominant forms of migration can be distinguished according to the motives (economic, family reunion, refugees) or legal status (irregular migration, controlled emigration/immigration, free emigration/immigration) of those concerned. Most countries distinguish between a number of categories in their migration policies and statistics. The variations existing between countries indicate that there are no objective definitions of migration...”.*

*(<http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/migrant/>, 2013)*

This last definition does not specify a time lapse to determine whether a person is a migrant or not, or if it is a short or long term migrant, but is more focused on the action of crossing boundaries, the agency of those who move to other countries, and people's change in social membership towards a nation. Also, this definition includes diverse types of migrants, which in turn, are used in diverse spheres. A similar definition has been described by Skeldon, stating that usually migration refers to the movement of an individual from its place of usual residence to another place for at least one year, making the destination place his/her new place of residence (2013).

Using the definitions stated before, we can say that international migration, from now on referred to as migration, encompasses all movements of people from their country of usual residence to another country with the purpose of settling there for three or more months, excluding those who travel because of businesses, medical treatments, recreation, holiday or vacation, or visiting relatives. For the purposes of the present research, I will focus on the international migrant definition used above.

As stated before, international migration includes diverse types of migrants, such as: labour migrants, refugees, economic migrants and displaced persons, among others. An analysis of extant migration theories lets us observe how most economic migration

theories address the situation of economic migrants (e.g. Neoclassical theory - or Labour mobility- theory; Ravenstein, 1885, 1889; NELM; Stark, 1991; Dual labour market; Piore, 1979; World System Theory; Wallerstein, 1974, 1980), while more recent developments in economics and in other disciplines have attempted to integrate within their theories other types of migrants (e.g. Migration Network, Massey, 1987; Massey *et al.*, 1993; Cumulative causation; Massey, 1988; transnationalism; Basch, Glick Schiller and Blanc-Szanton, 1994).

Following the IOM (Glossary on Migration of the International Organization for Migration, 2004), an economic migrant is:

*“A person leaving his/her habitual place of residence to settle outside his/her country of origin in order to improve his/her quality of life. This term may be used to distinguish from refugees fleeing persecution, and is also used to refer to persons attempting to enter a country without legal permission and/or by using asylum procedures without bona fide cause. It also applies to persons settling outside their country of origin for the duration of an agricultural season, appropriately called seasonal workers”.* (p. 21)

While labour migration is defined as:

*“Movement of persons from their home State to another State for the purpose of employment. Labour migration is addressed by most States in their migration laws. In addition, some States take an active role in regulating outward labour migration and seeking opportunities for their nationals abroad”.* (p. 38)

According to UNESCO (<http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/migrant/>, 2013), the most widely used classification of international migrants includes temporary labour migrants (or guest workers), highly skilled and business migrants, irregular migrants (or undocumented/illegal), forced migration, family members (or family reunification migrants) and return migrants (those who return to their country of origin).

Because remittances and other transnational activities are related mainly to voluntary migration, they are not commonly sent by forced migrants. This is because forced migration, which includes asylum seekers and refugees, is not tied to growth or development (Cohen, 2005). However, refugees can still engage in some transnational activities, such as frequently calling home, buying local products while abroad, and

others. Yet their particular situation might reduce their participation in more transnational economic activities, such as investing at home, sending money, travelling, and tourism.

On the other hand, irregular migrants and other types of migrants can also take part in diverse transnational activities, regardless of their legal status in the country of residence. However, their legal status might constrain them to engage in certain transnational activities such as travelling. In addition to this, the fear of being removed from the country of destination might impact transnationalism in a negative way.

After discussing diverse definitions of migration and its connection to transnationalism, it is also important to include in the next section an overview of transnationalism and transnational activities.

### ***1.2.2 Transnationalism and transnational activities***

Basch, Glick Schiller and Blanc-Szanton (1994: 6) have defined transnationalism as “the process by which transmigrants, through their daily activities, forge and sustain multi-stranded social, economic, and political relations that link together their societies of origin and settlement, and through which they create transnational social fields that cross national borders”. The comprehension of this definition has been broadened by the transmigrant concept defined by Glick Schiller when she wrote: “Transmigrants are immigrants who live their lives across national borders, participating in the daily life and political processes of two or more nation states” (1997: 158).

Transnationalism encompasses the regular actions conducted by migrants across national borders as part of their everyday activities. This approach looks at the frequent contact migrants have with their country of origin from their place of destination, through which they participate in the social, economic, cultural and political environment at home (Portes, Escobar and Walton Radford, 2007). According to Portes (2001) transnationalism is a topic that deserves deeper study and understanding because it is going to increase in the future, and also because of the impact transnational activities can have for migrants and nations.

Given the continuous advances in technology, information, transportation and telecommunications, the frequency and speed at which transnational activities are taking place today are higher than in the past (Szanton Blanc, Basch and Glick Schiller, 1995; Levitt, Dewind and Vertovec, 2003). Portes (2011) explains that not all migrants might engage in all transnational activities, they might get involved at diverse levels, making the study of transnationalism interesting because of its possible impact for sending and receiving countries, and also because we need to understand better which migrants get involved in those activities, at which level, and how that engagement can impact their families, communities and countries.

There is a constant criticism and overuse of the word transnationalism (Vertovec, 2003). Furthermore, a lot of literature uses interchangeably the terms transnational, multinational and international. Portes (2001) delimited those definitions, stating that the term international belongs to nation-states activities, multinational to large size institutions whose activities occur in several countries, and transnational to activities carried out by non-institutional actors. The final category covers the activities of international migrants, as non-institutional actors who sustain cross border activities in several countries.

As mentioned before, transnational activities include remittances, circular labour migration, small business created at home, informal trade, involvement in political activities at home, the political activities of home societies to include expatriates, and activities that reinforce the home society culture (such as social remittances, travel to home country, and folk music exchanges; Stodolska and Almeida Santos, 2006). Although the economic impact of all transnational activities can be significant, the activity that impacts the economy of the home region the most is remittances, given their amount and their diverse uses in the region of origin of the migrant (Vertovec, 2001). As a matter of fact, many governments have reconsidered the role of their migrants abroad, making them part of the extended nation, recognizing their importance as economic agents who can send remittances, create business, and contribute politically (Portes, 2001).

Transnationalism can therefore increase migrants' involvement in the socioeconomic development of their country of origin. For this to happen, migrants can participate through monetary remittances (money transfers), and non-monetary remittances



(products, services, capital investments, technology, knowledge, and others). Some empirical research in this area has proved to be supportive of this theory (e.g. Portes, Guarnizo and Haller, 2002; Saxenian, 2005; Song, Almeida and Wu, 2001).

Portes and Dewind (2004) discuss the importance of migration and development research in new areas. Among these are transnational communities and immigrant enterprise, whereby migrants establish a presence in two countries, exploiting the economic and political opportunities of each, a practice that increases with migration experience time. This has led the authors to believe that transnational practices are going to increase in the future.

Adopting the transnationalism approach broadens the scope of analysis when studying the impact of migrants in the country of origin and its socioeconomic development. Moreover, as Levitt, Dewind and Vertovec (2003) argue, to study migrants' transnational activities and their impact, one must consider the family or household unit, not only the migrant. According to De Haas (2010: 246) "Migration and economic activities at the origin are not mutually exclusive, but are in fact often combined. Without a household approach, such multiple strategies cannot be captured."

Households can be considered migration units, since all family members can migrate together or only one member can migrate first with the expectation that other members will follow him/her abroad (Boyd, 1989). Also, migration can be a family strategy to improve wellbeing (as explained by NELM), and can be intended to last for a certain period of time. The migration decision is taken within the family context, not just by the individual who migrates (Stark, 1991). Using households as the unit of analysis allows for considering the agency of families to overcome local constraints and use migration within the structure of the place of origin and destination, to improve families' livelihood (De Haas, 2010).

Families can decide who migrates, can use migration as a strategy to attain higher income, and are connected across borders thanks to remittances and transnational activities (Boyd, 1989; De Haas, 2010; IDB and MIF, 2004). Households act as sustenance units with specific characteristics that influence the propensity of a family member to migrate and the pattern to do so, acting as a unit but also as an important

member of a network, supporting those who migrate and those left behind in order to improve the potential benefits of migration for the entire household (Boyd, 1989).

Households can influence the level, intensity and kind of transnational activities conducted by migrants, motivating and maybe facilitating transnationalism. Through family bonds, households transmit norms and family commitments that impact the connectedness of members, even if they are geographically dispersed, impacting directly the amount and kind of transnational activities migrants might engage in (Pitkänen, İçduygu and Sert, 2012). Because households can act as intermediaries between the individual and the larger social setting, they play an important role in the migration –structure environment relation (Boyd, 1989) influencing transnationalism.

One key transnational activity linking families today is remittances. As stated before, remittances constitute the most visible and studied transnational activity, and it is probably the one which generates the biggest impact in the country of origin of the migrant (Vertovec, 2001). For this reason, it is important to give particular attention to this activity to define it and understand it better. Using Vaaler’s (2013) definition, remittances consist of money or other valuables sent as payments or gifts.

The increase in the flow of migrants, who come not only from south to north but also from south to south (Ratha and Shaw, 2007), has been accompanied by an increase in the remittances stream. These increases can be seen in Table 1.

**Table 1: Remittances**

(US\$ billion)	1995	2000	2004	2005	2006	2007	2008	2009	2010e
<b>Inward remittance flows</b>	<b>101.3</b>	<b>131.5</b>	<b>237.0</b>	<b>274.9</b>	<b>317.9</b>	<b>385.0</b>	<b>443.2</b>	<b>416.0<sup>a</sup></b>	<b>440.1</b>
<b>All developing countries</b>	<b>55.2</b>	<b>81.3</b>	<b>159.3</b>	<b>192.1</b>	<b>226.7</b>	<b>278.5</b>	<b>324.8</b>	<b>307.1</b>	<b>325.5</b>
<b>Outward remittance flows</b>	<b>97.5</b>	<b>108.5</b>	<b>168.0</b>	<b>185.3</b>	<b>213.7</b>	<b>255.2</b>	<b>295.7</b>	<b>285.5<sup>b</sup></b>	<b>-</b>
<b>All developing countries</b>	<b>10.4</b>	<b>9.5</b>	<b>28.5</b>	<b>33.0</b>	<b>41.0</b>	<b>52.7</b>	<b>67.3</b>	<b>58.7</b>	<b>-</b>

This table reports officially recorded remittances. The true size of remittances, including unrecorded flows through formal and informal channels, is believed to be larger. 2010e=2010 estimate.

**a.** 0.7% of GDP in 2009.

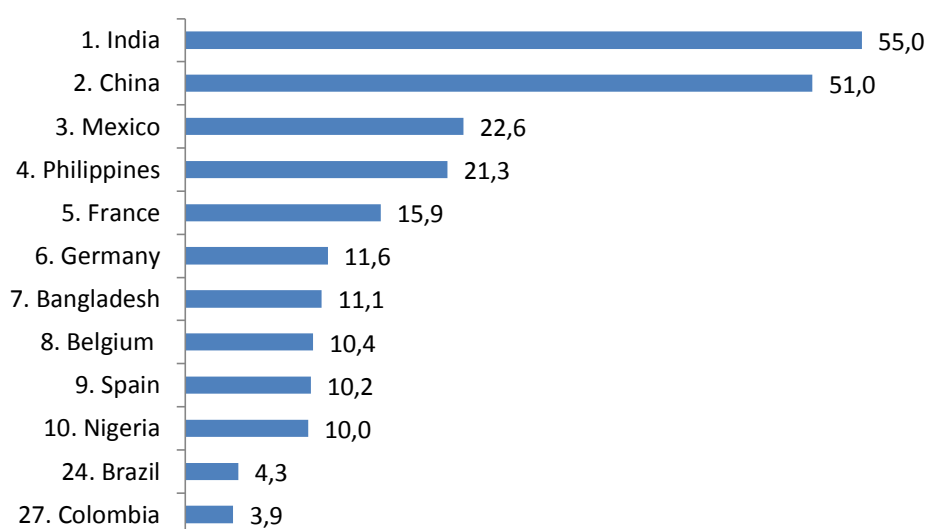
**b.** 0.5% of GDP in 2009

*Data Source:* Migration and remittances Factbook, World Bank, 2011.

Remittances are defined by the World Bank in its Remittances Factbook Glossary “as the sum of workers’ remittances, compensation of employees and migrants’ transfers” (World Bank, 2008: 1). In accordance with the Glossary on Migration (IOM, 2004), remittances are the money that migrants have earned and send back home to their country of origin. For the purpose of this study, this definition will be used. According to Orozco (2006), the World Bank definition includes three important components: workers’ remittances or current transfers, compensations or income (both included in the current account of the balance of payments) and capital transfers or migrants’ transfers (integrated in the capital account of the balance of payments). However, it has been suggested not to include the last category in remittances accounting since no change of ownership occurs in that last case (Orozco, 2006).

The World Bank (2011) has also reported that the main remittance recipients in 2010 were (in billions) India (\$55.0), China (\$51.0), Mexico (\$22.6), the Philippines (\$21.3), France (\$15.9), Germany (\$11.6), Bangladesh (\$11.1), Belgium (\$10.4), Spain (\$10.2), and Nigeria (\$10.0). The main remittances senders were (in 2009): the United States (\$48.3), Saudi Arabia (\$26.0), Switzerland (\$19.6), the Russian Federation (\$18.6), Germany (\$15.9), Italy (\$13.0), Spain (\$12.6), Luxembourg (\$10), Kuwait (\$9.9), and the Netherlands (\$8.1). (See Figures 3 and 4).

**Figure 3: Top Remittances-Receiving Countries, 2010e**  
(US\$ Billions)

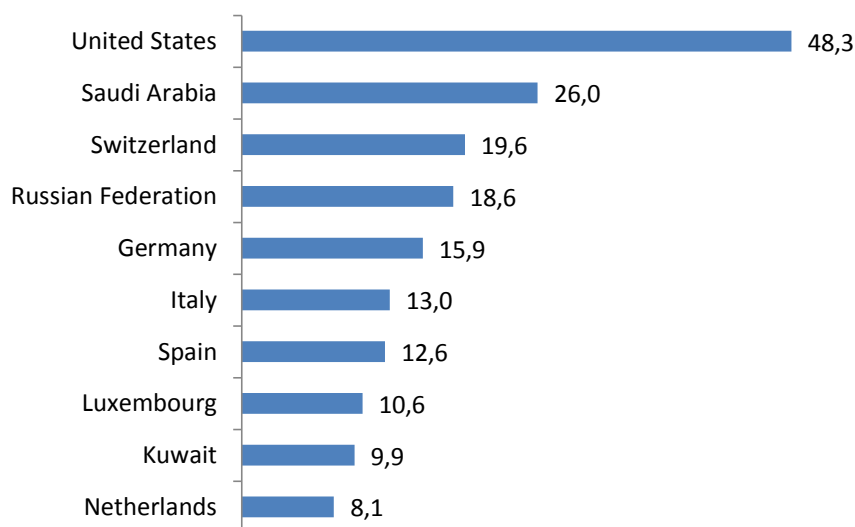


e: 2010 Estimate

Source: World Bank Migration and Remittances Factbook, 2011.

**Figure 4: Top Remittance-Sending Countries, 2009**

(US\$ Billions)



Source: World Bank Migration and Remittances Factbook, 2011.

The 2008 financial crisis reduced the positive flow of remittances, showing a reduction in the amount of money sent, due to the decline of jobs in developed countries (where most of the remittances come from), the reduction of income, and lower migration flows, among other factors. Nonetheless, the impact was not as big as expected, as shown in the Migration and Remittances Trend 2010 webinar, presented by Ratha, Mohapatra and Silwal (2010) and the Migration and Remittances Factbook 2011 (World Bank).

Although there are official estimates regarding the amount of remittances entering and leaving most countries of the world, one interesting discussion has arisen regarding the main difficulties and challenges in measuring those. Orozco (2006) argues that the main challenges in measuring remittances are the conceptual understanding of remittances, the proper and consistent procedural applications of those concepts, the narrow knowledge of the diverse kind of remittances, and the poor communication between intermediaries and control entities. The same author also mentions other concerns such as the difference between Central Bank data on remittances and the actual flows, which can be caused by, for example, the lack of knowledge about remitters and intermediaries, political will, and methodological problems in compiling the data. The level of informality in some of those flows prevents banks from reporting the real

figures, affecting the final remittances report. Moreover, the existence of illegal migrants represents a challenge to data compilation.

It is important to mention that there have been some classifications of remittances in diverse areas, considering not only the monetary ones, but also, other remittances that migrants can send to their home countries (non-monetary remittances). Durand (1994) for example, classifies remittances according to their use into three categories:

- Remittances as salaries or wages (to support household income back at home, usually transferred by circular migrants);
- Remittances as investment (to save money through the purchase of real estate, like houses or land. Usually transferred by migrants that visit the country on few occasions);
- Remittances as capital (to invest in productive ideas or projects). This is the hardest to achieve, since to get the amount needed to invest might mean long periods of stay in foreign countries which might end in settlement.

Goldring (1999), on the other hand, divides remittances into family-individual, collective and investment (as shown in Appendix A), while Lucas and Stark (1985) describe remittances as sent because of altruism or pure self-interest reasons.

Whatever the classification used (according to remittances' use in the country of reception or to the motivation to send them), it is important to equally evaluate monetary and non-monetary remittances. This is because both can affect the economic development of households, communities and the country under study. In general, non-monetary remittances can be social (diffusion of social practices and attitudes), technical/technological (skills, technology, knowledge), or even political (political identities and demands; Goldring, 1999). Given the focus of this research, only monetary remittances will be analysed as remittances, since other non-monetary activities will be studied from the transnational perspective, where transnational ties will be an important component of those.

To continue with the explanation of the main terms used in this research, socioeconomic development will be discussed next.

### *1.2.3 Socioeconomic development*

According to Todaro (2000), economic development is a branch of economics, whose study began in the mid-1950s. When discussing development economics of a specific country, it is necessary to consider not only the general theories, but also the particular characteristics of the political, economic and cultural features of the less developed country under study. This uniqueness drives researchers to create a big variety of data and new theories (continuously challenging previous economic theories), with the final objective of gaining a better understanding of developing economies and supporting the improvement of the living standards of those countries' populations.

Economic development studies have been evolving over time, and so has the definition of development. According to traditional economic studies, development was related to the capacity of a country to increase its rate of growth in terms of its Gross Domestic Product (GDP) or Gross National Product (GNP). In this case, development was related to the percentage increase in the country's GDP or GNP (usually at rates over 5%), or the percentage increase in the country's GDP or GNP per capita (considering the capacity of the country to create a higher rate of output than population growth). Another approach used is to compare the country's real GDP or GNP (to exclude inflation) growth over time (Todaro, 2000).

However, although some countries showed an increase in those measures (and thus proved to create economic development according to the previous definition), a worrying degree of poverty, inequality and unemployment was still present or had even worsened in some countries. These results forced economists to expand the definition of development, to include not only an increase in the country's output, but also a decrease in poverty, inequality and unemployment. Consequently, the methods used to determine development were modified accordingly (Crafts, 2000).

Later on, in the 1990s, the definition of economic development was reviewed, when the quality of life became a concern for economists and international organizations such as the World Bank. Today, economic development also includes noneconomic factors (usually related to social indicators) that improve people's living standards (e.g. levels of education, health conditions, and clean environment; Todaro, 2000). According to De Souza and Stutz (1994), economic development implies a continuous increase in the

socioeconomic welfare of a population. For others, e.g. Cameron and Neal (2003) and Vasquez Vaquero (2000), economic development is a process of growth and structural change that uses the existent development potential of a territory to generate an improvement in the population's welfare.

There have been different efforts from economists to develop measures of development that will include not only economic indexes but also physical quality of life (e.g. Social development index by UNRISD in 1970; Society, Politics and Economic development by Adelman and Taft Morrison in 1967; The Physical Quality of Life Index – PQLI- developed by Morris in 1983; Human development Index (HDI) by United Nations in the 1990s). The Human Development Index (HDI), created and applied by the United Nations since the beginning of the 1990s, is a measure that has been modified over time to include more countries and dimensions. The United Nations defines the HDI as follows:

*“The Human Development Index (HDI) is a composite measure of health, education and income that was introduced in the first Human Development Report in 1990 as an alternative to purely economic assessments of national progress, such as GDP growth. It soon became the most widely accepted and cited measure of its kind, and has been adapted for national use by many countries. HDI values and rankings in the global Human Development Report are calculated using the latest internationally comparable data from mandated international data providers... The HDI was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone...”.* (United Nations, 2013a)

Yet, according to Todaro, “development is both a physical reality and a state of mind in which society has, through some combination of social, economic and institutional processes, secured the means for obtaining a better life” (2000: 18). This will affect the definition of development to include the country's own perspective and description over what is considered as being a “better life”, forcing the researcher to be cautious when studying development, and consider not only economic measures of development, but also intrinsic definitions of welfare for each family and society under investigation.

The United Nations itself recognizes that the HDI is not enough to measure the level of economic development of a country, because it does not measure other important factors such as gender inequalities and political participation and equality (United Nations, 2009).

The evolution of economic development studies have directed the interest from economic growth and economic measures at the beginning of the 1950s, towards a more comprehensive understanding of development lately, adding other aspects, particularly of social nature. However, most definitions related to development are still focused on growth, which limits the analysis of the migration-development nexus towards more socioeconomic oriented activities with the potential of impacting livelihoods (De Haas, 2009).

In this research, the focus is on socioeconomic development. As De Haas (2010: 2) wrote in one of his articles: “We interpret ‘social’ in its broader sense, that is, encompassing economic, cultural, and political dimensions of change. Thus, the term ‘social’ is not employed in opposition to ‘economic’, because economic processes are seen as an integral part of broader social processes”. From this broad definition one can infer the need to study how transnational activities can impact a broad set of economic (remittances, investment, trade, telecommunication, tourism, knowledge and technological transfers) and social variables at the community level (such as community remittances or projects, civil society development, philanthropy) and political ones (political participation at home).

Development is a complex notion that can be determined using diverse levels and meanings, but considering that migrants are looking for a better livelihood for themselves and their families, it is necessary to use a more comprehensive definition of development when researching the impacts of international migration (De Haas, 2009). In this sense, a broader definition of socioeconomic development will be employed, where activities such as improvements in housing, community projects, political participation, among other things, can contribute to socioeconomic development (Sen, 1999; De Haas, 2010). Using this wider definition will also add to the argument about the need to consider the special characteristics of the place of origin of the migrant, since the context will play a central role in defining what can be considered a livelihood enhancement and how those improvements can be reached (De Haas, 2011).

This approach allows for going beyond labour migration and economic readings to include economic, social and political impacts of transnational migration in origin countries in a more comprehensive way, directed towards the wellbeing of households,



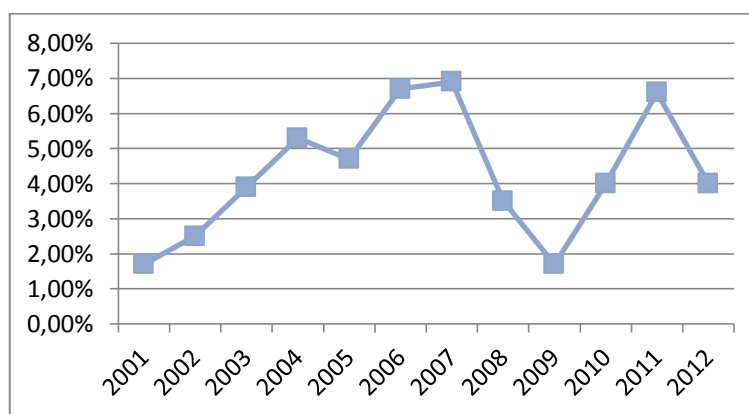
communities and the nation. To analyse the socioeconomic impact of migrants in the country of origin, it is necessary to have a clear understanding of the context of that country. This context is discussed in the next section.

### 1.3 Colombian Context

The Republic of Colombia (Colombia) is a South American country located in the northwest of the region, surrounded by two oceans (Atlantic and Pacific), and Panama, Ecuador, Peru, the Bolivarian Republic of Venezuela and Brazil (Sociedad Geográfica de Colombia, 2013). With around 47 million inhabitants and a GDP (in current terms for 2011) of 333.4 billion US dollars (World Bank Data, 2013), it is considered one of the favoured emerging economies called CIVETS<sup>1</sup>, a set of countries characterized by fast economic growth, young population growth, economic openness, and positive development growth in the near future (Portafolio, 2010). Recent economic developments have made Colombia to be considered the fourth economy of the Latin American region, behind Brazil, Mexico and Argentina (IMF, 2013).

During the last decade, Colombia has exhibited a sound economic growth measured in GDP terms, showing some resilience during the economic crisis, and recording a GDP increase bigger than the regional one in most years (See Figures 5 and 6).

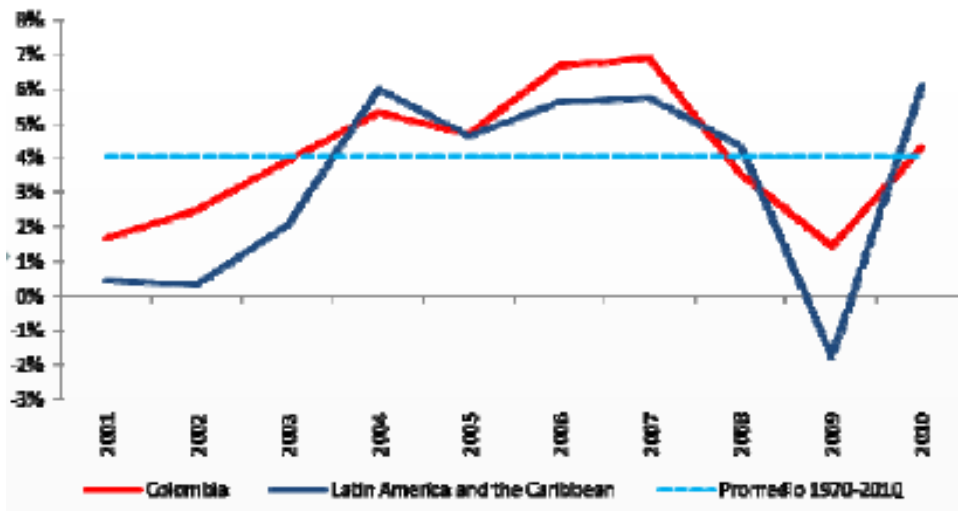
**Figure 5: Colombia's GDP Growth 2001-2012**



Source: Own elaboration of the author based on DANE, 2013a

<sup>1</sup> Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa. CIVETS is a term coined by Robert Ward of the Economist Intelligence Unit in 2009, according to Search Engine Journal available at <http://www.searchenginejournal.com/what-are-the-civets-and-why-are-they-important-parts-of-the-foreign-language-internet-mix/42896/>, accessed on March 25-2013

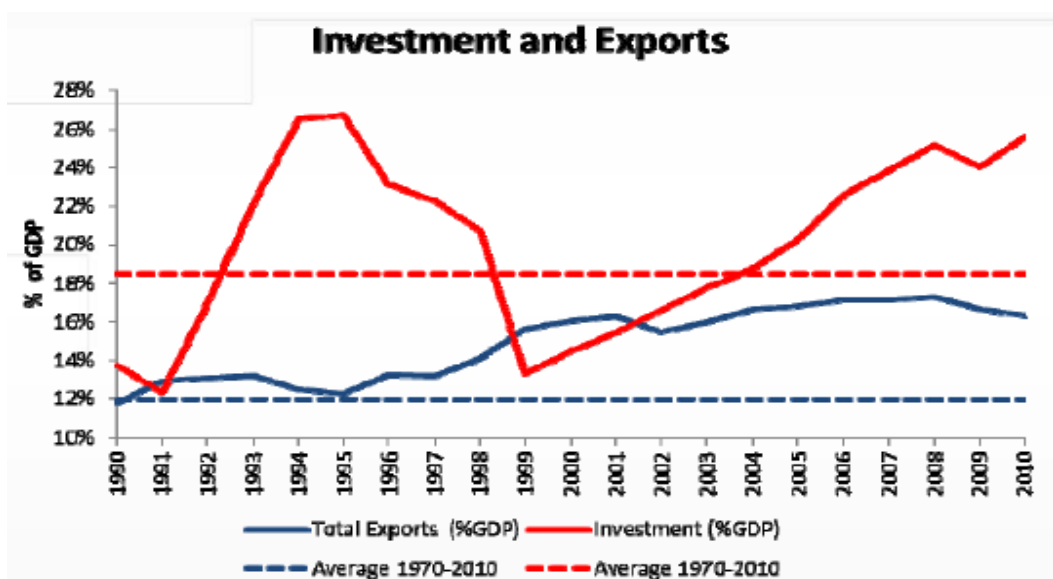
**Figure 6: Latin America and the Caribbean and Colombia's GDP Growth 2001-2010**



Source: Banco de la República, 2011, p. 4

According to the Banco de la República de Colombia (2011), this economic growth has been influenced mainly by the historically higher levels of FDI inflow and national exports (increased in a big part as a result of the diverse free trade agreements in place during the last decade) and thanks to the country's sound macroeconomic policies (See Figure 7).

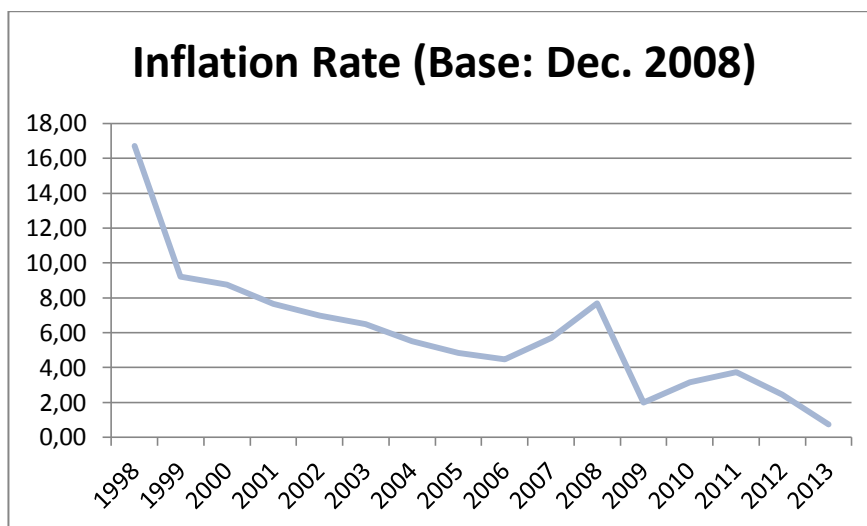
**Figure 7: Colombian FDI Inflow and Exports 1990-2010 as % of GDP**



Source: Banco de la República Colombia, 2011, p.6

The increase in national output achieved during recent years has also increased the GDP per capita, allowing the country to be part of the upper middle income group of countries (Banco de la Republica de Colombia, 2011). This output growth has also been accompanied by a reduction of the inflation rates since the end of the 1990s, as can be seen in Graph 6.

**Figure 8: Colombia's Inflation Rate**



Source: Own elaboration of the author based on DANE (2013b). For 2013 it only includes January and February estimates.

Nevertheless, simultaneously with economic growth the country has suffered from continuous internal violence, drug and guerrilla problems. According to the CIA World Factbook (2013), Colombia maintains a relatively strong democracy despite having experienced a five-decade conflict with insurgent groups, which are financially supported by the illegal trade of drugs, and the acts of criminal groups born after the former paramilitaries demobilized in 2006, both attacking civilians and the government while having little popular support. It is the case that the government has decided to reassert control of the entire country, and in 2012 started formal peace negotiations with the main guerrilla group present in the country (FARC).

In addition to the political risk those difficulties can generate, there are also other economic issues that need to be addressed by the government such as a high

unemployment level which is the highest among all South American Countries (See Table 2).

**Table 2: Unemployment Levels**

Country	Notes	Year							
		2005	2006	2007	2008	2009	2010	2011	2012/ q
Argentina	/b	11.6	10.2	8.5	7.9	8.7	7.7	7.2	7.3/p
Bolivia (E. P.)		8.1/b	8/b	7.7/b	6.7/b	7.9/m	6.5/m	5.8/ m	...
Brazil	/e,f	9.8	10,0	9.3	7.9	8.1	6.7	6,0	5.5
Chile	/g	9.2	7.7	7.1	7.8	9.7	8.2/o	7.1/ o	6.4/o
Colombia	/i,j	<b>14.3</b>	<b>13.1</b>	<b>11.4</b>	<b>11.5</b>	<b>13,0</b>	<b>12.4</b>	<b>11.5</b>	<b>11.3</b>
Ecuador	/i,k	8.5	8.1	7.4	6.9	8.5	7.6	6,0	4.8/p
Paraguay	/k	7.6	8.9	7.2	7.4	8.2	7,0	6.5	...
Peru	/l	9.6	8.5	8.4	8.4	8.4	7.9	7.7	7,0
Uruguay	/k	12.2	11.4	9.6	7.9	7.6	7.1	6.3	6.2
Venezuela (R.B.)	/g	12.4	9.9	8.4	7.3	7.9	8.7	8.3	8,0
Latin America and the Caribbean	/a	9,0	8.6	7.9	7.3	8.1	7.3	6.7	6.4

**Notes**

**a/ Adjusted average because of lack of data and diverse methodologies or changes in methodologies. Data among countries are not comparable, because of different coverage data and definition of people at working age**

**b/ Urban areas**

e/ Six  
metropolitan areas

**g/ National Total**

i/ Including hide  
unemployment

**j/ 13 metropolitan areas**

k/ Urban  
total

**l/Metropolitan Lima**

m/ Main  
cities

**o/ New measurement since 2010; not comparable with previous series**

p/ Estimation based on data from January  
to September

**q/ Estimation based on data from  
January to October**

Source: Modified from CEPAL, 2013

Although unemployment has been reduced slightly over the last three years, the level of informality has increased too, positioning Colombia as the Latin American country with the highest level of informality of labour (workers whose activity is not subject to local labour legislation, taxes, social security and/or benefits, CEPAL 2014) rate with 59.9% of the working population situated in this group (CEPAL, 2013).

In addition, the country registers one of the worst income inequality levels of the world (tenth in the world) together with around one third of its inhabitants living below the poverty line (CIA Factbook, 2013a). The GINI coefficient for 2011 was 0.548, and compared with other countries in Latin America it is one of the highest, if not the highest one (See Table 3).

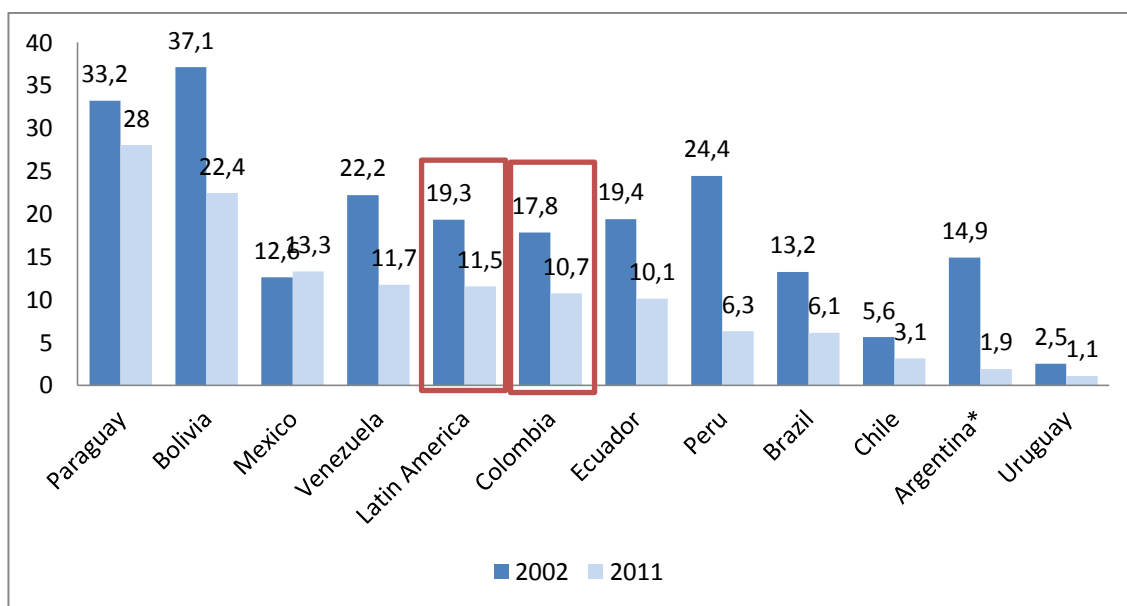
**Table 3: Gini Coefficient**

Country Name	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Argentina</b>	54.7	50.2	49.3	47.7	47.4	46.3	46.1	44.5		
<b>Bolivia</b>			57.8	56.4	57.4	56.3				
<b>Brazil</b>	58.8	57.7	57.4	56.8	55.9	55.1	54.7			
<b>Chile</b>	54.6			51.8			52.1			
<b>Colombia</b>	<b>57.9</b>	<b>58.3</b>	<b>56.1</b>	<b>58.7</b>	<b>58.9</b>	<b>57.2</b>	<b>56.7</b>	<b>55.9</b>	<b>54.8*</b>	<b>53.9*</b>
<b>Ecuador</b>	55.1		54.1	53.2	54.3	50.6	49.4	49.3		
<b>Paraguay</b>	56.9	54	52.5	54.9	53.3	52.1	51	52.4		
<b>Peru</b>	55.2	50.3	51.1	50.9	51.7	49	49.1	48.1		
<b>Uruguay</b>	46.2	47.1	45.9	47.2	47.6	46.3	46.3	45.3		
<b>Venezuela</b>	48.1	47.5	49.5	44.8						

Source: World Bank (2013b). \*Data from DNP (2014)

During the period 2002-2011, the levels of poverty (less than US\$4.42 PPP per person per day) and extreme poverty (less than the minimum amount of money needed to buy a basic food basket) in the country were reduced, although its actual poverty levels (34,2%) are still above the regional mean (29%). Extreme poverty (10,7%) is slightly under the regional level (11,5%), as can be seen in Figure 9 (ANIF, 2013).

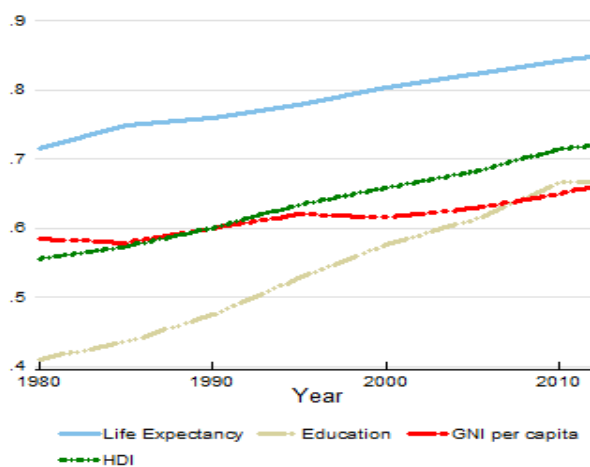
**Figure 9: Extreme Poverty Levels in America Latina and the Caribbean according to CEPAL (2009 Vs 2011)**



Source: ANIF, 2013

Regarding the Human Development Report 2013b (UNDP), and considering its changes in measurement, Colombia has shown an improvement in all its components (life expectancy, years of schooling, HDI Value and GNI Per capita) during the last 40 years (See Figure 10).

**Figure 10: Trends in Colombia's HDI Component Indices 1980-2012**



Source: UNDP Human Development Report, 2013b

Comparing Colombia's Human Development report with other Latin American and CIVETS countries, one can perceive how the country is below the regional levels, but above CIVETS averages for each component of the report, being surpassed only by Turkey (Table 4 and 5).

**Table 4: Colombia's HDI Indicators for 2012 Relative to Selected Countries and Groups**

	<b>HDI value</b>	<b>HDI rank</b>	<b>Life expectancy at birth</b>	<b>Expected years of schooling</b>	<b>Mean years of schooling</b>	<b>GNI per capita (PPP US\$)</b>
<b>Colombia</b>	<b>0.719</b>	<b>91</b>	<b>73.9</b>	<b>13.6</b>	<b>7.3</b>	<b>8,711</b>
<b>Mexico</b>	0.775	61	77.1	13.7	8.5	12,947
<b>Brazil</b>	0.73	85	73.8	14.2	7.2	10,152
<b>Latin America and the Caribbean</b>	0.741	-	74.7	13.7	7.8	10,300
<b>High HDI</b>	0.758	-	73.4	13.9	8.8	11,501

Source: UNDP Human Development Report, 2013b

**Table 5: Colombia's HDI Indicators for 2012 Relative to Countries from CIVETS Groups**

	<b>HDI value</b>	<b>HDI rank</b>	<b>Life expectancy at birth (years)</b>	<b>Expected years of schooling (years)</b>	<b>Mean years of schooling (years)</b>	<b>GNI per capita (2005 PPP US\$)</b>
<b>Colombia</b>	<b>0.719</b>	<b>91</b>	<b>73.9</b>	<b>13.6</b>	<b>7.3</b>	<b>8,711</b>
<b>Egypt</b>	0.662	112	73.5	12.1	6.4	5,401
<b>Indonesia</b>	0.629	121	69.8	12.9	5.8	4,154
<b>South Africa</b>	0.629	121	53.4	13.1	8.5	9,594
<b>Turkey</b>	0.722	90	74.2	13.9	6.5	13,710
<b>Viet Nam</b>	0.617	127	75.4	11.9	5.5	2,970
<b>CIVETS</b>	0.661	-	70.6	12.7	6.3	6,189

Source: UNDP Human Development Report, 2013b

Looking upon other social indexes among South American countries is difficult, not only because of the diverse measures given to the same variables, but also because of the lack of up to date information. Nevertheless, one can see for the Colombia case that some development indicators show diverse results, ranging from average public health expenditures (as compared to other Latin American countries), to low literacy rates. In general, results are diverse and show the need of the country to improve its people's living standards in terms of health expenditure, education expenditure, literacy, years of schooling and enrolment, infant mortality, number of physicians, drinking water sources and sanitation facilities (See Table 6).



**Table 6: Selected Development Indicators for South American Countries**

Country	Population*	Population growth rate <sup>^</sup>	Infant Mortality	Health Expenditures	Physician density	Drinking water source (Improved % population)	Sanitation facility access (Improved % population)	Public Education expenditures	Literacy rate	School life expectancy (Primary to tertiary)
Colombia	45,745,783	1,128%	total: 15.92 deaths/1,000 live births ccw:106	7.6% of GDP (2010) ccw:71	1.35 physicians/1,000 population (2002)	urban: 99% rural: 72% total: 92%(2010 est.)	urban: 82% rural: 63% total: 77% (2010 est.)	4,5% of GDP (2011) ccw:93	90,4% (2005)	14 years (2009)
Argentina	42,610,981	0,997%	total: 10.52 deaths/1,000 live births ccw:143	8.1% of GDP (2010) ccw:58	3.155 physicians/1,000 population (2004)	urban: 98% rural: 80% total: 97% (2008 est.)	urban: 92% rural: 77% total: 91% (2000 est.)	5.8% of GDP (2010) ccw:44	98,1% <sup>α</sup> (2010)	16 years (2007)
Bolivia	10,461,053	1,664%	total: 40.94 deaths/1,000 live births ccw:58	4.8% of GDP (2010) ccw:147	1.22 physicians/1,000 population (2001)	urban: 96% rural: 71% total: 88% (2010 est.)	urban: 35% rural: 10% total: 27% (2010 est.)	7.6% of GDP (2010) ccw:16	86.7% (2001)	14 years (2007)
Brazil	201,009,622	0,860%	total: 20.5 deaths/1,000 live births ccw:93	9% of GDP (2010) ccw:44	1.72 physicians/1,000 population (2007)	urban: 100% rural: 85% total: 98% (2010 est.)	urban: 85% rural: 44% total: 79% (2010 est.)	5.6% of GDP (2009) ccw:53	88,6% (2004e)	14 years (2008)
Chile	17,216,945	0,880%	total: 7.4 deaths/1,000 live births ccw:159	8% of GDP (2010) ccw:60	1.09 physicians/1,000 population (2003)		urban: 98% rural: 83% total: 96% (2010 est.)	4.2% of GDP (2010) ccw:104	95,7% (2002)	15 years (2008)
Ecuador	15,439,429	1,419%	total: 19.06 deaths/1,000 live births ccw:98	8.1% of GDP (2010) ccw:57	1.48 physicians/1,000 population (2000)	urban: 96% rural: 89% total: 94% (2010 est.)	urban: 96% rural: 84% total: 92% (2010 est.)	4.9% of GDP (2010) ccw:79	93,2% (2010)	14 years (2008)
Paraguay	6,623,252	1,256%	total: 22.24 deaths/1,000 live births ccw:86	5.9% of GDP (2010) ccw:114	1.11 physicians/1,000 population (2002)		urban: 90% rural: 40% total: 71% (2010 est.)	4.1% of GDP (2010) ccw:108	94% (2003e)	12 (2007)
Perú	29,849,303	1,016%	total: 21.5 deaths/1,000 live births ccw:89	5.1% of GDP (2010) ccw:137	0.92 physicians/1,000 population (2009)	urban: 91% rural: 65% total: 85% (2010 est.)	urban: 81% rural: 37% total: 71% (2010 est.)	2.6% of GDP (2011) ccw:155	92,9% (2007)	14 years (2006)
Uruguay	3,324,460	0,240%	total: 9.44 deaths/1,000 live births ccw:148	8.4% of GDP (2010) ccw:54	3.736 physicians/1,000 population (2008)		urban: 100% rural: 99% total: 100% (2010 est.)	2.9% of GDP (2006) ccw:144	98% (2003e)	16 years (2008)
Venezuela	28,459,085	1,468%	total: 20.18 deaths/1,000 live births ccw:95	4.9% of GDP (2010) ccw:144	1.94 physicians/1,000 population (2001)	urban: 94% rural: 74% total: 92% (2000 est.)	urban: 93% rural: 54% total: 89% (2000 est.)	3.6% of GDP (2007) ccw:124	93% (2001)	14 years (2008)

e estimated      \* Estimated for July 2013      ^ Estimated for 2012      ccw: Country Comparison to the World  
 Literacy definition: age 15 and over can read and write      α Literacy definition: age 10 and over can read and write

Modified from Central Intelligence Agency, CIA Factbook (2013b), available online on <https://www.cia.gov/library/publications/the-world-factbook/index.html>, Accessed 2 April 2013.

Analysing all the previous information, it is possible to determine that Colombia is a country of contrasts. During the last decade it has shown a level of economic growth, allowing it to improve some indicators such as GDP, GDP per capita, investment, exports, and HDI; although its inequality levels, unemployment rates, high informality employment, poverty and extreme poverty are still high as compared with those of other countries in the region and in the world. Adding the levels of violence and internal problems the country faces, it is understandable why the country is a net exporter of labour, refugees, and people in general.

According to the CIA Factbook publication:

*“Colombia experiences significant legal and illegal economic emigration and refugee flows. Large-scale labor emigration dates to the 1960s; Venezuela and the United States continue to be the main host countries. Colombia is the largest source of Latin American refugees in Latin America, nearly 400,000 of whom live primarily in Venezuela and Ecuador”.* (CIA Factbook, 2013a)

Additionally, Colombia has high levels of corruption, poor infrastructure, and a complex land distribution (mainly in remote areas of the country), although it has a stable democratic political system (UK Trade and Investment, 2012).

Colombia’s socioeconomic conditions might have forced and motivated people to migrate, since about 4.7 million Colombians are living in other countries of the world, most of them (34%) in the United States (US; Colombia Nos Une, 2013). Therefore, the local structure might have pushed some people to migrate. To continue with the national context discussion, the following section explores Colombian migration.

### ***1.3.1 Colombian migration***

Increases in migration, remittances and transnational activities have become an interesting research topic in Colombia in recent years, calling the attention of a number of researchers such as Cardenas and Mejia (2006), Diaz (2006, 2008), Gaviria (2004), Medina and Posso (2009). As Cardenas, Medina and Trejos explain (2010: 2):

*“According to various sources of data, around 8 per cent of Colombians live abroad, mostly in the US, Spain and Venezuela. In 2008, international remittances constituted 3 per cent of Colombia’s GDP, compared to just 1 per cent in 1998. That this is a relatively recent phenomenon is also illustrated by*

*the fact that 45 per cent of Colombians living in the US in 2000 arrived during the previous decade (according to the US Census) ”.*

According to these authors, the 2005 Colombian population census shows that most Colombian migrants live in the US (35%), Spain (23%) and Venezuela (20%), which together constitute 78% of the entire migrant population. The origin of those migrants are mainly the northwest zone (Atlántico, Bolívar, Magdalena), northeast zone (Santander, Boyacá, Norte de Santander), western zone (Caldas, Quindío, Risaralda, Cauca and Valle del Cauca); and Bogota. Migrants from the first two zones migrate mainly to Venezuela, while others migrate mainly to the United States (US) and Spain (Cardenas, Medina and Trejos, 2010).

Nevertheless, the World Bank in its Migration and Remittances Outlook (2011) states that for 2010 Colombia had around 4.6% of its population living as emigrants, located mainly in the United States, Venezuela, Spain, Ecuador, Canada, Panama, France, Italy, the United Kingdom and Germany. As one can see, destination countries have not changed a lot, although their order of importance has been modified mainly for Spain, perhaps due to the economic crisis this country has undergone since 2008, passing from the second to the third destination country. However, the first three destination countries continue to be the same.

According to diverse authors (Diaz, 2006; Garay and Rodriguez, 2005; Guarnizo, 2005), Colombian international migration started to be more significant in the 1960s, when most Colombians migrated to the US. This migration flow was motivated by the immigration laws in place in the US at that time (1965 USA Immigration Laws; Diaz, 2006), and the high level of violence and instability inside Colombia. Garay and Rodriguez (2005) state that most of the migrants at that point in time were middle class professionals in search of economic social mobility.

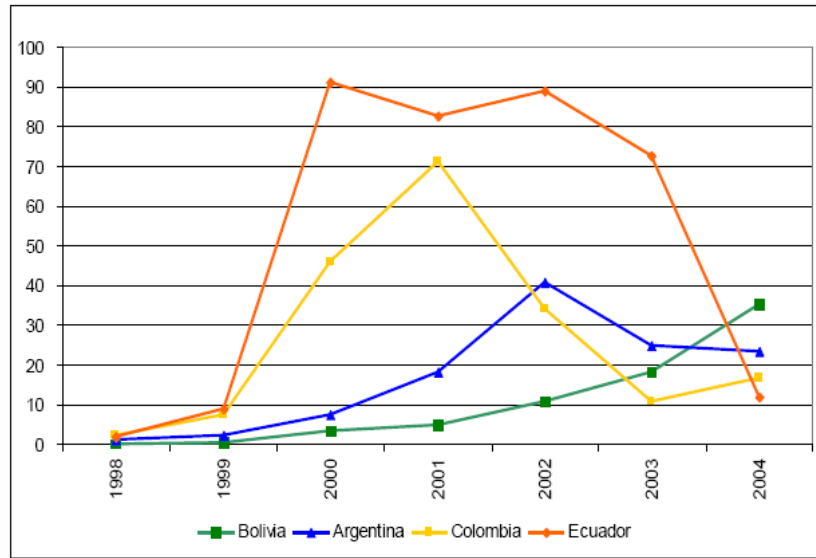
In the middle of the 1970s another migration flow took place, with Colombian emigrants moving mainly to Venezuela. This movement was largely motivated by the boom in the oil industry of that border country, creating a cyclical migration that comes and goes from Colombia to Venezuela depending on the economic activity within the oil industry. As a result, an important portion of Colombians live in Venezuela today (Diaz, 2006).

In the 1980s, the emigration stream caused by high levels of violence, the deterioration of per capita income, high unemployment levels, and drug related activities (drug trafficking), motivated people to move to countries such as the US, Canada and also Europe. Most of those migrants travelled outside looking for new sources of income (Diaz, 2008; Garay and Rodriguez, 2005; Gaviria, 2004).

The largest migration flow took place at the end of the 1990s. A deep economic crisis, accompanied by unprecedented rates of unemployment (around 20%), and the deterioration in living standards of the population during those years, were the main motivators for people to migrate (Garay and Rodriguez, 2005). Additionally, a strong earthquake destroyed a big portion of the central coffee-producing region, impacting the economy of the country. In this case, most of the migrants went to Europe (especially Spain and England), and the US (Garay and Rodriguez, 2005).

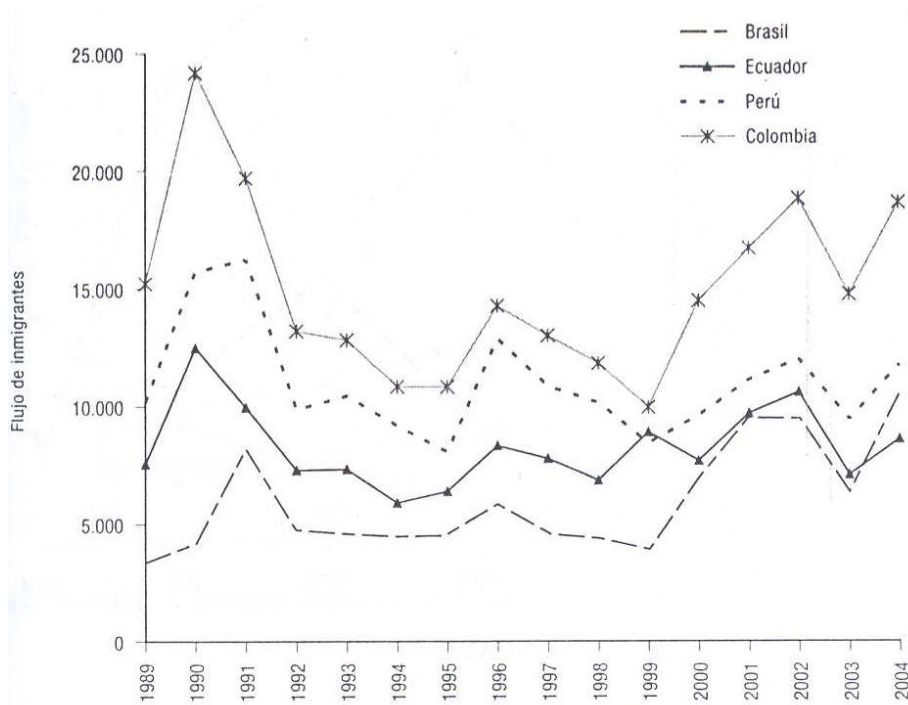
However, Cardenas, Medina and Trejos (2010) argue that migration does not seem to have had a crucial role in the country's history; the authors compare Colombian migration movements with those of other countries in the region, concluding that migration waves of Colombians took place at the same time as other Latin American migration movements. This suggests that those movements are more related to migration regulation and reforms in recipient countries (structure), especially the US, rather than the specific context of the origin country (like violence, economic cycle, among others; see Figures 11 and 12). Guarnizo (2005) agrees with those authors, stating that the characteristics of the destination country represent one of the main reasons to migrate to a specific place.

**Figure 11: Selected South American Migration Flows to Spain  
(In Thousands of People)**



Source: Cardenas, Medina and Trejos, 2010, p.5

**Figure 12: Selected South American Migration Flows to the US**

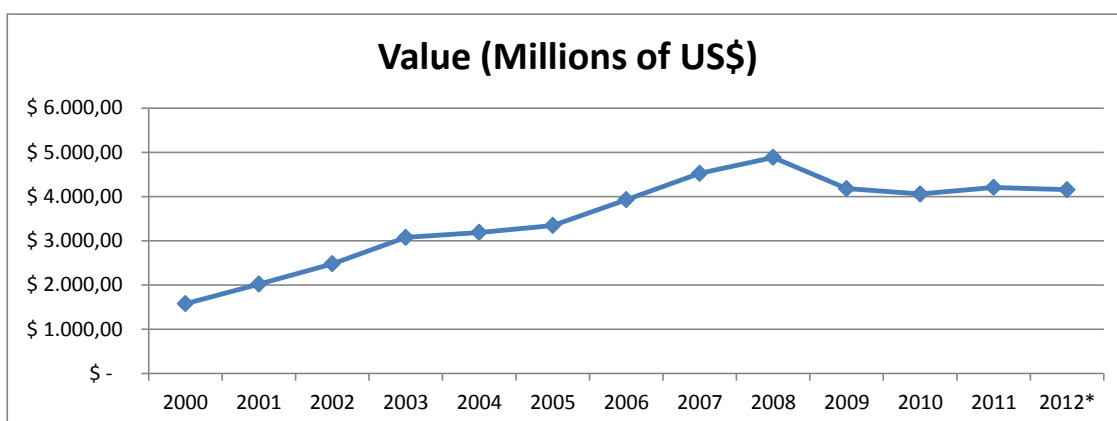


Source: Cardenas and Mejia, 2006, p. 275.

Colombian migration flow to the US has been stable during this time, but its composition has changed in recent years, to include farmers, entrepreneurs, executives, investors, and refugees. Conversely, migration flows to Venezuela have changed according to the political and social situations of both countries (Garay and Rodriguez, 2005).

The increase in migration has been accompanied by a rise in the volume of remittances received, thanks also to better reporting techniques, an improvement in migrants' economic conditions, and the worsening of local economies at home (anti-cyclical behaviour of remittances; Fajnzylber and Lopez, 2008; Ghosh, 2006; IDB-IMF, 2006). Although there was a reduction in remittances received after the economic crisis of 2008, the volume has started to rise again, reaching almost the same pre-crisis amount (Figure 13). As migration continues, one can expect transnational activities to increase too, making the study of the impact of all those activities within the country a necessity.

**Figure 13: Annual Remittances Inflows in Colombia**



Source: Own elaboration with data from World Bank, 2012

\* Estimated

After Mexico and Brazil, Colombia is the third country that receives remittances in Latin America (second in South America; World Bank, 2011).

The size of migration and the volume of remittances received bring about questions regarding the possible size and impact of all transnational activities carried out by those

migrants, including not only remittances but also other transnational activities associated with migration. These potential impacts will be affected by the national context, characterized by the socioeconomic problems mentioned earlier in this introduction (high unemployment, high informal economy sector, high inequality, high levels of poverty and extreme poverty, violence, drug trafficking, insecurity and terrorism, land distribution problems, poor infrastructure, and corruption) impacting at diverse levels people's daily lives inside the country, their communities and the national territory as a whole.

Remittances and transnational activities carried out by Colombian migrants abroad might have the potential to impact various socioeconomic variables, addressing through the hands of individuals and migrant families a national concern regarding their effect on livelihoods. However, most Colombian migration literature has focused on studying migrants' profiles (Gaviria, 2004; Cardona Sosa and Medina, 2006; Cardenas, Medina and Trejos, 2010), remittances and their costs (Gaviria and Mejia; 2005, Cardona Sosa and Medina; 2006; Mejia Ochoa, 2006). A lesser degree of studies has addressed other transnational activities.

One of the empirical contributions of this research is to arrive at a better understanding of the impact of Colombian migration, including transnational activities in general, at the micro, meso and macro level in the country of origin. Relevant to this is the role of the government in relation to its migrants and their activities, and therefore, some policy actions regarding transnational activities in general will be recommended in order to enhance the possible positive impact of migration for the country.

As discussed in the following chapter, the Colombian government has created specific strategies to connect its emigrants with the country, thanks to the change in the way the government has begun to consider its migrants not only as possible political partners but also as important socioeconomic agents. To support those strategies, the government has created a migratory policy (PIM) and a programme (Colombia Nos Une-CNU) developed by the Ministry of Foreign Affairs, specifically designed with the aim of including Colombian migrants in national projects. However, those strategies do not consider all the transnational scope, demanding the development of other strategies to really reach the potential positive impact of migration and transnationalism.

## **1.4 Structure of the thesis**

This thesis has started with an introductory chapter, where the context of the proposed research has been discussed including the main and the sub- research questions to be answered. Following this, definitions of the key terms to be used were explained, and a discussion of the context of Colombia, the country of origin of the migrants subject of study in this research, was presented.

The following chapter reviews the literature that frames this research, including a section on migration, socioeconomic development and transnationalism, another one in relation to households in migration studies, and finally, a subsection on Colombian international migration.

Then, the methodology chapter discusses the research strategy, the pilot study, the sampling and data collection methods, the data analysis procedures and issues of ethics pertaining to the research. Further, the findings of empirical research are analysed and discussed. Subsequently, implications for policy actions at the community and national level are put forward. Finally, the main conclusions stemming from this research are provided.



## **Chapter 2. Literature review**

### **2.1 International Migration, Socioeconomic Development and Transnationalism**

Globalization and the development of new technologies of communication and transportation have facilitated the movement of people, capital and resources, creating links among individuals from diverse regions, assisting countries and people to keep close ties across physical distance (Massey, 2000). Yet, even if open economy policies endorsed by more developed countries and neoliberal agendas promote the free movement of factors of production, labour is one of the factors of production with the lowest level of mobility, as it is strongly regulated all over the world (Newland, 1999). Despite this, people move and relocate to other countries. According to the OECD (2009), economic differentials, mainly in wages, are the principal driver of year to year migration, although there are other reasons (non-pecuniary ones) that will motivate migration persistence in the future.

There are diverse theories that seek to explain why international migration occurs, although there is no consensus regarding which one is the most accurate (OECD, 2009). While the theories of migration have been developed and studied in several disciplines, most of the research done in this area covers mainly three topics: reasons for people to migrate, the adaptation process of the migrant in the new place of residency, and the impact of immigrants in the destination place (Portes and Dewind, 2004).

This chapter is divided into two main sections. The first section provides an overview of the key migration theories and their perspective on development, including transnationalism and the activities associated with it. The second section discusses relevant literature related to Colombian migration studies. The summary offers a clear closing of the chapter. It is important here to recall that a general theory of migration does not exist, and the likelihood of arriving at one is low, because it is difficult to develop an all-encompassing theory given the complexity, diversity and multidimensional features of migration. Rather, migration is addressed by a set of unrelated theories, frameworks and models (Arango, 2000; De Haas, 2007a).

De Haas (2008) explains that the theories developed to explain the relationship between migration and development have varied with the changes in social studies, beginning in the 1950s and 1960s with more ‘confident’, ‘optimistic’ perspectives (neo classical theory), then moving to rather unenthusiastic points of view (structuralist and neo-Marxist approaches), and then again to more optimistic perspectives from the new economics of labour migration (NELM), transnationalism and other new approaches.

Moreover, De Haas (2008) states that a comprehensive theory of migration and development would need to contain all its heterogeneous variables, diverse physical and temporal spaces, views and assumptions from various disciplines. Therefore, the result would be so abstract that it might not even work, a view also shared by Portes and Dewind (2004), and Portes (1997). However, researchers from diverse disciplines have developed theories that help to improve the understanding of migration, and these are discussed next.

### ***2.1.1 Labour Mobility or Neoclassical Migration Theory***

In order to determine the potential impact that transnational activities may have on the socioeconomic development of the developing country of origin of the migrant (like the Colombian case), it is important to study why people migrate. One of the theories that explain why people migrate belongs to the neoclassical perspective. Within this perspective, wage differential is the main pull factor that motivates international migration. This theory is referred to as the Labour Mobility Theory, or neoclassical theory of migration, and was developed within economic studies based on the initial work of Ravenstein (1885, 1889) and later reformulated by Todaro (1969) and Harris and Todaro (1970).

According to the Theory of Labour Mobility, people will emigrate if there is an abundance of labour supply at home, leading to reduction in the real wages of workers. Individuals will migrate to places where labour is scarce, and therefore, wages are higher. This rise of immigrants in the latter will increase the availability of labour in the market, pressuring wages’ reduction. At the same time, the country of origin of the migrant will experience a loss of labour, producing an increase in real wages. This movement of labour will continue until the difference in wages is not perceived, at a

point where the real wages in both countries are at similar levels (Krugman and Obstfeld, 2005). At the same time, capital will move in the opposite direction, to a place where labour is abundant.

This model of Labour Mobility resembles Heckscher-Ohlin's (1933) model or factor-proportion theory, with labour and capital moving in opposite directions. Neoclassical economic theory assumes individuals will maximize their wellbeing when choosing a place of residency (utility maximization; Borjas, 1989). According to this theory, people will migrate in order to find better paying jobs. The neoclassical macro perspective on international migration considers that migration allows the optimal allocation of labour, to benefit sending and destination areas, yielding growth and productivity (both are components of development, as described earlier). However, this model does not include remittances, or any other transnational activity, and their impact on sending locations (De Haas, 2008).

Under the micro perspective of neoclassical theory, individuals are rational actors who will take the decision to migrate if the benefits of their displacement are higher than the associated relocation costs. In this case, migration is a form of capital investment, where the associated costs will be covered by increases in labour net return (positive net return; Arango, 2003). Because of this, the poorest do not migrate given the high costs and risks associated with the relocation process (De Haas, 2008).

The Neoclassical theory seems to reflect the main reasons why people migrated in the 1950s, and supports a more optimistic view of the migration-development nexus. Yet, this theory does not explain why countries with similar wages experience different rates of migration, or why some people with low incomes will migrate while others will stay in their countries of origin. In addition, if we consider the existing wage gaps amongst diverse countries today, one can expect the world to have higher migration rates, as compared to the actual number of international migrants.

Also, this theory only considers labour migration, while international migration includes other types of migrants as well. The neoclassical theory does not mention remittances effect on the economy of either the receiving or sending country, presenting an individualistic approach to international migration. Nevertheless, if an individual migrates for economic reasons, one can assume income improvement for that person

allowing him/her to send remittances back home. Transnational activities are not included either, although this concept is rather new as compared to the time this theory was initially proposed.

Massey *et al.* (1994) argue that most research carried out using the neoclassical perspective has not considered *expected* wages (it generally uses wage differentials and unemployment rates). Although most research proves the theory to be right, it also demonstrates it does not offer a complete explanation of international migration (expected income is one factor, not the only factor). It seems like employment variables are more important than wage differentials for migrants (Massey *et al.*, 1994).

Another problem with the neoclassical theory is that it considers migrants to be rational utility maximizing entities, who act solely through their own interest and means, ignoring their membership of families, households and even communities, who in turn can add motives or facilitate (restrict) migration abroad (De Haas, 2010). Moreover, the theory does not include the role of structural constraints of countries on development (De Haas, 2007a) which can motivate people to move abroad. In other words, this theory includes migrants' agency but not the structures that surround them. Nor does this theory analyse possible negative impacts of migration.

In an attempt to address some of the shortages of the neoclassical theory, a new array of concepts and theories have been developed, including some with opposite perspectives regarding the impact of migration on development, like the World Systems Theory discussed below.

### ***2.1.2 World Systems Theory***

The World Systems Theory was developed by the Marxist sociologist Immanuel Wallerstein (1974; 1980), based on the idea that the expansion of capitalism reinforces the difference in economic and political power between developed and developing countries. This theory considers migration to be one cause of underdevelopment which is negative and detrimental for the sending country (De Haas, 2008), causing dependency and brain drain. According to this theory, both capital and labour flow in the same direction: the developed country. Here, individuals do not exercise their

agency because they are constrained by the structural forces of globalization (De Haas, 2008).

In other words, the World System Theory ascertains that migration is based on the historical constitution of the global market, and the cultural and economic ties kept with colonies. “Foreign investment in developing economies is managed from a small handful of “global cities” that require immigrant labour to fill low-wage jobs. Once established, the “lead” and “periphery” economic relationship symbiotically maintains migration” (OECD, 2009: 60).

This theory considers that international migration is a consequence of the dynamics of the markets and the global economy, not of wage differentials. As a result of migration, economic imbalances between developed and developing countries are maintained and even increased. Therefore, international migration becomes a tool of neo-colonialism, where dependence is maintained, developed countries benefit from cheap but skilled labour, while developing countries suffer brain drain and loss of its labour force. In other words, exploitation of the poor south is continued by the rich north to maintain the global hierarchy.

A similar phenomenon is described in mainstream international business studies analysing the role of multinational corporations in developing countries. In this case, it is argued that multinational companies from the rich north take advantage of the resources of the south for their own benefit, creating more income for developed nations where headquarters are located and technology is being developed, leaving poor countries with small if any benefits, and increasing dependence and economic imbalance between nations (Stiglitz, 2007).

The World Systems Theory establishes that the expansion of capitalism changes the social and economic statuses of developing countries, displacing some people who become mobile and prone to migrate. In general terms, extant empirical research seems to support this theory, but its theoretical propositions have not been analytically studied (Massey *et al.*, 1994). This deterministic theory does not explain, however, the international migration flows that take place in the world today, like south to south migration, or between countries without a common history or long standing relations. Nor does it study the potential impacts of transnational activities or remittances in

migrants' sending societies. Additionally, the structural forces surrounding migration are the only determinants of migration in this case, while the ability of individuals to make migration decisions is not included, which represents a problem when studying migrants' activities and their impact at home.

### ***2.1.3 Dual Labour Market Theory***

In 1979, Michael Piore developed the Dual Labour Market Theory. This theory suggests that given the structural composition of developed economies, there is a constant demand for migrant labour to work in specific jobs that no locals are likely to fill (Arango, 2003). This theory highlights that there is a chronic demand for migrants in developed economies to work in low status jobs which attract a lot of migrants without affecting the local wages structure (OECD, 2009). In this case, migration occurs as a result of the labour demand of developed countries because of their economic structure (pull factor in receiving countries).

Even if the potential occupations of migrants under this theory are those with lower remuneration, more instability and smaller salaries, migrants will take those positions for diverse reasons, such as: those jobs can pay better wages than those same appointments (or even other ones) in their country of origin, those jobs might be their only available option, and those jobs can allow them to increase their status back home. Those positions will allow migrants to earn an income abroad, enabling them the opportunity to improve the socioeconomic situation of their families, their communities or even their countries of origin.

While this theory does not specifically address transnational activities or remittances, it does consider the opportunities the economic structures of developed economies offer immigrants, motivating migrants' labour demand. Those migrants in turn can improve their income (as rational family members or as individuals) and leverage the income risk for their families. Still, this theory only considers economic migrants, and fails to explain south to south migration and why some migrants work in highly skilled positions that in turn have supported innovation and entrepreneurship in their countries of origin (Saxenian, 2005).

#### ***2.1.4 New Economics of Labour Migration Theory (NELM)***

As an improvement and critical response to the neoclassical theory, the New Economics of Labour Migration Theory (NELM) was proposed (Stark, 1991). This theory establishes that the decision to migrate is made by the household, not by the individual alone, contrasting with the individualistic nature of the neoclassical perspective. Families, as units, can contemplate migration as a strategic opportunity to maximize family income, reduce risk, diversify revenues, and satisfy their relative deprivation at home (as compared to others; Arango, 2003).

In this case, the family sees migration as an opportunity to leverage risks, generate income, and to overcome market constraints at the local level (market imperfections such as the lack of proper insurances and weak capital markets). Family income is leveraged through remittances, which in turn helps to improve relative income (not only absolute income) as compared to other families in the local economy (Massey *et al.*, 1993). Here, the individual behaviour is societally given, that is, the household unit makes the migration decision. For that reason, communities with higher relative income differential will send more migrants abroad. It is important to mention here that even if NELM was developed within economic studies, it uses a family approach already employed in other social fields, as recognized by Lucas and Stark (De Haas, 2010).

NELM considers migration as a risk-sharing strategy to improve household income, diversifying its sources and minimizing its risks. Thus, remittances are a form of income insurance for families left behind, providing an answer to overcoming market constraints (such as imperfect capital markets; Da Haas, 2008), and protecting households from local threats that attempt to diminish their material wellbeing.

This theory is the only one that explicitly mentions the role of remittances in migration, describing their potential to improve the living standard of migrants and migrants' families. In accordance with this theory, a person will migrate with the aim of earning some income that will be sent back to his/her family back in the country of origin in the form of remittances. Therefore, remittances become an important component of family income and wellbeing, motivating some family members to move abroad. Hence, the

migrant will have the implicit or explicit duty of sending remittances to the family members left in the home country to improve family income as a whole.

According to Massey *et al.* (1994: 712-713), under this perspective remittances and migration also affect the sending community: “Migrant remittances increase the utility of households by loosening the budget constraints on consumption by the amount of the remittances; but unless relative prices change, they should not influence other income-generating activities. The increase in income simply produces a greater consumption of ‘normal goods’, given the household-farm budget constraint”.

This theory considers the main transnational activity, remittances, an important part of the migration-development debate. Although it does not consider directly other transnational activities, it does contemplate how remittances can be designated to other ends, such as diverse types of investment (e.g. homes and entrepreneurship), improving families’ living standards. Other transnational activities are not yet weighted up in this theory, mainly those related to communal or political activities of migrants.

Taylor *et al.* (1996) point out that consistent with this theory, migration has a positive impact on local communities since remittances help families to overcome the capital and risk constraints (market failures) influencing investment. However, the authors also argue that the relationship between migration and local development varies with time and across locations.

Empirical research carried out to probe this theory has shown contradictory results. In general terms, it seems that the impact of migration will depend on how remittances, and the losses and gains on human resources, are being distributed among households, on production constraints and on the existence of non-tradable investment and consumer goods in the origin community (Taylor *et al.*, 1996). Considering this, the impact of remittances in the Colombian case can be positive or negative depending on the specific characteristics of the country, its migrants and their households.

Taylor (1999) evaluated the potential benefits of remittances for development using the NELM approach. In this paper the author provides empirical evidence suggesting that remittances can have a positive impact, reducing capital constraints for investment and production for households and increasing their income. Other studies conducted using



the NELM approach include Sana and Massey (2005), where the authors state that NELM seems to work as predicted in Mexico, but not at the same level in the Dominican Republic, where remittances are more related to households' needs and lack of opportunities at home than to households' strategies to diversify risks. Nevertheless, as the same authors argue, in this case remittances are being sent to households at home to reduce their income needs, making migration a survival strategy for families. Therefore, the assumption that NELM explains the effects of migration under diverse structural constraints and within diverse settings can be valid, but their objective can be to diversify risk, reduce income needs, or even, increase investment.

Other authors who have used NELM within their studies include Bellak *et al.* (2012), who state that seasonal migration of Armenians to Russia is a family strategy followed to diversify income for the household, as predicted by NELM. Similar results are found by Böhme (2013), who using NELM in his study describes that remittances allow for recipient families to overcome credit constraints and therefore, enable them to increase their investment levels at home. However, those investments are mainly dedicated to subsistence production projects created to maintain the family's income level and to cover their basic needs, whereas investment in other productive ventures is not common. In this case, migration itself becomes a form of investment for the household.

Using NELM, Hernandez *et al.* (2012) argue that remittances are part of the family strategy to manage income risk, increasing migrants' likelihood of requesting local loans, reducing capital constraints even further. NELM has also been empirically studied by Li *et al.* (2013), who argue that Chinese families that receive remittances can offset the loss of labour suffered by the migration of one of its members with increases in productivity gained thanks to the investments made with the remittances received in capital and profitable crop production. Similar results have been argued by Taylor, Rozelle and Brauw (2003). On the other hand, using the same NELM approach in Kenia, Sindi and Kiriimi (2006) discuss that remittances do not offset the labour loss caused by migration, although they do become a source of family income that supports households' welfare.

As far as the place of agency and structure within the NELM approach is concerned, De Haas (2011) discusses the place of agency within NELM, since the decision to migrate

in this case is an active response used by families and individuals to reduce structural constraints. According to De Haas (2011: 10):

*“An important methodological inference of these ‘new’ theories is that market access, income inequality, relative deprivation, and social security are important migration determinants, and need to be included in empirical models if possible. NELM-inspired migration theory seems particularly relevant for explaining migration in developing countries and other situations in which migrants face considerable constraint and risk”.*

Moreover, Datta (2009) states that migration-development research has been more optimistically oriented since the 1980s and 1990s when the NELM approach was established. Nevertheless, NELM only considers one transnational activity (remittances), and it does not explain all the reasons why migrants send them (Ghosh, 2006). Also, this theory is based on labour migrants only, and does not give insights into the decisions and activities of other types of migrants.

### ***2.1.5 Network and Cumulative Causation Theory***

In the process of expanding the knowledge and understanding of migration, more theories have been developed by diverse disciplines which have offered diverse propositions. Some theories, such as the Network Theory and the Cumulative Causation Theory, have been developed to explain the perpetual characteristics of migration (Massey, 1987, 1988; Massey *et al.*, 1993). These theories demonstrate how migrants' selection must be greater once the migration flow begins, but then this selection is reduced thanks to network formation, institutional support, and/or causation phenomena which ease the migration process for others.

Network theory was initially described by sociologists and anthropologists. As described by Massey *et al.* (1993), because migrants form networks in receiving countries, the risks and costs associated with migration diminish, motivating others to migrate. The same authors argue that networks support the creation of a continuous flow of migrants, where more migrants will create more networks which in turn will reduce

costs and risks for future migrants, inducing more migration and further strengthening migrants' networks, and so on. This means that the decision to migrate of one individual will alter the future conditions of other potential migrants (Massey *et al.*, 1993). Networks provide information, financial support and even initial housing and jobs for new migrants which reduce risks and costs associated with relocating abroad.

Network theory indicates that transnational activities, especially remittances, can be important elements connecting migrants to their home country. At the same time, it leads us to believe that those activities and remittances might not reduce in time, since more migrants will give rise to more networks, increasing more migration, transnationalism and their links with the place of origin. Also, Network theory allows for more equality in the remittances recipient regions in the long run, once migration becomes an option for diverse social groups, not only for the medium-high class groups, reducing migrants' selectivity. However, if migrant's selectivity is not reduced, inequality could increase (De Haas, 2009). Networks can become transnational communities, strengthening their ties with the home country through transnational activities and participating at diverse levels in various activities at home (such as investment, remittances, hometowns associations, and politics; Portes and Dewind, 2004).

De Haas (2008) argues that the idea of belonging to a transnational community explains why migrants send remittances and have close ties with the community of origin. Therefore, remittances do not tend to reduce over time, not even once settlement and integration at destination occurs. According to De Haas (2008), changes in migrant selection (which is reduced by networks) can probably impact development in the sending country. Furthermore, belonging to a network can increase migrants' commitments and ties with the country of origin, which in turn might increase and sustain transnational activities at the individual, community and country level.

On the other hand, Cumulative Causation Theory, proposed by the sociologist Douglas Massey (1988), suggests that migration creates a vicious circle where its negative impacts will alter the system, inducing productivity and wealth loss in the sending region (Massey *et al.*, 1993). In line with this theory, migration increases brain drain, dependency, inequality (due to selective nature of migration), and motivates further emigration (De Haas, 2008). For instance, once one person migrates the social context

in which the next person prone to migrate will have to make the decision to leave his/her country is going to be different, likely motivating that person to migrate.

Arango (2003) explains how this theory proposes that migration is a continuous, self-sustained and auto-perpetuated phenomenon. According to the author, this happens because every time a person migrates, there is a socioeconomic change that affects the next migrant. Some of the mechanisms that generate those socioeconomic changes are networks, emigration culture, and relative deprivation (as compared to others).

If we consider that migrants form networks, and that there is a cumulative causation affecting international migration, then international migration sustains itself and it becomes a continuous flow that will more likely motivate more people to migrate in the future. Thus, one can assume that all transnational activities from new and old migrants might increase in the future, and remittances being sent for today's migrants will sustain at least in the medium term. However, networks can reach a saturation point, where migration might not increase anymore, or where new networks will be formed in different places (Light, Bhachu and Karageorgis, 1989).

Both theories, the network theory and the cumulative causation theory, can explain networks and transnational communities' formation, but might lead us to believe that migration will be continuously growing, although as the US-Europe migration phenomenon at the beginning of the 20<sup>th</sup> century has shown, migration might reach a stable point. Also, some emigration countries can become immigration ones at some point in time, as has been the case with, for example, Ireland and Spain.

### ***2.1.6 Migration Systems Approach***

In order to better comprehend this self-sustaining process, the Migration Systems approach (Fawcett, 1989) was proposed. This approach assumes that Network Theory, Cumulative Causation, and World Systems Theory allude that migration movements will reach a stable point in a specific time and space, which will allow for the identification of migration systems (or corridors) from one/various places to one/various countries (Massey *et al.*, 1993).

This approach suggests that there are defined migration systems, shaped by sending countries and receiving ones, formed through diverse connections existing among those countries. In accordance with De Haas (2008), Migration Systems Theory determines that migration will influence the economic, cultural, social and institutional environment in both the receiving and sending regions. In this case, migration links distant places through the exchange of people, products, information, and services, which further facilitate more exchanges. In addition to this, remittances can increase relative deprivation and community inequality, motivating others to leave until a stable migration point is reached.

This theory, however, does not explicitly explain how the sending region would be economically, culturally, socially or institutionally affected, perhaps because the real impact will depend on the specific characteristics of the sending region and its emigrants. Likewise, migration systems theory does not describe the specific structures of the country of origin and destination, which can shape migration patterns, migration communities, networks, and the level of engagement in transnational activities.

Nevertheless, it does include transnationalism as an important part of the migration phenomenon, considering transnational activities as actions that connect migrants with their countries of origin and destination, which in turn will influence socioeconomically the home country (as well as the receiving one). Therefore, as migration facilitates more exchanges between countries, one can expect the volume of transnational activities to increase. It might even be so if migration reaches a stable point, since transnationalism can keep growing as a consequence of the strengthening of its own activities (such as increased trade, tourism, political participation, telecommunication).

### ***2.1.7 Pull and Push Framework***

On the other hand, migration pull and push framework, another approach developed to understand migration, does include the important role of the structure of the sending and receiving countries within international migration, overcoming one of the flaws of migration system theory. This framework is based on neoclassical approaches, and it considers the structures of the country of origin and destination to be the main causes of migration. Consistent with this framework, there are different reasons why people

migrate to other nations, reasons that can be influenced by push or pull motives (Lee, 1966).

Push motives include the lack of jobs in the home country, violence, terrorism, and other factors that force people to leave, where migration becomes the only option for long time survival, i.e. a necessity. On the other hand, pull motives such as improved economic opportunities, superior education and health systems, varied social life and safety nets lead those who want to improve their living standards and do not find a way to do so in the home country to migrate (desire to migrate and upgrade; Clunies-Ross, Forsyth and Huq, 2009).

Consideration of the pull and push motives to migrate lets us see that wage differentials might not be the only reason for people to migrate, but that a pool of causes will motivate people to move and settle abroad. Some of these motives might include belonging to social networks, finding a better quality of life, improving education and health systems access, among other factors. Yet, this framework does not consider the impact migrants and transnational activities (including remittances) can have on the sending country, especially for migrants who have left the country for pull motives (since push motives usually are related to forced migration).

However, some of the motives explained as possible reasons for people to migrate can generate some transnational activities, thanks to the possibility migrants have to overcome the obstacles they previously encountered in the country of origin. In other words, once a migrant can overcome those difficulties he/she can use its new and improved situation for the benefit of his/her country of origin, not only to enhance his/her own position in the country of origin, but also, helping others left behind. For example, once the individual gets to improve her or his education or salary, he or she would be able to help other family members or the community in the country of origin through remittances, philanthropic projects, political participation, community remittances, transfer of knowledge, and investment.

At the same time, helping others can impact the general situation of the country. Of course, this will depend on the level of attachment of the person to her/his nation and the general socioeconomic conditions of the country. It will also depend on the unique

personal situation of each individual (if she/he migrated alone or with the whole family, if they were forced to leave, among others), and her/his agency.

Even though pull and push motives to migrate created a new set of definitions which recognize the importance of structure in countries of origin and destination within migration research, it is not considered a theory, but a conceptual framework to study migration (Arango, 2003; Massey *et al.*, 1993).

### ***2.1.8 Migration Hump Theory***

Reviewing the theories discussed so far, it might be possible to conclude that all those who want to improve their living standards outside their country of origin must be able and willing to migrate to other countries. However, the Migration Hump Theory, put forward by the economists Ozden and Schiff (2006), establishes that people will migrate if they can perceive that migration costs are lower than the real wages expected. This migration cost is affected by distance, cultural differences and social networks. This theory also suggests that the longer the distance between sending and receiving countries, the greater the cost to migrate and the smaller the social networks. As a result, those who are really poor cannot afford to migrate, while wealthy individuals might lose more if they migrate. In both these cases migration costs will be higher than the benefits. That part of the population for whom migration costs are lower than the expected real wage gain, will form the group of people who are willing and able to migrate.

This theory also helps us to understand that international migration is not a consequence of poverty or marginalization, but that it is part of development processes. Hence, promoting development in poorest countries will increase, at least at the beginning, international migration from those countries towards more developed ones as income increases and reaches a certain level. Once that level has been reached, migration will reduce.

Migration Hump Theory does not explicitly mention transnational activities, but its analysis might raise the question of whether transnational activities of migrants will show a similar behaviour or not, exhibiting a small increase at the beginning, reaching a

stable point and descending again once migration is reduced, especially in the case of remittances, based on the assumption that the lower the amount of migrants, the lower the amount of remittances expected.

The theories previously discussed agree on the fact that even if wages are really important, they are not the main element that motivates migration. Moreover, the Migration Hump Theory shows that migration is part of the development process, implying that developing countries will reach a point at which they will turn from being migrant-sending countries to becoming migrant-recipient ones as development improves. Nevertheless, some other theories assume migration to be a result of underdevelopment, where people will migrate for economic reasons in search of a better livelihood. Under these circumstances, developed countries must support the development of less developed ones in order to contain or reduce international migration.

### ***2.1.9 Migration theories, development, agency, structure and transnationalism***

In general terms, migration theories have attempted to explain the migration phenomenon and its relation with development from diverse perspectives, as the migration occurrence itself has been changing in recent years. According to De Haas (2005), some of those changes include the increase in south-south migration, the empirical evidence showing that migration is not an option for the poorest members of an economy, the theoretical perspective that the initial steps of development increase migration so development assistance programs might not reduce migration in the short run, and that migration can cause brain drain but also brain gain and circulation. Other considerations comprise to be conscious that the impact of remittances in the country of origin of the migrant will depend on the specific circumstance of sending and receiving countries, that transnationalism allows migrants to keep in touch with their country of origin and adapt to the new environment at the same time, and that a country's government cannot contain or avoid immigration (De Haas, 2005).

Regarding transnationalism, migration related literature acknowledges how the impact of those activities will depend on the specific characteristics of the migrant and the country of origin and destination. Furthermore, to really determine this impact, it is



necessary to consider its diverse direct and indirect effects. This is not an easy task, given the difficulty with collecting data in some regions, the diverse definitions provided for measures and indexes, and because it will also depend on the definition of development to be used. For the purposes of this research, the definitions used have been described in the Introduction.

Nevertheless, studies developed to analyse the impact of migration in the country of origin of the migrant are inconclusive. Extant research offers diverse results, pointing to the unique characteristics of the migrant population, the country of origin and the country of destination as the main factors that influence the outcomes obtained. Most of the theories explained so far have an economic focus, a reflection of them having been developed within the field of economics (neoclassical, world systems theory, dual labour theory, NELM, migration hump). Alternatively, network theory and cumulative causation theory were formulated by sociologists, the migration system approach was initially described by a psychologist and pull-push framework is based on a demographer's work. Theories based on economics mostly refer to labour migration, while other theories do not specifically target this type of migrants. Nonetheless, all of them focus their work on explaining why migration occurs, and have not been able to settle the migration-development nexus debate.

According to De Haas, the relation between migration and development has not been reconciled yet, and perspectives on it have changed throughout time according to the changes occurring in social and development studies. As mentioned before, some arguments provided to back up the possible beneficial relation between migration and development include remittances, brain circulation and brain gain, trade, technology and knowledge transfers, investment, poverty reduction, income increase, improvements on health and education levels, and positive multiplier effect at home. On the other hand, most of the drawbacks discussed comprise brain drain, dependency, decrease on local output and labour supply, inequality, and negative selection of migrants.

The same author argues that to better understand the migration-development nexus two important elements must be included in research: the structure or specific context under which migration takes place and the ability of migrants to live and change that environment (agency; De Haas, 2010). Nonetheless, the theories explained so far focus on either agency or structure, but they do not incorporate both at the same time.

Similarly, the theories examined do not directly address transnational activities within their analysis, except for NELM, as table 7 shows.

**Table 7: Migration Theories, Transnational Activities, Agency and Structure**

Migration Theory	Transnational activity	Agency	Structure
Labour/Neoclassical	-	X	-
World Systems	-	-	X
Dual Labour	-	-	X
NELM	Remittances	X	-
Network	-	X	-
Cumulative Causation	-	-	X
Migration Systems	X*	-	-
Pull and Push	-	-	X
Migration Hump	-	X	-

\* This theory does not explicitly mention any transnational activity but it recognizes a diverse level of exchanges taking place between migrants' place of origin and destination.

Source: Own elaboration of the author

As shown in Table 7, migration theories discussed so far only consider agency or structure, not both at the same time, even if both affect migration and its outcomes, as discussed before. Both agency and structure need to be included in this research to better understand the impact of migration on the socioeconomic development on Colombia in the three levels of analysis proposed, as suggested by De Haas (2010).

Likewise, only a few migration theories consider remittances or any other transnational activity within the analysis. This may be the case because transnationalism approaches were developed rather recently as compared to the time other theories to study migration were initially proposed. However, those activities have the potential to impact socioeconomically migrants' families, communities and countries.

Therefore, this research places importance on the agency, structure and transnational activities of a specific group, Colombians living in the US, and the impact that those activities can have at the micro level of migrants' families, the meso level of their communities and the macro level of the country of origin. For this purpose, NELM and

Transnationalism approaches to migration are used as conceptual frameworks that allow for the inclusion of agency, structure and diverse migration-development interactions (De Haas, 2010) driven by migrants' transnationalism.

NELM is the only migration theory that explicitly mentions remittances, and the role of agency within migration initiatives. Transnationalism allows for covering other transnational activities within the structures of the country of origin and destination. Finally, both consider the importance of each individual migrant as members of families or communities, and therefore, as part of the socioeconomic development of the country of origin.

### ***2.1.10 Transnationalism***

Transnationalism was developed in the 1990s by a group of social anthropologists who described a set of activities as being transnational, defining transnationalism as “the process by which transmigrants, through their daily activities, forge and sustain multi-stranded social, economic, and political relations that link together their societies of origin and settlement, and through which they create transnational social fields that cross national borders” (Basch, Glick Schiller and Blanc-Szanton, 1994: 6), where “transmigrants are immigrants who live their lives across national borders, participating in the daily life and political processes of two or more nation states” (Glick Schiller, 1997). Since then, transnationalism has become a perspective from which to study international migration and its impacts. This theory places particular importance on migrants' activities (agency), which they perform between the structures of the country of origin and destination.

Although, as pointed out by Portes (2001), the concept of transnationalism is not really new, not all migrants participate in transnational activities, and there are many definitions of transnational activities, the transnational migration phenomenon still deserves a deep study and understanding. This is, as suggested by the author, because immigrant transnationalism is likely to increase in the future, because it can modify the integration of first- and second- generation migrants, and because it can affect the sending nations. This latter reason is of particular interest for this thesis.

Transnational activities *per se* are not new because already migrants from the beginning of the last century showed to engage in similar activities. However, globalization, as well as advances in technology and telecommunication, has fostered a higher frequency and pace of transnationalism and its related activities at an unprecedented level (Szanton Blanc, Basch and Glick Schiller, 1995; Levitt, Dewind and Vertovec, 2003). Moreover, even if transnationalism existed in the past, it has only been discussed and studied nowadays (Portes, 2001).

Portes (2001) argues that although not all migrants engage in transnational activities, and their level of participation varies, it is important to consider transnationalism as one of the adaptation processes migrants can use; one that merits more study and analysis. Also, recognizing that transnationalism involves diverse actors, Smith and Guarnizo (1998) distinguished between “transnationalism from below” (migrants and transmigrant communities) and “transnationalism from above” being the last one produced by NGOs and private and public organizations. The level of involvement of migrants in transnational activities has been classified by Itzigsohn *et al.* (1999) as broad and narrow transnationalism. Broad transnationalism denotes sporadic involvement of migrants in those activities, while narrow transnationalism refers to more frequent, continuous and even institutionalized activities. Similarly, Portes (2003) classifies them into broad (including less and more frequent activities) and strict transnationalism (which only includes frequent activities).

According to Guarnizo (2003) transnational activities of migrants are limited by their social cultural ties, practices, need for local recognition (in the place of origin), and status. Also, the author recognizes that those practices are limited to certain kinds of migrants, which in turn can increase inequalities in the place of origin. In line with this proposition, when studying the impact of transnational activities in developing countries, it would be necessary to consider the specific characteristics of Colombian migrants living in the US.

Levitt, Dewind and Vertovec (2003) indicate that there might be an increase in transnational activities in the future given the growth in the volume of networks and migrants in recent years, and also because governments are enacting policies to keep their migrants connected to the homeland (motivating more transnationalism from

above and aiming at increasing narrow transnationalism); those policies mainly aim to keep or increase remittances and to promote political linkages with the diaspora.

Under the transnational perspective, migrants have the possibility to pursue transnational livelihoods. This theory implies that adaptation (and integration) to new places and commitment to the place of origin can take place at the same time, and therefore, migrants can adapt to their new places of residency while keeping close ties with their places of origin. Therefore, migrants' contribution to development not only depends on returns, but also on the transnational ties kept by migrants (De Haas, 2008). Transnationalism can therefore increase migrants' involvement in the socioeconomic development of their country of origin through remittances and diverse transnational activities. Some empirical research has proved to be supportive of this theory (Guarnizo, 2003; Guarnizo, Portes and Haller, 2003; Portes, Guarnizo and Haller, 2002; Portes, 2003).

Saxenian (2005), for instance, considers that there is a potential for cross regional entrepreneurs to sustain local development through the sharing of their knowledge of global markets, advanced technologies, home and host markets, cultural landscape of both nations, and language. This sharing enables them to transfer knowledge, to determine new potential markets and to overcome cultural and distance barriers. These transnational activities create a mixture of international learned entrepreneurial activities combined with national institutions and resources, giving rise to a novel and unique environment to create new business.

Other studies have been supportive of this approach, for example the research carried out by Song, Almeida and Wu (2001) in Taiwan and Korea. The authors argue that mobile engineers from those countries who have moved to the US, have supported technological and knowledge transfers to their countries of origin, playing an important role in their countries' innovation levels. Similarly, Lin *et al.* (2008) suggest that transnational professionals support innovation and knowledge transfer for their countries of origin, and can become important transnational entrepreneurs through whom innovation and knowledge can be circulated between the country of origin and the country of destination of the migrant.

Summing up, transnationalism broadens the scope of analysis when studying the impact of activities carried out by migrants in their country of origin, specifically when analysing the effect on socioeconomic development. A new range of transnational activities are included in research when this perspective is adopted, adding to the economic approaches towards remittances other activities of a more social nature, for example participation in political activities, philanthropy, hometowns associations, communal projects, and knowledge and technology transfers.

Most research carried out in relation to transnational activities of Latin-American migrants has been based on the Mexican case, and proposes that migrants' involvement in a wide range of transnational activities can be favourable for their households, communities and countries of origin, at the social and economic level (e.g. Beard and Sarmiento, 2010; Cohen, Rios and Byars, 2009; Durand *et al.*, 1996; López-Córdova, 2006; Orozco and Welle, 2005).

Regarding the specific Mexican case, previous empirical studies have discussed the participation of those migrants in the socioeconomic development of families, communities and the country through diverse transnational activities such as sending remittances (Durand *et al.*, 1996), buying real estate and land, consuming Mexican products while in the US (increasing cross border trade), investing in farms and cattle, making telephone calls and traveling to Mexico frequently, working with hometown associations, and participating in philanthropic projects in their communities (Debass and Orozco, 2008; Durand *et al.*, 1996; López-Córdova, 2006; Orozco and Welle, 2005; Waller Meyers, 1998).

Durant *et al.* (1996), for example, explain the important role remittances have played in the Mexican case, thanks to improvements in education, community support, family wellbeing, and access to investment options and entrepreneurship that would not have been possible without remittances sent for consumption or savings. Likewise, Lopez-Cordova (2006) describes the positive impact of remittances on the living conditions of the Mexican regions that receive them, agreeing with Adelman, Taylor and Stephen (1988) and Waller Meyers (1998) findings.

Beard and Sarmiento (2010) argue that Mexicans living in the US demonstrate high participation in hometowns associations and projects, thanks to their strong network

connections and social capital. However, they seem to be mainly concerned with the development of their communities, while lower interest is exhibited for political collective action. Similar findings are discussed by Orozco and Welle (2005), Portes, Escobar and Walton Radford (2006), and Cohen, Rios and Byars (2009). Cohen, Rios and Byars (2009) also suggest that even if communities of origin can have better infrastructure for living thanks to its migrants, there are also some costs associated with this international movement of people, such as gender inequalities, family reconfiguration and marginalization of some non-migrant-families. On the other hand, Woodruff and Zenteno (2007) argue that Mexican migration and migration networks reduce local credit constraints and therefore promote entrepreneurship and investment, allowing migrants and their families to find self-employment options for improving their living standards.

In those studies most of the effects of the transnational activities analysed are considered to be beneficial, although some concerns have also been raised, especially in relation to possible dependence development and further migration. According to Chami and Fullenkamp (2009), dependency can be developed because recipient families can use remittances as their only source of income, discouraging family members from searching for local jobs. Also, the exposure of the material benefits obtained through remittances and migration might motivate other members of the family and/or community to migrate. Some of the beneficial impacts explored include the improvement in living conditions for households, enhancement of communal environments for communities, positive multiplier effect on the economy at national level, and investment in farming and cattle.

Nonetheless, there is little evidence of a similar trend on the part of Colombian migrants, except for money transfers in the form of remittances for family members left behind. Most studies relating to Colombian migrants and transnational activities focus on remittances, mainly with regard to their cost and possible impact in Colombia (e.g. Cadena and Cárdenas, 2004; Cardona Sosa and Medina, 2006; Collazos, Montes and Muñoz, 2005; Leal-Calderon, 2008). More recent research has started to explore other transnational endeavours, such as local political participation of migrants, transnational entrepreneurship, and philanthropic activities of Colombian emigrants in Colombia (Aysa-Lastra, 2007; Bermúdez, 2009; Bueno, 2007; Guarnizo and Díaz, 1999; Matiz Bulla and Hormiga, 2011; Mejia Ochoa, 2006).

Transnationalism, therefore, as a sociological approach to migration, allows for including in the analysis of the migration-development nexus the connection between sending areas and recipient ones, through the social formation of families and transnational network communities. This recognizes the importance of economic reasons behind migration, but also, that migrants use advancements in technology and telecommunication to keep their ties with the home country, while adapting to the country of residency (Schmitter Heisler, 2008).

Then again, most sociological studies of migration are focused on the impact of migration in the country of residence, not in the sending nation (Schmitter Heisler, 2008). This research aims to contribute towards this last direction, studying the impact of migrants' transnationalism in the country of origin, increasing the scope of activities evaluated and the level of analysis in which those impacts will be studied: micro (household), meso (community) and macro (nation).

As stated before, to develop this research, NELM and transnationalism approaches have been drawn upon. According to De Haas (2010), both theories share conceptual similarities. One of them is that migrants can contribute to their home countries from abroad without the need of returning. Also, NELM acknowledges that migrants belong to social configurations and do not act in isolation, and so does transnationalism through seeing migrants as acting within a broad transnational community. NELM considers remittances as a vital part of the family strategy to migrate. Additionally, remittances represent a strong transnational commitment of migrants to their families (De Haas, 2010). Given the important role of remittances within migration and development studies and transnationalism, the following section discusses this specific activity.

### ***2.1.11 Remittances***

In addition to analysing the existing literature related to international migration and socioeconomic development, it is also important to review the literature that discusses why migrants remit money back home and what are the impacts of those remittances, considering this is the most visible and studied transnational activity.



The increase in the volume of international migration has brought with it an increase in world remittances. According to Clunies-Ross *et al.* (2009: 229) “remittances flows to developing countries are now twice as large as total official development assistance. For some countries they are the main source of foreign exchange”. As cited by Instituto Mundial de Cajas de Ahorro (IMCA, 2003), around 100 million emigrants send remittances of about 100 billion dollars to support almost 500 million people (considering only official records, which mean that in reality these figures are bigger, including other non-formal channels used to transfer money). Remittances are therefore a truly global issue, constituting the second largest external financing source for developing countries (after FDI). Sinisterra Rodríguez (2005) argues that remittances lead to an increase in real income for recipient households, to unemployment reduction, to higher national income, to an increase in the productivity level of returning migrants, and to an increase in consumption and investment in the homeland.

There are diverse motives why migrants remit part of their income back home. Stark (2009) lists the following reasons:

1. To share risks
2. To diversify the migrant’s income portfolio
3. To reduce precautionary savings by the family
4. To purchase insurance from the family
5. Because remittances are a part of an implicit migrant-family arrangement
6. For altruistic reasons
7. To “purchase” gratitude
8. To improve social status
9. For specific strategies (to persuade others not to migrate)
10. Because they are induced to remit (family pressure)
11. Because they are conditioned to remit (family obligation)
12. To protect inheritance (usually for and from the oldest son)

The reasons to remit can be divided into two groups:

- a. Altruistic reasons
- b. Capital maximization reasons or self interest

At the household level, remittances become a complement to the family income, and can be used for education expenditures, for future business creation (once the migrant returns home), to leverage business ventures already in place, and to buy land, machinery or production supplies. In some countries, financial and governmental institutions have created diverse mechanisms to channel remittances into investment initiatives including preferred interest rates and access to imported products (Van Doorn, 2002). Van Doorn (2002) also explains that remittances can be used to financially support projects created to assist the development of the region of origin of the emigrant (projects such as building schools, parks, streets, among others), usually through migrants' associations. In some countries, those initiatives are matched with governmental economic funding, where the government also invests some money if there are remittances involved. This is considered to be a communal transnational activity. Whether remittances have a positive or a negative impact on the economic development of a country is a topic under debate. Various authors argue that remittances can be favourable (Durand *et al.*, 1996; Castles and Wise, 2007; Goldring, 2003; Van Der Geest, 2009; De Haas, 2005), while others contend that they are not good for a community or country's socioeconomic development (Chami and Fullenkmap, 2009).

According to Carling (2007) remittances can provide benefits for recipients such as allowing them to buy national and imported products, increasing spending on education, increasing savings, building or buying real estate and investing in businesses. They can also have a longer impact on development, reducing poverty and creating jobs locally. All those benefits can be translated into transnational activities, although not all transnational activities are included here. Similarly, Goldring (2003) considers that some reasons why remittances can be considered as a contributor to development are the skills that emigrants bring back (knowledge transfers), and the money received by households that is used for agricultural purposes or business (investment).

Van Der Geest (2009) assures that remittances have become an important factor in developing economies in the period from 1997 to 2007, where the participation of remittances in the relative GDP of those economies rose from 1.2% to 1.9%. In addition, Durand *et al.* (1996) show that migration and remittances actually improve the economic growth of sending communities. The authors avow that prior research has ignored the multiplier and the indirect effects of remittances on the entire economy,

even if most remittances are expended on general consumption. This impact can be even higher than the direct effects of remittances. Also, according to the same authors, remittances can impact national production in two ways: when directly invested in production (FDI), or indirectly as a multiplier effect on consumption. Although the percentage of remittances dedicated to investment is small, its net values are still important for developing economies.

De Haas (2005: 1277) states that “remittances have proved to be less volatile, less procyclical, and therefore a more reliable source of income than other capital flows to developing countries, such as foreign direct investment (FDI) and development aid”. Given the increase in the flow of remittances for developing countries, they have become an important source of foreign exchange, supporting those countries’ balance of payments. De Haas (2005) also argues that remittances have some benefits that development aid or governmental programs do not have. This is because remittances lack bureaucratic influences and procedures, they reach more people at the same time, they might reach the poorest part of the society or sectors in need of capital (like agriculture), they have less political barriers and controls, they seem to be more effective in terms of income distribution, and they are less prone to corrupt practices. However, since migration is a selective process (not all can migrate, especially the poorest ones, according to Migration Hump Theory), it might not benefit the poorest part of the population or the poorest countries (most remittances go to middle developing countries). In the last case, remittances can generate more inequality.

Moreover, De Haas (2005) explains that remittances do not generate economic growth and development instantly. Their potential to do so will depend on the specific investment and political conditions in the country of origin, as well as the specific conditions migrants have in the country of residence. Paradoxically, the stronger the anti-immigration policies of the receiving country, the biggest the possibilities that illegal migrants must settle down there and will not return, because of their fear of losing everything. Those policies could affect the development potential of remittances in sending countries, affecting also circular migration (where the migrant could move between the country of origin and the country of residence without major difficulties, Skeldon, 2012).

The best policies a government can design to assist remittances to become a developmental instrument seem to be those related to the local stability of the country at the social, economic, investment and legal level, and to lobby other governments to support the legality of its own migrants in those countries. Some other policies are used to reduce transaction costs, create tax exemptions for money transfers, allow migrants to open foreign currency accounts, develop special fiscal policies for migrants, support the establishment of foreign branches of local banks, and assist migrants' associations to carry out specific developing projects for their communities of origin (De Haas, 2005). Therefore, remittances can provide people with the money to invest, but their desire to do so will depend on the political, social and business climate of their country of origin.

Brown (2006) confirms De Haas' findings stating that remittances have grown to become bigger than development assistance, and in some countries, even bigger than FDI. Additionally, he suggests that remittances constitute a more stable, counter cyclical and countervailing resource than private capital flows. Also, he stresses that those remittances are managed by individuals, families and communities, not by governments, increasing safety nets and non-debt investments.

Brown (2006: 57) also mentions that there is a growing belief that freer migration policies will have a greater impact on poverty reduction and income growth than trade liberalization, since "freer migration boosts per capita income in receiving countries, even as it depresses wages for certain segments of the workforce". In his view, remittances are counter cyclical, even during recessions where they have demonstrated to have lower reduction rates than other capital flows (even increasing in some cases). Brown (2006) suggests that contrary to the common belief that most remittances are used in conspicuous consumption, there are studies that prove that remittances receiving households are more likely to invest, create small scale businesses, increase health coverage and education for the family members. Those studies include Amuedo-Dorantes, Bansak and Pozo's (2004) findings that Mexican remittances recipients spend them mostly on health care, followed by food, housing and debt payments, and that a big proportion of remittances are used for capital investment. Similarly, the IDB-IMF (2004) argues that remittances have become an important source of investment in real estate and businesses in the home country of the migrant, and that remittances spending does not only include food, but also health, education, and investment.

It is important to consider that it might seem that remittances are spent on consumption because most receiving families have basic needs unsatisfied (needs that can be satisfied through remittances). Considering that remittances are a stable and sizeable flow of money, they complement savings and strengthen the balance of payment of receiving economies. They counteract financial volatility (as compared to other sources of capital), moderating pressures for external payment. Also, they can create pressure on the local exchange rate (compared in size to other financial flows, since there is an increase in foreign currency, generating pressure to reevaluate local currency), motivating fiscal restraining policies (Brown, 2006).

According to Brown (2006), and similar to Durand *et al.* (1996), remittances can finance investment and generate a multiplier effect in the economy, and increase national income, since “the longer remittances are maintained and the greater the economy’s excess capacity, the stronger such an effect becomes” (Brown, 2006: 65). The increase in consumption can free resources to education and health, which impacts in a positive way longevity and productivity, increasing the economic development of the country. On the other hand, Chami and Fullenkmap (2009) argue that remittances are costly for those who receive them, and that it is difficult to channel them into activities that create growth and development. Remittances are considered expensive because they break families apart, creating various social problems, for example due to children growing up without their parents, expensive and sometimes even dangerous trips to unknown places, and absence of family members from home.

Chami and Fullenkmap (2009) also argue that remittances are mostly used for general consumption and not for investment activities that would create more capital, although sometimes money is used for home improvements and real estate. Furthermore, the authors argue that there are no examples of countries that have created growth through remittances, even if they have received them for years. Moreover, they declare that studies that link remittances with growth have shown positive but also negative effects, for example:

- They are considered gifts rather than earned income, which generates dependency and a lack of motivation for hard work, reducing labour force participation in the receiver’s country;

- Receivers assume more risks in investments (it is easier to invest with other people's money);
- Remittances might create real estate bubbles in regions that receive a lot of remittances, distorting asset prices and creating more poverty for those who cannot afford homes in those markets;
- Remittances might impact negatively the role of government and institutions because they might discontinue developing their own projects, relying on remittances and remitters to develop those activities or to become substitutes for assistance projects.

Because of all these reasons, Chami and Fullenkamp (2009) contend that policy makers should not contemplate remittances as a stable source of foreign capital to create development, because remittances do not constitute instruments of growth in the same way as FDI does.

Goldring (2003) exposes some arguments that support the belief that remittances do not contribute to the socioeconomic development of the migrant's country of origin. He argues that the skills learned abroad might be irrelevant for the local market. Also, the money remitted might be used for immediate needs and general consumption. Finally, he argues that remittances might polarize income and land ownership. Remittances also seem to have a negative impact on economic growth for recipient countries (Chami, Fullenkamp and Jahjah, 2003).

As pointed out by De Haas (2008), under the 'unenthusiastic' perspective on the link between migration and development, remittances are not considered to support the development of the region because they are used mainly on consumption and education, and consumptive investments (concerning mainly transfers of ownership and not capital creation), buying houses, and creating small business with low innovation standards (shops, trucks, among others). Those uses do not contribute to development in the sending regions and create adverse effects for non-migrants, including inflationary pressures, increased imports (stocking national producers and increasing asymmetric growth), change in local tastes (culture), and no productive investments at the local level (investments are more likely to be made in urban areas outside the region of origin).

Taylor (1999) suggests that most studies show that remittances are mainly used for consumption, housing, and payment of previous loans. However, he acknowledges that most research has also shown some productive expenditure, which together could represent an important figure. Also, he argues that the majority of extant studies do not have a solid theoretical foundation regarding migration and growth, tending to confound remittance uses with effects on family expenditures, and employ a limited definition of development, for example ignoring productive investment in housing, education, land, and livestock. The author claims existing research has not tested the full range of effects of remittances within households and communities, because such a study would require measuring how remittances influence the propensity of households to invest, not how those are being spent.

Durant *et al.* (1996) establish that most of the research carried out regarding the relationship between remittances and economic development is based on case studies in specific communities. This kind of research does not consider the national level impact of remittances, especially its macroeconomic effects on exchange rates and capital availability. Also, the authors state that to analyse the impact of remittances it is also important to consider not only the immediate effect on consumption and household income, but also, its multiplier effects on demand, employment, production, and others (i.e. indirect effects). Furthermore, some remittances are used in investment initiatives, whether small or medium, that at the aggregate level would account for a significant amount of productive investment within a country (Durand *et al.*, 1996). Similarly, Vaaler (2013) discusses that remittances coming from concentrated migration groups improve access to venture capital in the home country, even for the less skilled groups of migrants, and that they tend to be less averse to risk than traditional investors.

Some research has also looked at the impact of remittances in the Latin American region. In 2008 Acosta *et al.* (2008a) conducted research in 59 countries finding that remittances in Latin America and the Caribbean have reduced inequality and poverty while increasing growth. Other studies in the region have demonstrated that remittances seem to improve human capital indicators (Perry, 2008), increase gross investment (Fajnzylber and López, 2008), become a main source of financing (Acosta, Fajnzylber and Lopez, 2008b), increase savings while smoothing consumption (Orozco, 2010), and usually increase the exchange rate (Martínez Pería, Mascaro and Moizeszowics, 2008).

In general terms, and based on empirical and theoretical research, there is no general consensus about the positive or negative impact of remittances on the socioeconomic development of countries of origin. Remittances can come with great benefits but also, with pitfalls (Ghosh, 2006). Table 8 summarizes the main impacts of remittances as discussed by the different studies reviewed.

**Table 8: Remittances' Impacts**

<b>Positive</b>	<b>Negative</b>
Increase in household income	Can generate inequality
Unemployment reduction	Pressure on local exchange rate
Higher national income	Price bubbles
Increase in consumption (local and imported)	Dependency
Increase in investment (Business creation and support for existing businesses)	Hard to channel into productive activities
Increase productivity of returnees	Break families apart
Increase health expenditures	Mostly used in general consumption
Increase education expenditure	
Increase in capital spending (e.g. land, machinery)	Reduce labour force participation from recipients
Communal remittances	Assumption of higher risks
Increase savings	Discourage governmental investment
Poverty reduction	Poverty
Knowledge/technology transfers	Income and land polarization
Economic growth/multiplier effects	Irrelevant knowledge/technology transfers
Source of foreign exchange	Negative impact on growth
Non-bureaucratic/lower corruption	Inflationary pressures
Stable source of income	Increase in imports
Strengthen Balance of payments	Change in local tastes
Improve access to venture capital	
Inequality reduction	
Improve human capital formation	

Source: Own elaboration of the author



As illustrated in Table 8, and in line with the literature reviewed so far, it seems that remittances might or might not be a source of development for migrants' home countries because of the direct and indirect effects remittances can have in a specific society. It appears that the real impact of remittances in each place will depend on the specific characteristics of the country, the migrants' personal characteristics, and the stage of selectivity in the emigration process. Remittances are not *per se* a condition for development, but they can be a component that improves it. Moreover, the findings of each study related to remittances and socioeconomic development are also influenced by the definition of economic development used.

This research aims to contribute to improving remittances knowledge through the analysis of its effects on Colombia at the household, community and national level, including the specific characteristics of this migrant population and the structure of the country of origin of the migrant. It is important to point out that even if conclusions cannot be directly inferred from a micro analysis of remittances (impact on households) to the macro effect in the development of the country, the present research can provide some insights for further national level analysis.

According to Orozco (2005), some governments have pursued diverse initiatives to attract remittances and enhance their development potential. Some of those initiatives include increasing financial products and services for remittances recipients in Mexico and Guatemala, reducing money transfer costs and allowing the creation of joint accounts for Moroccans living abroad and their relatives, real estate and business financing in Morocco for its migrants, special investment plans and diverse remittance and banking services for Indians living abroad, selling Indian bonds to non-residents Indians, working with hometown associations to match funds for communal development projects in El Salvador and Mexico, among other initiatives.

Governments can play an important role in attracting remittances and creating programmes that can provide an ample portfolio of options for migrants and their relatives to channel those remittances into more productive uses, enhancing the developmental potential of those transfers for the country. However, it is important to keep in mind that remittances are private money and therefore, individuals are the ones who finally can decide how to use that money. Some other governmental initiatives that can be undertaken include tax exemptions, supporting development initiatives at home,

allowance to have banking accounts denominated in foreign currency, and reducing transactions costs (De Haas, 2005; Sinisterra, Rodriguez, 2005).

The Colombian government has also developed some strategies to encourage migrant remittances and their productive use, mainly in real estate investment. This point is discussed later in this chapter. In this research, the diverse initiatives undertaken by the Colombian government are discussed, enhancing the knowledge about the possible governmental initiatives local authorities can develop to improve the positive impact of remittances in the country of origin of the migrant. Moreover, this research analyses other strategies that are used or can be used to enhance the positive impact of transnational activities of migrants in general, beyond remittances.

This section has discussed remittances which is the main transnational activity studied so far. There are also other transnational activities performed by migrants that have been studied, although to a lesser degree, that might impact the socioeconomic development of the country of origin of the migrant. The next subsection focuses on those activities.

### ***2.1.12 Migrant Entrepreneurship***

Drori, Honig and Ginsberg (2006: 1), state that transnational diaspora entrepreneurship can be described as a “social realm of immigrants operating in complex, cross-national domains, with dual cultural, institutional, and economic features that facilitate various entrepreneurial strategies”. In this sense, transnational migrants focus on taking the best of both countries in order to build a successful business. Transnational entrepreneurs take what they have learned abroad and transfer that knowledge and/or those technologies to their home countries with the objective of having a prosperous business in both places:

*“taking advantage of the particular position “in the middle” between the country of origin and the country in which he lives, the migrant can set up a transnational enterprise, acting concretely like a development agent and circular migrant facilitating the exchange of goods and competences”.* (Corvino, 2011: 7)

According to Drori, Honig and Ginsberg (2006), migrant entrepreneurs usually begin with investing in businesses related to ethnic or nostalgic goods. It is important to note

that transnational entrepreneurs are believed to be a distinct type of international entrepreneur since their entrepreneurial activities spans national business environments – often concurrently.

Entrepreneurial migration is a variant of labour migration, making it hard to distinguish between them, which in turn can affect its analysis (Ndoen *et al.*, 2002). This difficulty is also tangible when one considers that the money used to create the business comes in the form of savings gathered through remittances, which have been obtained thanks to labour migration. For Durand (1994) and Jones (1998), remittances become savings that can lead to micro business creation and entrepreneurial activities. At the same time, authors such as Corvino (2011: 4) have defined entrepreneurial remittances, describing them as “personal financial resources invested in economic activities, in the great part of the cases to create micro and family directed enterprises. To create an enterprise is a chance for the migrant to actuate a safety strategy that enhances his personal competences and social capital often not recognized abroad”. Although there are not many transnational entrepreneurs, they seem to be particularly successful thanks to their transnational ties (Portes and Guarnizo, 1991; Landolt, Autler and Baires, 1999; Sana, 2005).

No all migrants are involved in transnational entrepreneurship, and this activity is more commonly carried out by voluntary migrants than by forced ones (Corvino, 2011). Additionally, some transnational migrants repatriate or return permanently to the home country, while others become circular migrants, traveling and living between the country of origin and the country of destination, either physically or virtually (thanks to telecommunication and technology advancements; Riddle, Hrivnak and Nielsen, 2010). These authors also describe how circular migrants often establish businesses with operations in both countries, travelling constantly between operational locations.

Most studies conducted to analyse the connection between migration, remittances and entrepreneurship, are focused on returning migrants. Rapoport and Docquier (2005) argue that temporal migration becomes a strategy for those who, living in a country with credit constraints, want to be self-employed and lack the resources to do so. In this sense, migrants migrate temporarily in order to work and save enough money to return and to start their own business. As has been discussed by other authors (Dustmann and

Kirchkamp, 2001), most small businesses seem not to have recourse to bank financing to start operating, supporting Rapoport and Docquier's argument.

Massey and Parrado (1998) and McCormick and Wahba (2001) demonstrate that the amount of savings migrants can accumulate have a substantial positive effect on the likelihood of becoming an entrepreneur once they return to their home country. Migration duration, on the other hand, seems to have a significant positive impact on migrant entrepreneurship only for more educated migrants. In this context, Rapoport and Docquier (2005) explain how this duration impact on educated migrants can be due to the importance given to skill acquisition for this group of migrants, who usually come from urban areas. Hence for more educated migrants, capital constraints might not be the only concern, or might be less relevant than for less skilled migrants, making skills attainment an important requisite for them to improve their own chances to become self-employed. In a research carried out in Indonesia, Ndoen *et al.* (2002) suggested that supporting informal networks are the most important variable in attracting and keeping migrants' business in a region, while the migrant's experience and education play a smaller role.

Transnational entrepreneurship can increase family income and improve economic growth for the country (Durand, 1994; Boton Gomez and Gonzalez Roman, 2010). According to Corvino (2011: 2):

*“Migrants entrepreneurs are promoters of trade and investment impacting on territorial development of the countries of origin. The value of his entrepreneurial role is directly proportional to their capacity to enhance the value of remittances and to mobilise competences and know-how resources. The capacity to mobilize development resources needs the support of policies and institutional framework, a further driver to improve the development impact of migrant entrepreneurship is the territorial concentration of their initiatives. This nexus creates a favourable development environment”.*

In general terms, it is possible to determine the positive impact transnational entrepreneurship initiatives and investments can have in the country of origin. Even so, it is important to notice that most of the studies carried out regarding remittances investment are focused on rural areas, while they are mostly invested in urban sectors, so there could be an underestimation of their real impact on the socioeconomic development of families, communities and countries (Rapoport and Docquier, 2005).

Despite the potential benefits transnational entrepreneurship can bring to families, communities and countries, governments cannot expect migrants to be savers and production agents in the economy. The government has to provide the right economic environment where institutions gather those savings and channel them to the production agents of the economy, in order for remittances to be put into a productive use. In other words, migrants do not become workers, savers, investors and producers at the same time (Taylor, 1999). Taylor (1999) also debates that local production can be positively affected if remittances allow reducing capital (credit) and risk constraints in the local market. Those two potential benefits can, at the same time, have a positive impact on entrepreneurship and investment for locals, migrants and foreigners.

Some limitations affect the possible impact of remittances investment and transnational entrepreneurship on development, beginning with the conditions of the local economic environment at home, together with credit constraints, lack of support for creation of new enterprises, lack of trust in local administrative structures, and problems associated with the management of investments from a distance (Gubert, 2007). As with any other investment, local environment plays a vital role in attracting transnational entrepreneurship. It is important to realize that local environments that expel people out of the country also limit their potential to invest in it. National authorities need to improve the local business environment in general, creating the right atmosphere for investment. The right environment can contribute to income growth and development promotion from migration (Taylor, 1999). Hence, governments need to understand that migration is not a solution for local economy problems or a replacement of good and sound economic policies (Taylor, 1999).

Transnational entrepreneurs face problems, too. The main ones seem to be related to the lack of access to information about business regulations and the environment at home, the lack of access to venture capital, their incorporation into labour markets, the possibility to find transactions' facilitators, their credibility and collateral access for banks, and in many other cases, their own lack of education (Riddle, Hrivnak and Nielsen, 2010). National governments must be careful when designing strategies for migrants' business creation, and must include in their analysis all the limitations migrants face when investing, mainly because migrants will not invest in unstable economies or those they consider to be corrupt (Levitt, 2001a).

### *2.1.13 Other Transnational Activities*

As with remittances and migrant entrepreneurship, the volume of other transnational activities are expected to grow in the future, given the increase in migration all over the world. In addition to this, the continuous improvement in telecommunications, transportation and technology will allow more of those transactions to take place at a faster pace.

Although there is no clear agreement about what is considered to be a transnational activity, the term usually includes remittances, circular labour migration, small business created at home by migrants and returnees, informal trade, involvement in political activities at home, the political activities of home societies to include expatriates, and activities that reinforce the home society culture (such as social remittances, travel to home country, folk music exchanges; Stodolska and Almeida Santos, 2006). Orozco (2005a) groups transnational activities into what he terms the 5Ts: money Transfer, Tourism, Transportation, Telecommunication and nostalgic Trade. In this case, nostalgic trade will include the investments in business made by migrants in their home country and in the host country (which seem to be mainly related to nostalgic trade). At the same time, community remittances and donations might be included in monetary transfers.

Nevertheless, since this research aims to analyse the impact of transnational activities in the country of origin of the migrant, investments made in the US are not studied, while investments made in other areas (in addition to nostalgic trade) are included. Additionally, other transnational activities not included by Orozco (2005a), such as political participation in home politics, and technology and knowledge transfer, are analysed in this research.

Itzigsohn and Saucedo (2002) argue that transnational activities cover all spheres of social action, and can be divided in to three groups: political, economic and sociocultural (they are not mutually exclusive). Since the degree and intensity of transnational participation varies across individuals, the authors distinguish between narrow and broad transnationalism, as mentioned before. When analysing the origin of transnational practices, Itzigsohn and Saucedo (2002) also differentiate between linear (the extension of ties with family and the community once the person leaves), resource

dependent (once the migrant reaches economic stability or capital to engage in transnational activities such as entrepreneurship and philanthropy), and reactive transnationalism (as a response to negative experiences of incorporation in the new place, such as discrimination). Those definitions imply that the stronger the ties of migrants with their families and communities, the higher the amount of money earned and saved outside, and the more negative the perception of reception in the place of destination, the more transnational activities people will get involved in (Itzigsohn and Saucedo, 2002).

As Levitt, Dewind and Vertovec (2003) indicate, migrants who are involved in many transnational activities within their social life are engaged in “comprehensive” transnational practices, while those who are involved in few are more “selective”. In this case “comprehensive” can be somehow comparable to broad transnationalism, while selective can be analogous to narrow transnationalism. Most researchers agree that not all migrants are involved in transnational activities, and those who are immersed do so at diverse sectors (e.g. political, economic, cultural), levels (communal, individual), formality and strength (frequency or intensity; Itzigsohn and Saucedo, 2002; Levitt, Dewind and Vertovec, 2003; Portes, 2011). Therefore, it is very important to understand why some migrants get involved in those activities and others do not. Consistent with Portes (2011), transnationalism is an appealing topic of study, not only because of the impact those activities can generate, but also because of the need to understand who gets involved in those activities, at which level and how this can impact families, communities and countries.

It does seem, however, that migrants’ participation in one particular transnational activity might be low, but her/his participation is usually extended to a diverse set of transnational activities. The reasons to explain the cause of the rise of those activities are varied, depending on the context of reception and incorporation of each population under study, considering that incorporation to the new place of residence does not reduce transnationalism (Itzigsohn and Saucedo, 2002). Itzigsohn and Saucedo (2002) have found that people who are more likely to engage in transnational activities are those who have stayed more time in the US, or who plan to return. They argue that once families can assure their economic needs, the barriers to participate in diverse transnational undertakings are reduced. Furthermore, if a migrant has a negative view of the reception she/he has had in the destination place, this migrant will have a greater

likelihood of participating, too. In other words, the more satisfaction people have with their jobs in the destination country, the less their motivation will be to conduct transnational activities (Itzigsohn and Saucedo, 2002).

Portes (2003) studied how transnational participation increases with human capital: years of education, experience of living in the US, and higher occupational status are all predictors of transnational participation. Furthermore, the acquisition of US citizenship, conventionally associated with assimilation, does not seem to lessen transnational participation. Those findings are consistent with the argument that incorporation in the destination country does not reduce transnationalism. For that reason, it is possible to think that transnational activities will not diminish in the future.

Nonetheless, another concern that has been raised regarding transnationalism is whether this is a temporary or lasting phenomenon (since this can be considered a new global social organization), which includes only first migrant generations (Smith and Guarnizo, 1998). Smith and Guarnizo (1998) explain how the technological revolution in transportation and communications has facilitated the simultaneous maintenance of bi-national connections by migrant members of the new transnational working class. In their view, these are the everyday practices of migrants that provide a structure of meaning to the acts of crossing borders, living in bi-national households, and reproducing transnational social relations. Transnationalism from below means that social formation (migrants) respond to policies from above carrying out transnational practices as a response to the neoliberal capitalist model imposed by today's economic and financial systems, even if transnational activities have also been performed in the past (Portes 2003, Smith and Guarnizo, 1998).

Transnationalism allows migrants to get involved directly or indirectly in their home country socioeconomic development through economic (remittances, trade and/or investment at home, transportation, travel and tourism, telecommunications), sociocultural (associations, philanthropy, cultural diffusion, technology and knowledge transfer, communal remittances), and political (political participation of migrants in their home country politics or lobbying destination politics in favour of home country policies) transnational activities.



According to Orozco (2005a), foreign direct investment, official development assistance, foreign trade, and the transfer of technology become foreign savings that increase a country's capital-output ratio. In his view, remittances are also foreign savings of great importance. Those five factors (including remittances) can be impacted through transnationalism, since transnationalism includes not only remittances, but also potential foreign investment made by migrants in their home country, trade (nostalgic or other type), official development assistance in the form of philanthropy participation and some communal remittances (to build streets, schools, and others) and through the transfer of knowledge and technology. Consequently, migrants, by means of transnational activities, might have the potential to impact the socioeconomic development of their country of origin.

Institutions, states, political parties, hometown associations, and religious institutions create strategies to link migrants and promote transnationalism. States recognize today that migrants (even if they do not return) can support the national socioeconomic development through transnationalism, so they want to link their migrants to national projects (Levitt, 2001a). This strategy of connecting the emigrant population of a country with the national projects can be explained for diverse reasons including to show how democratic and advanced the country is, to find new resources, to promote business creation, and to encourage the creation of hometowns associations (Levitt, 2001a). To this end, some of the strategies developed include: creating schemes to reduce transfer costs and make them more secure and fast, creating programs to incentivise migrant investment at home either in businesses or in communal projects (such as the 3x1 program in Mexico), promoting knowledge and technological transfers, and creating special programs to facilitate returnee incorporation (Kotabe *et al.*, 2013; OCDE, 2011; Orozco, 2005b).

Migrant networks also play an important role in transnationalism. Their consolidation is an important part of transnational communities, which are engaged in transnational activities of diverse levels established between their country of origin and destination (Hume, 2011). Portes (1997: 812) argues that transnational networks consist of compact networks formed by immigrants, through which those migrants can live between their country of origin and their place of actual residence at the same time, getting involved in economic, cultural and political activities that require them to move constantly between both places, being a means for migrants to seek economic progress and social

recognition. Orozco (2005b) argues that thanks to migrants' networks and their transnational activities (remittances, calls, tourism and travel, donations, investments, trade) growth has been spurred to less developed countries and areas (usually neglected by private companies), supporting the global integration of those countries. Even if not all migrants participate in all transnational activities, the total volume of all those undertakings can be significant for a sending country.

All those migrants' networks formed at destination by people coming from the same country have learned how to use for their benefit the social capital they have in the country of origin. They take advantage of all the ties they have at home, reducing entry barriers for internationalization and transnationalism (Tung and Chung, 2010). For Corvino (2011), belonging to a cohesive migrant group can also yield benefits such as accumulation of social capital, enabling the gathering of more resources and connections that make possible future investments or business ventures. Portes and Dewind (2004) mention the importance of transnational communities and immigrant entrepreneurship, activities that allow migrants to establish presence in their countries of origin and destination, benefiting from the political, economic and sociocultural opportunities both places can offer. Nonetheless, several individuals can be involved in diverse transnational activities although little communal transnationalism can exist between both, origin and destination countries (Levitt, 2001a).

Among the diverse economic transnational activities carried out by migrants, remittances are the most visible and studied ones, as discussed earlier. Yet, this is not the only economic activity transmigrants can engage in. Perez-Lopez (2007: 399), based on an analysis of the potential of Cuba's diaspora to contribute to the island's economy, states that Cubans in the US can support the country's reconstruction "not only through continuation and even expansion of private transfers (remittances) but also through the establishment of small businesses, two way trade relations, foreign direct investment, travel and tourism, and transfer of professional and managerial skills" (2007: 399).

Leaving aside the entrepreneurial role (which was analysed independently), economic transnational activities also include other investments (real estate or durable goods), trade, travel and tourism, and telecommunications; activities that also need to be analysed. Diverse authors (Gould, 1994; Dunley and Hutchinson, 1999; Bandyopadhyay, Coughlin and Wall, 2005) have studied the impact of migrants on US

trade; they have found that the links immigrants keep with their countries of origin have supported the improvement of bilateral trade between the US and the countries of origin of migrants, who are important players in the import and export of diverse products, hence affecting international trade flows.

Travel, transportation and tourism are also being affected by migrants. Studying Dominicans living in the US, Hume (2011) found that their perception of proximity, their sense of identity or national belonging, and their sense of obligation towards family members left behind, create a continuous flow of travel between the US and the island, leading to a circular flow linking people in both places. As stated by the author:

*“It is this very strong familial connection that stands as the most exploitable feature of diasporic tourism in part because this form of tourism tends to be driven by poetics of nostalgia, which manifests as a need to reconnect with homeland, family, customs and traditions.”* (2011:159)

People living outside their country of origin find that tourism can become a vehicle that helps them feel connected and belong to their community of origin, even for second and third generation migrants (Hume, 2011). However, as stated by Hume (2011), diasporic Dominicans travelling to the island are not considered tourists by local residents or institutions, so no specific programs are designed for them. Yet most visiting Dominicans do consider themselves as tourists that participate in touristic attractions (such as sightseeing, walking tours, purchasing souvenirs, and others).

Another interesting transnational activity is telecommunications. The real volume of transnational communication between migrants and family members or friends living in the country of origin is difficult to establish. This difficulty arises because of the broad amount of resources and technologies existing today that facilitate international telecommunications, such as the service provided by international telecommunication companies, calling cards, internet communication services and software, smart phones applications, and others. Also, it is almost impossible to distinguish between personal calls and commercial ones, adding to the complexity of measurement. Some calling services are provided for free, so estimations of the value of international calls must be read with caution, because they might not include all cross border calls.

Telecommunications seem to be a common and frequent transnational activity performed by migrants, because they use phone or internet calls as a means to satisfy

their desire to have continuous contact with the homeland (Guarnizo, 2004). This is a transnational activity that has existed for a long time, but the facilities and costs of today's telecommunication services have increased the frequency and duration of calls.

As with telecommunication, sociocultural transnationalism allows migrants to keep in touch with their culture. In this regard, it is important to consider that sociocultural transnationalism comprises very diverse undertakings, but usually includes migrants associations, philanthropic activities at home from abroad, cultural diffusion, technological and knowledge transfers, and communal remittances.

Although Gubert (2007) argues that migrants' associations play an active role in financing projects back at home, Orozco (2005a) points out that hometown associations (HTAs) might be the transnational activity with the lowest level of involvement by migrants. Migrants belonging to HTAs usually play a proactive role in sending remittances to social projects. Also, in some cases, once migrants start to execute community projects, other partners join them and start to support those initiatives (e.g. NGOs, local associations, twin cities in other countries), allowing locals to appropriate the projects (Gubert, 2007). This mutual effort can benefit migrants' families, communities and the country in general.

On the other hand, Itzigsohn and Saucedo (2002) analysed diverse sociocultural transnational activities (participation in hometown associations, charity organizations, and local sports clubs, sending money for special community projects, and traveling on national holidays or celebrations) within Colombian, Salvadorian and Dominican communities living in the US. In their findings, they demonstrate how Colombians have the lowest participation level in every activity studied, and that from all those, Colombians participate to the greatest extent in charity organizations. Itzigsohn and Saucedo (2002) also argue that occasional participation is more common than a regular one (broad transnationalism is more common than a narrow one) depicting that the backbone of the transnational community is supported by few members of the community. Additionally, the authors argue that individual transnational activities (such as sending remittances) are more common than group ones (such as hometown associations).

Transnationalism might also enhance the technological development of the country of origin of the migrant thanks to knowledge and technological transfers. Developing countries can strategically use their migrants to transfer knowledge, technologies and skills, stimulating strategic brain circulation instead of brain loss (Patterson, 2006). In this sense, a transnational migrant, who in turn can be a transnational worker, can bring her/his knowledge to the country of origin (or company in the home country) and her/his network of contacts, facilitating the international flow of capital, knowledge, information, and people (Vertovec, 2002). Likewise, transnational entrepreneurs could transfer knowledge and technologies they have learned abroad to local workers, companies and institutions, supporting the creation and development of successful businesses in both places (Corvino, 2011).

Itzigsohn and Saucedo (2002) claim the country of origin is a significant variable impacting transnational sociocultural participation. In the Colombian case, the authors have found that most transnational activities are carried out once Colombian migrants have reached some sort of economic stability or capital, supporting their resource transnationalism hypothesis. Moreover, the authors state that Colombians are less organized and more individually oriented than the other two migrant groups studied (Dominicans and Salvadorans), arguing this might happen because of the lack of trust within the community created by the drug trade stigma that prevent them from establishing cohesive Colombian organizations, and therefore, their transnational participation becomes more of an individual nature affected by their level of personal resources.

Among those choices is their disposition to participate in other transnational activities such as politics. Transnational politics is another important but less explored transnational activity through which migrants can participate in local politics at home and/or abroad in favour of their places of origin. Lyons and Mandaville (2008) argue that thanks to globalization migrants can influence local politics, allowing them to become political and social leaders of their communities even if they are dispersed in diverse countries, while transnational networks can become the link for political action abroad.

It is important to mention how even if in many cases politics has been disconnected from territory as regards actors and processes, transnational political activity is not

usually directed towards universal or global objectives. Rather, transnational political activities tend to be focused on local subjects, on specific places, on explicit identities; even if they are located outside their country of origin they are concerned with the politics of their homelands, discussing local issues within the globalized world. In other words, globalization and human mobility have generated new areas for transnational political influence (Lyons and Mandaville, 2008). Then again, according to these authors, participation in political transnationalism is low, and usually first generations of migrants are those who are involved in such activities. Few studies have analysed political transnationalism in general or Colombian political transnationalism in particular. However, it seems that Colombian migrants' participation is low, and their impact, even if they can vote in local elections, has not been significant in the country's politics (Gomez, 2008; Levitt, 2001a).

Orozco (2005) discusses some transnational activities of Latin American and Caribbean remitters. He argues that economic activities of transnational families from that region include more than remittances, since they also call home regularly (60% call once a week), one third of them travel once a year to the country of origin, around 68% buy home country products, and about 6% belong to an HTA. It is important to mention that the author only considers transnational activities of remittances' senders, without including the transnational activities of those who do not send remittances, which might increase the level of participation of the total migration community.

The above discussion of transnational activities provides key insights from extant studies that are of relevance to this research. Those studies have provided important insights regarding migrants' participation in transnational activities and the reason for their engagement, usually focused on one or several transnational activities. However, despite the fact that transnational activities are expected to increase in the future, there is no clarity regarding the impact of those activities at diverse levels of analysis in the country of origin of the migrant (micro-meso-macro), including most transnational activities identified, and the agency and structure of a specific migrant group. Those concerns are addressed in this study with the aim of contributing to the understanding of the socioeconomic impacts of migration and transnationalism. Moreover, extant literature stresses the importance of transnational networks within transnational activities, a topic that is also discussed in this research, with consideration given to the

particular characteristics of a migrant group, and including economic, political and social remittances.

Finally, although previous studies (e.g. Kotabe *et al.*, 2013; OCDE, 2011; Orozco, 2005b) have analysed some governmental policies followed by some countries in relation to some transnational activities, this research studies the specific programmes designed by an emerging economy regarding its migrants and their transnational activities, including the specific characteristics of the migrant groups, the socioeconomic structure of the country, the policies designed and their potential impact, providing some recommendations for further governmental action that could enhance the positive impacts of migration and transnationalism while reducing its possible negative effects.

## **2.2 Colombian migration: Previous studies**

After portraying the literature review of the diverse international migration theories and their link with socioeconomic development (including NELM and transnationalism and its main activities), it is essential to revise the literature available on these topics in relation to the empirical context of this research: Colombia.

Colombia has a heterogeneous emigrant population around the world, with emigrants representing diverse education and income levels, places of origin and places of destination (Urrutia Montoya, 2003), representing around 10% of the total population of the country (Colombia Nos Une, 2013). Similarly to many other LA migrants, most Colombian migrants live in the US. However, Colombian migrants tend to be more highly educated than others from the region (Medina and Posso, 2009) and represent around 7.3% of the total Colombian population with tertiary or higher education level (Gaviria, 2004). The volume and composition of Colombia's migrant population and the volume of remittances sent make the study of the potential transnational activities carried out by them an interesting topic worthy of additional analysis.

Some local surveys have been developed to understand better the migration phenomenon in Colombia. In 2005, Garay and Rodriguez reported using a survey conducted in the Área Metropolitana Centro Occidente - AMCO (Western-central

Metropolitan Area). The survey covers a specific region of the country characterized by an increase in the volume of people relocating abroad during the last migration flow in 1990s. This survey only considers families with previous migration experience, but it excludes all the other families.

Another survey was carried out by Radio Candena Nacional (RCN, a radio network), from November 2004 to February 2005, using the internet as the main source to collect the data from Colombians residing in other countries. The survey was answered by 7078 migrants in more than 20 countries (Gaviria and Mejia, 2005). The use of the internet allows more people from diverse regions to access the survey, but at the same time, it might only cover people who are more educated and have access to the internet. This survey was directed at the migrant only, while the AMCO survey considered the entire family.

Other sources of data used by some researchers include the 2003 Quality of Life Survey (a survey conducted by the Departamento Administrativo Nacional de Estadísticas, DANE), the Encuesta a Beneficiarios de Remesas de Trabajadores e Instituciones Cambiarias en Colombia (DANE), US Census data, Spain Census Data, Colombian Census data, International Monetary Fund migration and remittances data, and World Bank migration and remittances data.

The results obtained from those surveys have been mainly used to determine Colombian migrants' profile and the use of remittances. In line with Leal-Calderon's (2008) classification, migration and remittances studies in Colombia have been divided into two main categories: one that studies the topic from the microeconomic perspective (e.g. migrants' profile, remittances' transaction costs, remittances' agents, remitter and recipient characteristics), and the other from the macroeconomic point of view (e.g. the relation between remittances and macroeconomic variables, and reasons to remit).

### ***2.2.1 Microeconomic Perspective***

Diverse studies conducted by authors such as Urrutia Montoya (2003), Gaviria (2004), Gaviria and Mejia (2005), Guarnizo (2005), Cardona Sosa and Medina (2006), Cardenas, Medina and Trejos (2010), among others, have started to shape the microeconomic perspective on Colombian migration. Studies that outline the



Colombian migrant profile (Gaviria, 2004; Cardona Sosa and Medina, 2006; Cardenas, Medina and Trejos, 2010), agree that Colombian migrants are on average better educated than the average Colombian resident (pointing to the phenomenon of positive selection, Medina and Posso, 2009), earn more money than their Colombian counterparts, have lower unemployment rates, are less likely to have informal jobs, are mostly women, and most of them send remittances. Gaviria and Mejia (2005) also add that Colombian migrants tend to have a close relationship with Colombia, and around 65% of them have thought or think about returning home (See Table 9).

**Table 9: Profile of the Emigrant and Returned Emigrant**

	Emigrants			Returned Migrants	
	AMCO	USA Census	RCN Survey	AMCO	RCN Survey**
Age	36.14	41.8		39.4	
Years of schooling	11.52	12.30	14.5	12.88	14.25
Sex (Men)	46.9%	43.9%		66.7%	
Single	29.8%	22.8%		19.7%	
Years of residence abroad	6.80		5.50	3.80	5.30
Residence	64.7%				
Frequently communicates by telephone with family	62.9%		81.0%		
Employed	82.0%	64.2%		76.7%	
Unemployed	5.3%	7.7%			
Speaks English		62.3%	79.1%*	55.6%	75.7%*
Spouse has lived abroad				21.8%	
Parents have lived abroad				18.6%	
Sends remittances	71.2%		73.2%	99.1%	70.2%
Monthly average amount in US\$	166.8		247.6		
Spouse lives in Colombia			5.0%		5.65%
Children live in Colombia			21.0%		21.48%
Parents live in Colombia			73.8%		73.22%

\*For this survey, this question applies if people speak a language different to Spanish (sic)

\*\*For this survey, this column makes reference to desire of return (sic)

Source: Cardona Sosa and Medina, 2006:19, whose data is based on AMCO-DANE, 2004; Gaviria (2004); Gaviria and Mejía (2005).

The above table allows for drawing a picture of the main characteristics of Colombian emigrants and returnees from 2004 and 2005. However, some differences need to be mentioned. For example, the years of schooling tend to be bigger for the RCN survey than for other sources of information. This might be because this survey was carried out using the internet, allowing those with a higher level of education and access to the World Wide Web to participate. Also, it seems like the oldest migrants have lower education levels than the more recent ones (Gaviria, 2004), but their adaptation process has allowed them to receive higher salaries. This suggests that the brain drain phenomenon might have increased during the last migration waves. In fact, migrant educated population represents around 7.3% of the total Colombian educated population (Gaviria, 2004).

Some studies conducted to determine the main characteristics of returning Colombian migrants (i.e. those who decide to return to Colombia), show that they are less educated than those who do not return (negative selection according to Medina and Posso, 2009), and are mostly women (Cardenas, Medina and Trejos, 2010). Also, those with high school diplomas are more prone to return than those with undergraduate or postgraduate degrees (Cardona Sosa and Medina, 2006). Additionally, the desire to return seems to depend on the improvement in the economy, in the security, and in employment prospects (Gaviria and Mejia, 2005).

While previous authors have helped to identify who is emigrating, a lot of questions regarding migrants' motivations and impacts are yet to be understood. Other researchers have integrated remittances inquiries into their migration studies. Gaviria and Mejia (2005) conducted a study regarding remittances, and established that the amounts sent tend to slightly decrease over time, and that these amounts seem to have a direct relation to the years of schooling of the sender (the higher the education level of the migrant, the bigger the amount sent). According to these authors, remittances seem to increase the expenditure on education of Colombian recipient families.

Between 2001 and 2010, remittances in Colombia grew at an annual rate of around 8% (Comunidad Andina, 2011), and their values in 2011 returned to similar levels to those obtained before the world recession of 2008 (Dinero.com, 2012; See Graph 9).

Remittances come principally from the US and Spain, where most Colombian emigrants

live (Mejía Ochoa, 2006). According to Gaviria and Mejia (2005), based on the RCN survey, remittances are mostly used to cover food expenditure (26%), to pay for utilities (19%), and for medical services and medicines (16%). The authors also state that around 50% of remitters report saving a portion of the remittances. Other studies have found different results (See Table 10). Consistent with Cardona Sosa and Medina (2006), remittances work as a “safety net” for Colombian families which receive them, and which spend around 10% more on education than families with no migration experience, but where expenditure on consumption, health and investment seems to be similar for both groups of families. This can be seen as an indication of how, through investment in the education of future generations, remittances impact in a positive way the development of the country (Kugler, 2005).

**Table 10: International Remittances Impact on Household Expenditures**

Expense category	AMCO 2005	
	Homes without remittances	Home with remittances
<b>Food</b>	34.8	33.4
<b>Housing</b>	27.0	26.5
<b>Dress</b>	4.8	5.0
<b>Health</b>	4.7	5.4
<b>Education</b>	5.7	7.3
<b>Culture</b>	2.1	2.3
<b>Transport and communication</b>	13.0	13.2
<b>Other</b>	8.2	7.2

Source: Uribe, 2005:3

Gaviria and Mejia (2005), using the RCN survey, estimate that approximately 73% of the respondents send remittances of about US\$247 per month (more than the legal minimum monthly wage for 2012), roughly 20% belong to a Colombian association or community, around 70% receive Colombian goods, 40% still belong to a Colombian retirement fund, 80% call at least twice a week, and 65% declare their desire to return. However, Cardenas, Medina and Trejos (2010) argue that only 55% of migrants send remittances (a smaller amount than the one reported by Gaviria and Mejia, 2005), and also that those transfers seem to affect negatively labour force participation of recipient

families in around 4% (especially for women). Additionally, it does seem like Colombian migrants with lower education levels tend to send remittances for more time than the more educated ones (Uribe, 2005).

On the other hand, Cardenas, Medina and Trejos (2010) suggest that around 90% of international migrants send remittances through formal channels while Urrutia Montoya (2003) contends that transaction costs of formal channels are very expensive, motivating migrants to use other methods to send their money.

The micro perspective studies discussed above suggests that Colombian migration has been a viable option for middle income families with difficulties, whereas it does not seem to be a viable option for the poorest households of the country. This is also supported by the fact that most migrants and remittances recipients belong to middle income classes (Cardona Sosa and Medina, 2006; Gaviria, 2004). In this context, it is important to determine if remittances and other transnational activities can really impact the economic development of the country, since most recipients are in the middle class range.

Additionally, extant studies show that adaptation to other countries takes some time, and that those who have their legal status defined, speak a second language, and create working networks will have more opportunities to have better job prospects (Gaviria, 2004). This behaviour might also affect the possible impact that transnational activities can have on the socioeconomic development of the country, since it adds extra costs for the migrant in order to perform well in the new country of residence. Likewise, given the results obtained by Gaviria and Mejia (2005), one can expect that Colombia will have a constant and important flow of remittances and transnational activities from its recent diaspora in the coming years. Transnationalism could therefore be a potential source of support for the development of families, communities and the country, if correct policies are in place.

Despite the fact that micro perspective research has contributed to a better understanding of the Colombian migrant population profile, a number of questions remain unanswered, including: do Colombian migrants use their networks to create transnational businesses? In which kinds of transnational activities are Colombian migrants involved in and why? In which kinds of businesses are remittances invested?

Does the economic development of local families improve because of remittances and other transnational activities? Are the socioeconomic conditions of the sending community and country improved because of transnational activities carried out by their migrants? How does the local government address transnationalism and how could it improve migration effects on the local economy and community? All those questions are addressed in this study, considering also the agency of Colombian migrants and the structures that surround them.

Moreover, as Guarnizo (2005) noted, remittances-development studies in Colombia have focused on some of the potential impacts of monetary remittances, but have ignored all the other transnational components, such as the flow of knowledge, technology and products between the home and resident countries, and telecommunication services). Those actions could expand the market of Colombian products to other places of the world thanks to the demand of the national diaspora

### ***2.2.2 Macroeconomic Perspective:***

Within the macroeconomic perspective, most studies have aimed to analyse the impact of remittances over one or more aspects of the entire economy. Researches such as Cadena and Cardenas (2004), Cardona and Medina (2006), Kugler (2005), Medina and Posso (2009), among others, have analysed topics such as the relation between remittances and macroeconomic variables, the reasons to remit, and the impact of remittances over human capital formation.

An important body of macroeconomic studies has analysed the impact of remittances over capital formation in Colombia. Kugler (2005) examined the impact of remittances on human capital formation and job creation in Colombia, and found that remittances have a positive impact on both. According to Stark, Helmenstein and Prskawetz (1997, 1998) and Beine, Docquier and Rapoport (2001), the better the emigration prospects for those who migrate, the better the average human capital formation in the country because of the higher rate of return to human capital. It seems that more people will gain education if there is greater access to education and a more flexible labour market, based on the logic that the more remittances recipients invest in education, the better

their job prospects, which in turn motivates non-recipient households to invest in education, resulting in increasing the total human capital of the country.

Although Kugler (2005) finds a positive impact of remittances on job creation, arguing that thanks to remittances, more jobs are created because of the increase in human capital formation, Cardenas, Medina and Trejos (2010) contend that an increase in remittances impacts labour participation for recipient households, especially for women, who are about 4% less likely to participate in this market. These results have also been confirmed by Mora (2013).

Medina and Posso (2009) go further in examining Latin American emigrants and immigrants, and conclude that the countries of the region are net exporters of human capital. Comparing the rate of human capital emigrants and immigrants in LA countries, one can say that Colombia and Ecuador are net exporters of people with university degrees, while Argentina, Chile, and Brazil are net importers. The same authors also find that Latin American migrants in the US perform poorly within the labour market, in comparison with migrants from developing Asian countries. Migrants from Argentina, Uruguay, Venezuela, Bolivia, and Chile are employed in more “cognitive non-routine analytical tasks” than Colombians, who in turn are more likely to be found in those kinds of jobs as compared to migrants from Peru and Ecuador (Medina and Posso, 2009: 20). The results show that Colombians are employed in less skilled jobs than emigrants with similar characteristics from other places. In their analysis, the authors applied a model which they had developed, based on data collected from the 2005 US Census, Colombia’s Ministry of Foreign Affairs, and other studies conducted by Cardenas and Mejia (2006), and Gaviria (2004).

Cardona Sosa and Medina (2006) conducted a study to estimate whether remittances affected the expenditure composition of receiving households in Colombia, especially their impact on consumption, health, education, and living standards. Their results indicate that there is a positive effect on education – since receivers spend 10% more on education than non-receivers – and a high probability to attend private vs. public institutions. However, no effect was found on enrolment rates. Also, the authors found that there was no impact on consumption, investment, and health. Their study demonstrates that remittances have important effects on the living standards of the receivers, representing an important source of income for recipient families. However,

the small change in consumption composition, i.e. only education might reveal that remittances are used to maintain the living standards of families, not to improve them. It is important to mention that the possible change in investment behaviour was not estimated in this work, due to the lack of representative data. These findings are consistent with those of Kugler (2005) and Cardenas, Medina and Trejos (2010).

Another set of studies have analysed the impact of remittances on diverse economic variables in the country. Uribe (2005) argues that remittances in Colombia have had a positive impact on poverty, health, education, the labour market, savings, and investment. However, the author stresses the difficulties with analysing the impact of remittances, such as: the lack of reliable information about the real amount remitted, insufficient information about migrants' remittances characteristics and their history, statistics based on the regions of origin of the migrant and not on the entire country, and the difficulty with distinguishing between the effects caused by migration and those generated by remittances.

Hernandez Luna (2008) finds different results for poverty. He analyses six regions of the country (Atlántico, Central, Oriental, Pacífico, Bogotá y Antioquia), to determine the impact of remittances on the income of the entire Colombian economy. His findings demonstrate that remittances do not have a significant impact on inequality and poverty in Colombia, but in Atlántico and Antioquia, where there is a small impact because there are more migrants located in the lower income deciles of the population. Since most of the recipient households are located at the medium to high income deciles, the general impact on the economy is not significant. The elevated cost of migration, because of the distance from Colombia to the main destinations such as the US and Spain, and the relatively small networks of Colombians abroad, make international migration difficult for the poorest part of the Colombian population.

Sanchez (2008) finds that remittances reduce poverty but do not have a significant impact on inequality reduction in Colombia. For that reason, while some studies, as mentioned before, demonstrate that poverty indicators improve thanks to remittances adding to the family income (Cardona and Medina, 2006; Garay and Rodriguez, 2005, Sanchez, 2008; Tovar Cuevas and Velez Velasquez, 2007), others like Uribe (2005), and Cardenas and Mejia (2006) reveal that the impact is not significant, since most of the receivers are middle class households. On the other hand, Tovar Cuevas and Velez

Velasquez (2007) conducted a study to determine the effect of remittances on the living standards in Colombia, exploring whether one or more migrants from a family can impact positively the living standards of the rest of the family. Their findings indicate that those Colombian households that have members living in foreign countries tend to have higher living standards. Moreover, Leal-Calderon (2008) studied the impact of remittances on growth, consumption and investment, and the reasons why Colombian migrants remit money back home. The results suggest that remittances and GDP are inversely related, with a time lag of one quarter. This means that reductions in the national GDP will be compensated by an increase in remittances one quarter later. The author argues that the relation between remittances and consumption corroborates the above results, since there is an increase in remittances when the national consumption levels are reduced, and conversely, a positive shock on consumption reduces remittances levels. Additionally, a positive shock on remittances reduces households' consumption, which indicates that remittances are not always designated to increase the family's consumption level (Leal-Calderon, 2008).

According to Leal-Calderon (2008), increases in remittances are also motivated by the national business climate. Moreover, a positive shock on remittances seems to have positive effects on investment three quarters in the future, and later its impact is reduced. A positive shock on national investment causes remittances to increase during the following two quarters, but they tend to decrease again after the fourth quarter. As a summary, the author suggests that remittances have a reversely related relation with respect to GDP and consumption, but a direct relation with investment (Leal-Calderon, 2008).

More recently, Cardenas, Medina and Trejos (2010) studied the economic and social impact of migration on those who remain in the country of origin, Colombia. The authors suggest that households with remittances have higher per capita expenditure compared with households with migrants who do not send remittances or with returnees. Expenditure on health and education is increased, too, but school attendance does not seem to be affected. The paper also suggests that families with migration experience, especially families with returnees, are 8% less likely to keep their families together, and families with absent migrants are 4% less likely to state their health is good. The researchers estimate that remittances and migration increase inequality – this might be because most remittances and migrants are at the top 60% of the income



distribution – but reduce poverty. They also state that remittances have a positive impact on savings, since recipients are 5% more likely to own a house, and make families feel more satisfied (Cardenas, Medina and Trejos, 2010). Cardenas, Medina and Trejos (2010) also explain that those households with returning migrants gain the most out of migration thanks to higher savings, increased expenditure (mainly on health, education, recreation, and home products), reduced poverty level if they get remittances (although not significantly affected if they do not receive them), higher probability of feeling satisfied with their lives, and taking better care of children. However, these families are also more likely to split.

In general terms, extant research addressing migration, remittances and their relation with economic development in Colombia is relatively recent, with the majority of studies conducted in the last decade. However, research in this area still offers many opportunities to improve data collection and analysis, and to develop theories and policies. Most existing empirical studies suggest that remittances have a positive impact on poverty, although its impact is not significant because the majority of migrants remit money to middle income class families. Likewise, the impact on equality does not seem to be significant.

There seems to be insufficient evidence to determine whether Colombia suffers from brain drain as a consequence of international migration, since the percentage of educated migrants is still relatively small. However, most emigrants, especially those who left the country during the last decade, have a higher average education level in comparison to those Colombians who stay inside the country. Also, Colombia seems to be a net exporter of human capital. Additionally, while migrants have a positive selection, returning migrants have a negative one, which indicates that returnees have a lower level of education than those Colombians who decide not to return.

Remittances seem to have a positive impact on education, health, savings, and housing. Also, a small amount of those are used for investment. The flow of remittances entering the country might not be reduced in the short run, not only because of the profile of the national emigrants, but also because the amount of remittances sent only diminishes in a small quantity after medium to long time of staying abroad.

As far as other transnational activities of Colombian migrants are concerned, the volume of research on this subject is much smaller. In one of their studies, Portes, Guarnizo and Haller (2002) survey the engagement in transnational entrepreneurship of three migrant groups in the US: Salvadorans, Dominicans and Colombians. The authors argue that among those three groups, Colombians are the ones with the lowest level of transnational business activities. Also, they claim that Colombian migrants who are less involved in transnational business activities are those who have stayed for a longer time in the US and are better connected in the destination place. These results are in accordance with the findings of other authors (Neira Orjuela and Rodríguez, 2006; Orozco, 2005a).

Something similar seems to occur in the case of community remittances and philanthropic involvement of Colombian migrants, studied by Aysa-Lastra (2007) and Portes, Escobar and Walton Radford (2005). In both cases, the authors explain how even if Colombian migrants have the potential to contribute to social initiatives launched by organizations or other individuals in Colombia, their participation is not as high as expected. Possible reasons for this low engagement can be found in the small size and divided networks Colombian migrants have in the US, and in the distrust they show towards other individuals and institutions (Guarnizo and Díaz, 1999). At the same time, this behaviour demonstrates the individualistic comportment of most Colombian migrants, who most of the time are not inclined towards collective action. Nonetheless, Portes, Escobar and Walton Radford (2006) find that Colombian migrants tend to create transnational philanthropic projects and organizations after a natural disaster or emergency event occurs in Colombia, increasing their philanthropic participation in the country of origin.

Guarnizo, Portes and Haller (2003) studied the same three migrant groups in the US as those studied by Portes, Guarnizo and Haller in 2002 (Colombians, Dominicans and Salvadorans), to analyse transnational political participation. Once again, the findings showed Colombians to have the lowest level of participation in this transnational activity, although out of the three groups studied Colombians had the highest level of education and have stayed the longest time in the US. The authors argue that Colombians' transnational political participation might have been affected by the unstable political context of the country of origin at the moment of their departure, since most Colombians in the US do not want to be associated with the country's politics.

Even if political participation is low, some do participate; yet this participation tends to decrease with the length of time spent overseas (Guarnizo, Portes and Haller, 2003). Compared to previous studies (Mejia Ochoa, 2006), it is clear that Colombians living in the US are not particularly interested in political activities in either their home country or the US. In addition, it does seem like those Colombian migrants who are less educated tend to engage in more lasting transnational activities and ties, either because they do not incorporate themselves in the new destination or because they cannot bring their families with them to the new place, or both (Uribe, 2005).

This low participation occurs even though the Colombian government has developed diverse strategies during recent years to integrate its migrants in the country's projects. These strategies include providing migrants with the right to vote from abroad, to have congressional representation, and to hold double nationality (Bueno, 2007). Their participation is not only low, but also, it has not been significant for the country's politics (Levitt, 2001a). Whereas participation in political and philanthropic transnational activities has been low, there are studies confirming transnational participation of Colombian migrants in other areas, such as Gaviria and Mejia's (2005) research discussed before. The authors have found that most Colombian migrants send remittances, around 20% belong to a Colombian association, about 70% receive Colombian products, 80% make telephone calls to Colombia at least twice a week, and the majority maintain contact with relatives living in Colombia.

Engaging in activities that help migrants to keep in touch with the home country seems to be a common practice among Colombian migrants in the US. Orozco (2005) established that out of those Colombian migrants living in the US who send remittances, around 22% travel home at least once a year (less than the Latin American and Caribbean mean of one third), more than 70% call at least once a week (with over 40% of the calls lasting more than 40 minutes), slightly more than 80% buy Colombian products, and only 5.6% of them belong to a HTA.

Another transnational activity of Colombians in the US that has not been much explored is the investment made by those migrants inside their home country (Guarnizo and Díaz, 1999; Mejía Ochoa, 2006; Portes, Guarnizo and Haller, 2002). The findings of existing

studies can be interpreted in different ways, depending on the definition of investment adopted in each study. This is because some might only include foreign direct investment, while others might also include investments in education, health, and other variables.

Analysing the results of those studies, it is possible to infer that the social, economic, political and cultural conditions in Colombia have pushed its migrants to pursue individual-oriented transnational activities, such as remittances and telecommunication, to keep in touch with the country while abroad. Therefore, they are better connected to their families, and to a lesser degree to institutions and the government. This research will be helpful in analysing if this is effectively the case. What is apparent is that Colombian migrants do not have a cohesive community in the US, but rather they have “created a complex web of multi-directional relationships but their mistrust and fragmentation impede community organization” (Guarnizo, Sanchez and Roach, 1999: 199) Since it seems that Colombian migrants are individualistically oriented and less organized than other migrants in the US, it is valid to expect them to display a low level of communal transnational activities, and a higher level of individually oriented transnational activities (Itzigsohn and Saucedo, 2002).

### ***2.2.3 Government migration initiatives***

In order to make more complete the analysis of the national context in relation to international migration, it is necessary to discuss the policies designed by the Colombian government toward its migrants.

The Colombian government has developed a number of strategies to allow its migrants to participate in the political life of the country, conceding them the right to vote in the national elections from abroad (1961), to hold double citizenship (1991), to have a representative in the National Congress (1991), to vote in parliamentary elections (1997), and to be elected as a representative of the region of origin in the National Congress (1997; Guarnizo, 2005). These strategies indicate that the government used to see its migrants more as political agents, inviting them to participate in the political life of the country and limiting their participation in activities of an economic and social nature. Although these strategies have been in place for a long time, most Colombian

migrants, as previously discussed, do not participate actively in the political life of the country.

However, since 2003, the government has changed the way it had interacted with its migrants, modifying its view about migration (Guarnizo, 2006, Gomez, 2008) and about the possible impact migrants can generate as economic agents for the nation. Since 2003, the government not only considers its migrants as potential political affiliates, but also as economic agents whose resources can be channelled towards more beneficial activities for the migrant and the country, considering Colombian migrants as an important component of the development agenda of the government (Clavijo, 2013). With this change of perspective, new strategies were designed with the intention to include Colombian migrants in the national public policies developed in the nation. With this in mind, the government created in 2003 the programme Colombia Nos Une (CNU) under the Dirección de Asuntos Migratorios, Consulares y Servicio al Ciudadano (Department of Migratory and Consular Issues and Citizen Services) of the Colombian Ministry of Foreign Affairs. The purpose of the programme is to connect Colombians living abroad with the country, and to make them part of the public policies of the nation. It is the first time an independent unit has been created within the government to focus on all the emigrant population of the country.

According to Clavijo (2013), CNU as a programme was created based on a methodology promoted by the OIM to connect emigrants with the country of origin, understanding migration as an important part of a governmental agenda. However, the government realized that it was also necessary to create a specific policy directed towards those Colombians living abroad. As a result and alongside the creation of this programme, the government promoted the creation of an integral migration policy (PIM, Política Integral Migratoria), with the purpose of giving attention to Colombian migrants and their needs, increasing the potential positive impact of migrant activities in the nation. For the creation of this policy, the government invited diverse social groups to participate and provide insights, although according to Ardila (2009), this participation was rather irregular and very infrequent.

PIM was officially approved in 2009, and contains the description of diverse strategies that must be followed to respond to migrants' needs, including the requirement to coordinate the work of diverse institutional entities to be able to provide the services

needed by this population, while improving the efficiency of the programmes and strategies already in place. Also, it considers the importance to attend to migrants' needs in diverse spheres such as security, civic and communal participation, education, and cultural, social and economic matters. Moncayo (2011) states that the main objective of the PIM is to create productive options that can contribute to local development, benefiting from the experiences, skills and knowledge that Colombians living abroad have acquired. However, the government declares that PIM procures to attend the needs of all Colombian migrants in an integral way (CONPES, 2009).

CNU is the unit within the Ministry of Foreign Affairs in charge of monitoring and coordinating the actions and plans proposed in the PIM, supporting its objectives of connecting Colombians living abroad with the country and making them part of the national project. To do this, the programme has designed five lines of work including a service system to Colombians abroad, a returning plan, the promotion of regular and organized migration, the connection of renowned Colombians living abroad, and the foreign community plan. Within the service system line, CNU promotes its plans in the areas of education, health, retirement plans, real estate, banking, funeral services, services fairs and bi-national health weeks. All of them are directed at migrants.

The returning plan section includes the returning plans developed for migrants living in Spain and Ecuador, and the regulation regarding returning. Moreover, it also manages the international agreements signed by Colombia regarding ordered, regular and labour migration. The connection of prominent Colombians living abroad works to identify and link well-known Colombian migrants with other Colombians inside the country to facilitate exchanges that can contribute to local development. Finally, the community plan section describes the activities CNU fosters to strengthen the Colombian community abroad.

Additionally, the programme has created and endorsed some virtual networks where Colombian migrants and non-migrants can participate to share ideas, foster cooperation and generate projects in areas such as culture, trade, knowledge and community and social participation. The lines of work designed by the CNU programme are supported in the concept of transnational networks, trying to motivate circular movements of tangible and intangible resources that can benefit the country (Gonzalez, 2004).

The activities supported by this programme have had diverse impacts on transnational activities, especially those under the services and community plan subjects. However, these strategies have not been developed with the specific purpose of encouraging transnational activities that could benefit Colombia. In that sense, some of the plans might indirectly impact transnational activities, such as investments in real estate, while others do not, such as bi-national health weeks. For example, Peña Huertas (2006) argues that the government has not designed specific policies that encourage migrants to channel remittances into savings or other more productive investments of a social, cultural and educational nature. There is no publically available information about the result of the programme or any of its activities. However, the programme is present in all the places where Colombia has an embassy and/or consulate, and is constantly working to enhance migration knowledge and the relation between the government and its migrant population.

Osorio-Torres (2008) suggests that governmental policies have been focused mainly on the economic potential of remittances and migrants, but not on the human rights of those migrants. Because of this, the author recommends working on strategies to guarantee the protection of human rights for emigrants. For this, a participatory approach should be used, where migrants and social actors are included in the development of those strategies, creating a real integral policy for Colombians living abroad. Similarly, Guarnizo (2006) argues that migration policies in the Colombian case have privileged the free market ideology, focusing on economic approaches to satisfy migrants' needs. Therefore, most of the strategies designed are directed towards remittances and financial services provided by private hands and multinational companies.

### **2.3 Summary**

The review of the literature carried out so far sheds light on the context within which this research has been conducted, presenting the advances made in this area of study and the gaps in knowledge that still need to be addressed. While extant literature highlights the importance of migration studies in contemporary world, it is necessary to build further understanding regarding the impacts of migration at diverse levels on the socioeconomic development of the country of origin of the migrant. With this in mind, and in order to contribute theoretically to the migration-development nexus debate, this

research aims to enrich the understanding of migration by taking into account the role of both agency and structure in reflecting on the impact of diverse transnational activities carried out by Colombian migrants living in the US at the household, community and national level.

To accomplish this, this research uses NELM and transnationalism approaches as conceptual frameworks allowing for inclusion of agency and structure in the analysis of the impact of transnational activities. Furthermore, combining the two approaches makes it possible to include diverse migration-development interactions, adding to the knowledge about the impacts of remittances suggested by NELM, other activities of transnational nature such as investment, entrepreneurship, political participation, philanthropy, telecommunications, trade and tourism (De Haas, 2010). Bringing together transnationalism and NELM broadens the scope of analysis, drawing attention to the importance not only of the potential economic impacts generated by remittances but also to other impacts of a more social nature. This allows for conducting a more comprehensive analysis of the socioeconomic impacts of transnational activities in the country of origin of the migrant at the three levels of analysis proposed. Moreover, while NELM is focused mainly on economic migrants, transnationalism widens the scope of analysis allowing the inclusion of other types of migrants within the proposed research. Further, NELM and transnationalism consider the migrant to be an important member of families and communities, impacting through her or his activities the socioeconomic development of their countries of origin, without the need to return home (De Haas, 2010). Both approaches recognise that migrants belong to social configurations which are maintained through diverse transnational activities.

Therefore, this research also contributes empirically to Colombian migration studies, exploring the transnational activities that Colombian migrants carry out, the reasons for their involvement in these activities, the activities' impacts, and the role of the government in relation to its migrants and their transnationalism. With this in mind, a review of the literature regarding Colombian international migration, transnationalism and their relation with socioeconomic development, and the local policy context concerning national migrants has been provided. The Colombian government has developed some strategies, but still the initiatives are of small scope, considering the diverse range of transnational activities Colombian migrants can carry out. This



research concludes with recommendations for policy action in order to enhance the benefits of migration and transnationalism for the community and the country.

## Chapter 3. Methodology

This chapter offers an account of the methodology used to answer the research questions. The chapter aims to provide insights into the process followed to collect, organize, analyse and present the data obtained to conduct the present research. For this purpose, this chapter has been subdivided into six parts: research strategy, pilot study, sampling, data collection, data analysis and research ethics.

### 3.1 Research strategy

Migration in general and remittances in particular have been topics studied within diverse disciplines, such as anthropology, sociology, economics and even management, among others. In this research, multidisciplinary sources have been used in order to study the impact of transnational activities within Colombian households. Within anthropological and sociological studies, most research has focused on the adaptation process of migrants in their new country of residence, the reasons why they migrate, and the impact immigrants can have on their new place of residence (Portes and Dewind, 2004). Issues of migration have been studied in economics because migration and remittances impact the socioeconomic development of countries at the macro level, and households at the micro level. Remittances affect consumption, savings, investments, growth, income and poverty levels, and according to some economic studies, they also impact international trade, interest rates, and foreign exchange (e.g. Adelman, Taylor and Stephen, 1988; Taylor *et al.*, 1996; Glytsos, 2002; Kireyev, 2006; Pradhan, Upadhyay and Upadhyaya, 2008; Mandelman and Zlate, 2008; Leal-Calderon, 2008; Cardenas, Medina and Trejos, 2010).

Remittances and migration have also been the subject of research in management studies. This is because remittances sent by migrants have become an important source of financing for companies, a source that can increase entrepreneurship in the local market, give an impulse to transnational businesses, and facilitate technological and skill transfer from other countries to the local environment (Song, Almeida and Wu, 2001; Portes, Guarnizo and Haller, 2002; Saxenian, 2005). Households are organizations that have to manage resources (financial, physical, and human) to obtain

the objective of generating wellbeing for all its members. Therefore, studying the impact of remittances and migration on households can also be carried out from the perspective of organization studies.

Bearing in mind that diverse disciplines have studied migration and its impacts, it is important to use a multidisciplinary approach of study to get a deeper understanding of the migration phenomenon and the diverse transnational activities migrants carry out, which at the same time impact directly and indirectly their households, their communities and their country of origin. Therefore, the proposed research adopts a multidisciplinary approach, using concepts from economics, sociology, international business and management. This research concurs with Kurekova's (2010) view that the multifaceted characteristics of migration call for multilevel and multidisciplinary approaches and modes of analysis. In this context, it has been recommended not to use only a purely economic approach when studying the behaviour of migrant communities (Barnard and Pendock, 2013).

Considering the objectives of this research, the topic under study and its relation with existing theory, a qualitative approach to research has been chosen (Easterby-Smith, Thorpe and Lowe, 1991; Yin, 1989). The objective has been to understand and uncover the meaning (Van Maanen, 1983; Miles and Huberman, 1994) of the socioeconomic impact of transnational activities carried out by migrants under specific circumstances. A qualitative approach has been considered appropriate to achieve this objective.

In this research, NELM and transnationalism approaches have been used to study the impact of transnational activities of migrants on the socioeconomic development of households, communities and Colombia at micro, meso and macro level. Using the NELM theory, it is assumed that the migration decision is a family strategy to improve income for the household, to leverage risk, to reduce local market constraints and to improve the living standards of the family. In adopting the NELM approach, the research aims to contribute to extant knowledge about the migration-development interactions through combining empirical work with theoretical approaches (De Haas, 2007a).

According to McDowell and De Haan (1997), the household is considered the most appropriate unit of analysis in diverse social settings, such as migration. Migrants

belong to social groups which need to be considered when studying their relation with socioeconomic development (De Haas, 2010). Those social groups include households, communities and the society in general. Therefore, and since this research focuses on analysing transnational impacts at those three levels, the unit of analysis used is the household. Furthermore, migrants tend to keep close ties with their families and communities of origin through diverse transnational means, where the household becomes the main link between the migrant, and her or his countries of residence and origin (Levitt, Dewind and Vertovec, 2003). The activities and socioeconomic strategies followed by migrants cannot be depicted without using a household approach (De Haas, 2010).

A household can be defined as “a small group of persons who share the same living accommodation, who pool some, or all, of their income and wealth and who consume certain types of goods and services collectively, mainly housing and food” (UN Data, 2013); households are means for individuals to relate to society. Although in the strict sense households might include non-family members, for the purposes of this research both terms, i.e. household and family, are used interchangeably.

To use the household as the unit of analysis is essential when employing a NELM approach, but also, it is important when including transnationalism, so that the characteristics of the migrants’ transnationalism at diverse levels and its impact at origin can be better understood (Pitkänen, İçduygu and Sert, 2012). Families, as units, transmit principles and norms that shape migration behaviour, influencing the links that must be kept within borders, and who migrates and why (Boyd, 1989), impacting remittances and transnational activities. Families are also mediators between the migrant and diverse social settings, such as communities and the larger society of the nation (Boyd, 1989; De Haas 2009).

The use of households as a primary unit of analysis allows for considering the range of individual strategies that those families, each one with its specific characteristics, are willing and able to develop to improve their living conditions, thus exercising their agency, while operating within national and international environments, i.e. structures that might restrict their options through international migration (De Haas, 2010). The author also states that using households allows for seizing the diverse strategies of migration and economic activities at origin at the same time, which means that living

abroad and keeping economic activities at home are activities that can be carried out at the same time, i.e. they are transnational in nature.

One of the main criticisms regarding using NELM is that families might break up over time, or that their links might diminish (Ghosh, 2006). However, including within the data collection methods focus groups with migrant families and not only the migrant will allow for taking into account these issues, integrating within the research the possible fragmentation of family members.

With Colombia being a collectivist society, the term household usually refers to the extended family, not just the nuclear one. The inclusion of extended family members plays an important role in defining family as a social unit. In this sense, and although families change over time, in the Colombian case it is essential to conduct the present research beyond the individual to integrate the whole family as the primary unit of analysis. This potentially allows for identifying more links since extended families tend to be bigger than nuclear ones and, therefore, migration can have a greater impact or at least it might impact more people.

According to González Torralbo (2009), family links in the Colombian migration case are strong which might be an incentive to establish and maintain transnational livelihoods and activities throughout time. These links boost the creation of supporting networks between places of origin and destination, which in turn can strengthen social configurations and socioeconomic changes at diverse levels. A household line of study is also the right approach to use in the context of developing countries, such as Colombia, given that it might be more difficult to secure family income in those nations, increasing the potential importance of remittances and other transnational activities as part of the family's strategies to improve income access and reduce local constraints (De Haas, 2010), as indicated by the NELM approach.

The research strategy adopted in this research is Multiple Case Study Analysis. This is a qualitative, cross-sectional research, based on both secondary and primary data available from diverse sources. As mentioned before, this research has used concepts from diverse disciplines and perspectives. Most extant studies focusing on transnationalism, migration, and their impact on local socioeconomic development have been based on case studies. NELM studies usually use methods such as qualitative

interviews (Castles, 2008), and so does research on transnationalism (Portes, Guarnizo and Haller, 2002; Portes, Escobar and Walton Radford, 2006).

The Case Study is a research strategy commonly used to analyse the impact of remittances and transnationalism in sending and recipient economies, and to study migration related topics. Case studies are conducted in these fields because this methodology allows the researcher to gain a deep understanding of this complex phenomenon and the activities that relate to it, allowing for the construction of bases to develop further theories (Eisenhardt and Graebner, 2007). Therefore, the emphasis is on understanding the particular phenomena proposed, not to generalize from the research findings (Ghauri, 2004).

The topic under study comprises diverse conditions that are shaped by diverse sources of evidence, and it is related to a current series of events, over which the researcher has no control. According to Yin (2003), Case Study methodology is a very good option for conducting studies in such situations. Moreover, the adopted methodology has allowed for considering within the research the unique conditions related to the migrant, the family, the region, and the country; features that will affect the impact of remittances inside the household unit (Taylor *et al.*, 1996), the community and the country. Ghauri (2004) argues that case studies are holistic, allowing for the use of concepts from diverse perspectives, and are context oriented, which makes this methodology a good fit when the topic under study should consider its natural settings, both being important features of the present research.

Following Eisenhardt and Graebner (2007), a qualitative research approach based on case studies is appropriate when analysing complex phenomena that need better understanding, and where survey instruments might not provide all the information required. For these reasons, semi-structured open ended questions have been used to collect the data thorough focus groups with migrant families, and interviews with context oriented actors. This has made it possible to reduce the risk of gathering only superficial data from migrant families (Denzin and Lincoln, 2000) and governmental representatives and migration experts. In addition to this, using in-depth interviews is particularly suitable when trying to have a deeper understanding of the behaviours and activities conducted by people, as described by Ghauri (2004).

Building case studies from the household point of view takes into account the fact that migration can be a family strategy to improve the socioeconomic living conditions of the household, which is also impacted by the context of the country of origin, making qualitative analysis and case studies significant contributors to this study, giving the possibility of deeply understanding the perceptions that migrants and their families have regarding those issues. Families with one, two, or more migrants can have the opportunity to build transnational livelihoods thanks to network connections and migration experiences, allowing those families to participate in diverse transnational activities. Their participation in social, economic and cultural surroundings within the transnational community may be another family strategy to enhance the household's income and living conditions. Case studies as a methodology permit to generate a deeper understanding of those possible connections, and of how those can impact the family, the community and the country.

In migration – development studies it is important to consider the personal and the social context surrounding the phenomenon. Therefore, a case study is a recommended methodology to be followed in this case to better understand and interpret the situation, because qualitative methods of research enable the researcher to identify motivations and behaviours (Matiz Bulla and Hormiga, 2011). Case studies are an important mean to analyse migration processes in a historical, sensitive, developmental way, considering local conditions and national political economy effects on communities, allowing for analysing why some transnational activities occur in some regions and not in others, instead of generalizing how those activities impact socioeconomic development (Durand and Massey, 1992).

As Durand and Massey (1992) point out, it is important to be sensitive to the particular characteristics of the community under study and to avoid generalizations about other communities, since community-level factors differ among populations as well as their socioeconomic structures and organization. Using case studies enables the researcher to consider the specific characteristics of the migrant population under study, along with the specific conditions in their home and destination countries. A similar argument is acknowledged by Durand *et al.* (1996), Massey *et al.* (1998) and Bailey (2010), who affirm that the proper theoretical approach to be used in migration related research will depend on the particular context under study.

As stated before, to collect the data focus groups with migrant families and interviews with context oriented actors were used, applying semi-structured open ended questions and in-depth interviews. These qualitative methods have been selected to avoid abstract causal mechanisms visible in quantitative research to better understand concrete relations (Bailey, 2010), implying the use of more participative methods to include those affected by migration, like families (Castles, 2007). To develop the semi structured open ended questions, a case study protocol including the interview protocol was generated, following Yin's suggestions (2003; See Appendix B). This protocol not only guides the line of inquiry for the researcher, but also aims to increase the reliability of the case studies used. The interview protocol provides a guideline for the interviewer so the data required can be obtained without restricting the interviewee line of conversation. It helps the interviewer to remember the main topics to be addressed in the interviews while allowing a free flow of conversation (Yin, 2003). Questions are open ended and semi structured, and other questions can be raised or neglected in the process of an interview, as appropriate for the purposes of the research and data collection method used.

Within this research and using the strategy defined, a pilot study was conducted with the intention of testing the methodology selected, including case study and the data collection tool designed, so that data collection plans could be enhanced. The next subsection will describe the pilot study conducted prior to the data collection, following the research strategy discussed in this first subsection.

### **3.2 Pilot study**

Before the data collection process started, a pilot case was conducted in order to test the viability and reliability of the research methodology and the data collection method designed for this study. For the pilot study, one focus group with semi structured questions was carried out with a migrant family using only one case study. According to Ghauri (2004), one single case can be used in pilot studies. This case study provided, at the same time, valuable information for the actual research. In addition to the qualitative data obtained empirically, other sources of data containing available statistics regarding migration and remittances in the Colombian context were collected.



During the interview with the migrant family the researcher used the interview protocol designed. The use of the protocol allowed the interviewer to consider all the data needed to be collected, and also permitted for improving the protocol for the purposes of further research.

The selection of the household case was based on convenience sampling. To contact the interviewees, a letter in Spanish explaining the purpose of the research and the use that would be given to the data was presented to the participants; also before the interview, the researcher explained to the interviewees the objectives of the study (See Appendix C). The family consisted of four members living together, and one living with another family (children from a previous marriage). Before the interview started, the participants were asked whether the interview could be recorded and they agreed to it.

The interviewed migrant household belonged to middle class before migration, and subsequently their economic situation had scaled up to middle-upper class. According to DANE (2014), middle class in Colombia is a social classification for those who do not get any public subsidy and do not pay extra costs for utilities, while the middle-upper class pays an extra cost in the form of contribution for those services, in order to subsidize the lower classes of the country. Therefore, middle-upper classes are assumed to have more wealth than middle classes.

The focus group was conducted in Spanish, the native language of the interviewees and the researcher, providing “linguistic equality” for both the interviewees and the interviewer, and therefore all the participants were able to communicate on equal terms (Marschan-Piekkari and Reis, 2004). Following Marschan-Piekkari and Reis’ (2004) suggestions, the initial contact with the interviewees was made using their native tongue, Spanish, to gain confidence and trust, highlighting the confidential and personal objectives of the present research. Since all the interviewees are native speakers of Spanish, there was no need to use interpreters or to translate the questions into different languages. The ability to have access to the participants’ native language during the focus groups and interviews prevented the researcher from getting short and superficial answers, enriching the data collection process and the quality of the data gathered (Marschan-Piekkari and Reis, 2004).

The data collected in the focus group was transcribed verbatim, and translated into English, using selective translation. For this, a careful process of translation was needed because the language in which the focus group was conducted was different to the language used to report the findings (Spanish-mother tongue of the researcher- to English), following Marschan-Piekkari and Reis (2004). A meaning-based approach to translation was used, paraphrasing and using synonyms when needed to represent in a phrase or quote what the speaker meant (Eckhardt, 2004). Once transcribed into the interviewees' mother tongue, and before translation, the data collected was sent via e-mail to the household for approval and possible modifications. However, no changes were suggested to the transcription. The focus group lasted for 1 hour and 14 minutes. The protocol used for this focus group is included in Appendix D.

Apart from some initial questions designed to break the ice and to gain the data identification of the individuals, the questions used for the pilot study were divided into three main topics: migration issues, monetary and non-monetary remittances, and returning options. Finally a wrap up question was added to give the individuals the option to add comments regarding the topics discussed during the focus group.

The first part, migration issues, aimed to explore the migration experience migrant families have had, asking questions regarding why they migrated, who migrated, where, and the potential impact that migration has had on them. The second section was designed to find out if the family carried out transnational activities such as sending remittances and tangible objects and the reasons behind the sending activity, the possible engagement in other transnational activities (non-monetary remittances) and the perception about the impact that those activities can generate. Finally, the third section intended to find out about the potential investment and/or returning plans for the household to determine their potential entrepreneurial activity within Colombia.

The data collected and translated were analysed using the data analysis tool (Bourque, 2004; Miles and Huberman, 1994; Taylor-Powell and Renner, 2003) proposed for the final research called Atlas T.I. 5.0. This software was designed to support qualitative research methods such as interviews, including other data sources such as reports, previous research, journals, news, videos, among others. The results of the interview were compared and analysed using the literature review carried out up to that point.

Therefore, the case analysis used the qualitative evidence stemming from the primary data collected and other secondary sources.

Once the data of the pilot were analysed, the results of the pilot study were presented at a DBA workshop at Newcastle University Business School. The feedback provided by this audience was considered for the purposes of the actual study. With the results obtained from the pilot and the feedback following its presentation, some improvements were made to the interview protocol. Changes included adding specific questions regarding transnational activities, including participation in HTAs and philanthropy, political participation, attending Colombian events, calling and travelling to Colombia, consumption of Colombian products, investments and entrepreneurial activities, and knowledge/technology transfers. Also, the need to conduct further literature reviews was addressed once the pilot case was analysed. The data gathered in the pilot study were also included in the analysis of the final research.

### **3.3. Case selection**

Because migrants and their families can be a difficult population to contact through random sampling, purposeful and snowball qualitative sampling techniques were used, as recommended by Summerfield (2007). The difficulty with contacting families results from the fact that not all migrants are legally established in the place of residency, or they might not have entered the country legally, and also because the reasons that motivated them to migrate could have been influenced by the socio-political and economic conditions of Colombia at the moment of departure. This is because in some cases, families were motivated to migrate because of security reasons, whether they migrated as refugees or not, as a result of the violence and illegal drug trafficking that the country has experienced during the last few decades, as discussed in the first chapter.

In using a case study approach, the intention is not to have a representative sample, since the main objectives are not to catalogue frequencies but to broaden and generalize theories, as explained by Yin (2003). In that sense, the selection of cases does not use

representative sample techniques but theoretical ones to generate a better understanding of behaviours and impacts on socioeconomic endeavours (Matiz Bulla and Hormiga, 2011). The appropriate number of cases to be used was based on saturation procedures: once new information was not being obtained from new cases, there were no more cases selected (Eisenhardt, 1991).

While this research did not use a representative sample, the families interviewed lived in diverse destination places (mainly New York, New Jersey, Connecticut, diverse cities in Florida, Atlanta, and others), all within the US, and came from different places of origin in Colombia, such as Barranquilla, Bogotá, Medellín and Pereira. Also, they represented diverse social status, family configurations and levels of transnationalism. They were contacted thanks to the use of the researcher's existing contacts, Colombian organizations and snowball sampling techniques. The approach was similar to the one used by Bermudez (2011). The selected cases were not representative of the total Colombian migration population in the US. Nevertheless, they represented important portions of this population who live where most Colombian migrants live within the US (Gomez *et al.*, 2004; Portes, Escobar and Walton Radford, 2007) and who engage in diverse transnational activities at diverse levels and intensity, as demonstrated by the data collected.

In addition to the households interviewed through focus groups, five open ended semi structured interviews were conducted with experts on Colombian migration and government representatives. These interviews provided important data to complement the material obtained from households, and to provide multiple sources of evidence (Yin, 2003).

Before each focus group and interview, potential interviewees were approached by phone or e-mail. After the initial contact, letters were sent to further explain the importance of their participation in the study, and the study's objectives (See Appendix B). Following the letters, another contact through e-mail or phone was made in order to organize the interviews appointments. Those who did not reply to the first contact were not contacted again, although this only happened with one family and one expert.

In total, 27 migrants' families (45 migrants in total) and five indirect or context oriented actors were interviewed. Out of these, three interviews were conducted with

governmental officials from the Ministry of Foreign Affairs and Proexport (national entity responsible of promoting Colombian non-traditional exports, international investment and tourism; Proexport, 2014), and two more with researchers specialising in Colombian migration. In total, 50 people were interviewed. Detailed information about the households and individuals interviewed is presented in Table 11.

**Table 11: Demographic Profile of Participants**

Family Group	Participant Pseudonym	Gender	Age Range	Education Level	Years living abroad	Place of destination	Social status before departure	Main reason to migrate
1	Luis	Male	50-60	High school	14	New York	Medium-Medium	Opportunity
	Maria	Female	45-50	Undergraduate degree	16	New York	Medium-Medium	Study
	Juan	Male	15-20	Middle school	6	New York	Medium-Medium	Opportunity
2	Jose	Male	50-60	Middle School	10	Connecticut	Medium-Low	Economic
	Clara	Female	50-60	Middle school	1	Connecticut	Medium-Low	Economic
	Pedro	Male	30-35	High School	1	Connecticut	Medium-Low	Economic
3	Lina	Female	30-35	Undergraduate degree	8	Miami	Medium-Medium	Opportunity
	Lucas	Male	30-35	Undergraduate degree	8	Miami	Medium-Medium	Opportunity
4	Carlos	Male	35-40	Undergraduate degree	6	Miami	Medium-High	Job offer
	Ana	Female	35-40	Undergraduate degree	6	Miami	Medium-High	Job offer
	Eliza	Female	20-25	Undergraduate degree	1	Miami	Medium-High	Job offer
5	Andres	Male	30-35	Undergraduate degree	5	Miami	Medium-High	Investment opportunity
	Diana	Female	30-35	Undergraduate degree	28	Miami	Medium-High	Mother migrated
6	Nora	Female	50-60	High school	29	Miami	Medium-Medium	Husband Migrated
7	Isabel	Female	20-25	Undergraduate degree	4	Miami	Medium-Medium	Job offer
8	Esteban	Male	30-35	Master	9	Charlotte	Medium-High	Study
	Valentina	Female	30-35	Master	5	Charlotte	Medium-High	Study
9	Rita	Female	25-30	High school	4	Miami-Kentucky	Low	Job offer
	Victor	Male	25-30	High school	1	Miami	Low	Wife migrated
10	Paula	Female	25-30	College degree	10	New York	Medium-Medium	Father migrated
	Claudia	Female	25-30	College degree	10	New York	Medium-Medium	Father migrated
11	Fabiola	Female	50-60	Undergraduate degree	11	New Jersey	High	Security
12	Bernardo	Male	60-70	Undergraduate degree	45	New Jersey	Medium-Medium	Opportunity
	Marta	Female	60-70	Undergraduate degree	42	New Jersey	High	Husband Migrated
13	Adriana	Female	45-50	Middle school	9	Orlando	Medium-Low	economic and security
14	Marcela	Female	45-50	Undergraduate degree	11	New York	High	economic and security
15	Camilo	Male	50-60	Master	30	New York	High	Opportunity
16	Juana	Female	40-45	Undergraduate degree	9	Orlando	Medium-High	Economic
	Gabriel	Male	40-45	Undergraduate degree	9	Orlando	Medium-High	Economic
17	Nina	Female	50-60	High school	33	Orlando	Medium-High	Study
	Nestor	Male	50-60	High school	32	Orlando	Medium-Low	Opportunity
18	Lorena	Female	50-60	High school	40	Orlando	Medium-High	Husband Migrated
19	Kelly	Female	35-40	Master	12	New York	High	Security
20	Yolima	Female	35-40	Undergraduate degree	6	Atlanta	Medium-Medium	Company transfer
	Jean	Male	35-40	Undergraduate degree	6	Atlanta	Medium-Medium	Husband's transfer
21	Rafael	Male	40-45	Postgraduate studies	14	Atlanta	Medium-Medium	Partner migrated
	Ricardo	Male	40-45	Undergraduate degree	14	Atlanta	Medium-Medium	Economic
22	Ariana	Female	25-30	Undergraduate degree	5	Atlanta	Medium-Medium	Husband migrated
	Aron	Male	25-30	Undergraduate degree	12	Atlanta	Medium-Medium	Parents migrated
23	Sebastian	Male	35-40	PhD	13	Atlanta	High	Investment opportunity
24	Cristina	Female	35-40	Undergraduate degree	8	Atlanta	Medium-Medium	Family reunification
25	Clarisa	Female	35-40	Master	13	Atlanta	Medium-High	Study
26	Darla	Female	30-35	Undergraduate degree	6	Atlanta	Medium-High	Husband's transfer
27	Helen	Female	35-40	Undergraduate degree	12	Atlanta	Medium-Medium	Husband migrated
Government	Mateo	Male	35-40	Master	2	Miami	Medium-High	Work
Government	Luisa	Female	50-60	Doctorate	12	Miami	High	Work
Government	Cecilia	Female	25-30	Undergraduate degree	-	Bogota	Medium-High	-
Expert	Diego	Male	40-50	PhD	-	Medellin	Medium-High	-
Expert	Carmen	Female	50-60	PhD	-	Bogota	Medium-High	Study

Source: Own elaboration of the author

The saturation point reached was related to the number of cases per region of destination and the total number of cases in general under study.

### **3.4 Data collection**

As previously mentioned, 27 focus groups with migrant families (45 migrants in total) and 5 context oriented actors interviews were conducted, using semi-structured open questions. Those contextual interviews were conducted with two Colombian researchers of migration topics and three governmental officials in Colombia and the US. All interviewees were asked about the possibility of recording the interview. In all cases the permission was granted.

All interviews were conducted in Spanish (native tongue of participants), transcribed verbatim in Spanish and translated into English using selective translation. During transcription, impressions were written to facilitate coding at a later stage. Throughout translation, and considering that the reporting language is different from the one used to collect the data, a careful process was followed, following the suggestions of Marschan-Piekkari and Reis (2004), using a meaning-based approach (Eckhardt, 2004). Once the data was translated, the interviews were entered into a qualitative analysis tool called Atlas T.I 5.0 in order to analyse them using content analysis procedures (Bourque, 2004; Miles and Huberman, 1994; Taylor-Powell and Renner, 2003).

As with the pilot study, “linguistic equality” was ensured (Marschan-Piekkari and Reis, 2004) since the initial contact was made to obtain higher confidence and trust, and to have a balanced conversation where all participants could communicate on equal terms. There was no need for interpreters or to translate the question in other languages since the interviewer and the interviewees shared the same mother tongue. Additionally, using the interviewees’ native tongue enriched the data collection process, preventing the researcher from obtaining superficial and short answers as a result of possible language difficulties.

Also, to facilitate data organization, Excel tables were designed and used describing in each sheet the transnational activities carried out by the participants, recording further details about the participants and fieldwork notes. Those tables helped to compare the data collected with the data in Atlas TI, aimed at facilitating data organization and analysis.

Before translation, the transcribed interviews were sent by e-mail to the families, so that they could add or change some of the comments made, and verify the content that was going to be used for final analysis. Only one migrant suggested small changes.

Moreover, a number of secondary data sources were used, as summarized below:

- Books, papers, articles and reviews of previous research on topics such as international migration, transnationalism and its components, economic development, remittances, socioeconomic situation of Colombia and other Latin American countries.
- Data bases (such as EBSCO, ProQuest, Science Direct, Springerlink, Emerald, JSTOR), international organizations' web pages (such as the World Bank, United Nations, International Monetary Fund, The Organisation for Economic Co-operation and Development, Economic Commission for Latin America and the Caribbean, among others), Colombia's governmental web pages, and NGOs' web pages. Also, web pages of various research institutions were consulted.
- Policy papers and discussions held with participants in forums such as the 12<sup>th</sup> Annual International Business Research Forum: 'Diaspora investment and entrepreneurship: the role of people, their movements, and capital in the international economy' (The Fox School of Business, 15<sup>th</sup> October 2011, Philadelphia, US), Mi Casa con Remesas (Country Club de Ejecutivos, 2<sup>nd</sup> August 2010, Medellín, Colombia), Seminario Oportunidades Humanas y Medicion de la Pobreza en Colombia (Universidad EAFIT, 6<sup>th</sup> June 2010, Medellín, Colombia), Perspectivas económicas de América Latina 2010 enfocado en el papel de la migración internacional y de las remesas en el fomento del desarrollo (OECD and Colombian Ministry of Foreign Affairs, 13<sup>th</sup> April 2010, Bogotá, Colombia), Migración internacional, retos y oportunidades para el desarrollo (Comfenalco, 10<sup>th</sup> March 2010, Medellín, Colombia)<sup>2</sup>.

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<sup>2</sup>[Translation: Mi Casa con Remesas [My House with Remittances], Seminario Oportunidades Humanas y Medicion de la Pobreza en Colombia [Human Opportunities and Poverty Measurement in Colombia Seminar], Perspectivas económicas de América Latina 2010 enfocado en el papel de la migración internacional y de las remesas en el fomento del desarrollo [Economic Perspectives of Latin America 2010 focused on the role of International Migration and remittances in fostering development], Migración internacional, retos y oportunidades para el desarrollo [International Migration, challenges and opportunities for development]].



- Economic statistics and reports.

As stated before, an interview protocol was followed to guide the interviews, so no important questions were omitted. The interview included questions regarding the migration experience of those participants who have migrated, the participation in transnational activities (such as sending remittances and tangible objects, telecommunications, travel and tourism in Colombia, purchase and consumption of Colombian products while in the US, receipt of money or tangible objects from Colombia, political participation in Colombia and the US, participation in events organized by Colombian organizations and governmental institutions in the US, participation in Colombian HTAs, involvement in Colombian philanthropic projects, investment in Colombia, and technology and knowledge transfers), and the perceived impact of the participants' migration and actions on others in Colombia, their communities and the country in general.

The interview was divided into four parts (See Appendix B). The first section aimed to 'break the ice' and to obtain data regarding the migration experience of the family. Here, questions about the migrant and her/his/their profile were also asked, as well as the reasons for migrating, the migration composition (who migrated and why), their activities before and after migration, and the consideration of the impact migration has had on their lives and their families.

In the second stage, questions regarding migrants' participation in transnational activities were addressed, including monetary and in-kind remittances, trade and consumption of Colombian products while in the US, telecommunications, travel and tourism, knowledge and technological transfers, investments and business creation, participation in HTAs and politics, philanthropic support for national projects, and participation in events organized by national institutions while abroad. The transnational activities addressed in the interviews correspond to transnational practices described in other studies (e.g. Itzigsohn *et al.*, 1999; Landolt, Autler and Baires, 1999; Smith and Guarnizo, 1998; Stodolska and Almeida Santos, 2006). Additionally, the reasons behind and possible impacts of those activities were also explored to obtain the migrants' perceptions regarding migration and transnationalism.

The third section intended to question the migrant family about their future plans regarding migration and return, with the objective of determining possible transnational involvement in the future and the possible reason for doing so. Also, this allowed for evaluating possible circular migration, and migration and transnationalism impacts.

Finally, the last section of the interview included questions designed to stimulate participants' comments, to allow them to make any comments regarding the interview, and to facilitate snowballing sampling. Interviewees were asked whether they would like to add something to the interview or if they would like to ask the researcher any questions. In the few cases where questions were asked, they referred to the importance of the proposed research.

The interviews took place in diverse locations. In most cases, they were conducted in the family's home, but on other occasions they were held in other locations, such as restaurants, offices and shopping malls. The places were chosen by the interviewees with the objective of making them feel comfortable. To conduct the interviews, the researcher travelled to various cities within the US, such as New York, New Jersey, Atlanta, Miami, and Orlando. Other interviews were completed in Colombia, mainly in Bogotá and Medellín. In one case, an interview with an expert was carried out through Skype. In all the remaining cases, direct observation was possible because of the physical presence of both the interviewer and interviewee during the interview process. Although Skype is a computer programme, it allows for direct, virtual connection, so direct interaction was also possible on that occasion.

All the diverse sources of data have allowed to enrich the data collection process, and to ensure triangulation (Ghauri, 2004, Pauwels and Matthyssens, 2004), enabling the generation of a more complete, comprehensive and contextual description of the topic under study. Those diverse sources helped the researcher to check and validate information and to examine the data from diverse perspectives.

### **3.5 Data analysis**

Once data were gathered using the diverse sources discussed in the previous section, the data were organized and a study data base was built using a simple Excel format, as recommended by Yin (2003), in order to make the analysis process easier. The organization of the material was carried out by topic, so comparisons of the answers provided by the interviewees' results were easier to find. Once organized, the data were formatted for use in the qualitative data analysis software, Atlas TI 5.0 as explained before.

To proceed with the content analysis, once the data were entered into the software, it was necessary to code the material to help identify the issues enclosed in the data set used. For this purpose, axial coding was applied (Shenton, 2004), using the themes identified in the Excel files of the study data base built. When coding, some themes were identified through a mixed approach (combining a priori approaches from previous research and literature reviews, and an inductive approach from the interview data). To code, some words, sentences and paragraphs were labelled, in order to facilitate their analysis and to allow for further comparisons and examination, finding patterns and relations. Coding supports the interpretation process of the data, and helps to relate it to the frameworks and questions proposed for the research (Ghauri, 2004).

A code book was built in order to facilitate the coding process and to avoid possible coding bias (See Appendix E). Codes were re-read during the organization, codification and analysis process, with the purpose of checking for consistency. All words identified with the same codes or labels were considered to have a similar meaning by the researcher. The coding process was complete, exhaustive, valid, and mutually exclusive (Strauss and Corbin, 2004). Once the codes were built, the analysis process of the data was carried out, aiming at establishing patterns, defining connections, relations, and the relative importance of findings. This was an iterative process where the analysis was required to re-code the data, leading to a new analysis stage.

After the data from the interviews were analysed, the results obtained were compared with the data acquired from the context oriented interviews and secondary data sources (previous research, statistics, extant theory, among others), supporting data triangulation

and looking for comparisons, new patterns, validity and consistency of the findings, allowing for a deeper analysis of the situation (Lee, 2005; Lockyer, 2004; Saldana, 2009).

These processes, plus the juxtaposition of data and the iterative analysis process followed allowing for strengthening the validity of the analysis (Pauwels and Matthyssens, 2004). Moreover, relational content analysis was carried out on the codes to find patterns, similarities, contrasts, and relations of causality in order to enhance the meaning of the data. The content analysis involved including the codes and the excel files developed to organize the data around the transnational variables studied in this research, developing new tables and enhancing the existing ones. This content analysis allowed for identifying concepts and obtaining their meaning (Bourque, 2004; Boyd, 2006). Also, this analysis allowed for identifying typical and deviant cases.

To strengthen the results obtained from the analysis, quotes and charts were included, making it easier for the reader to comprehend the main findings and implications of the research. When this process was completed, conclusions and suggestions for future research were put forward, and policy recommendations were made for future actions.

### **3.6 Research Ethics**

In order to meet the ethical standards expected of research using human participants and to protect the persons interviewed, the six main principles suggested by the Economic and Social Research Council (ESRC, 2010) were followed, and Newcastle University's requirements regarding research ethics were also complied with. The research was carried out following the Council's recommendation on integrity and transparency, among others. The interview protocol implemented was reviewed and approved by the main supervisor of this thesis. All contributors were invited to participate freely and to decide whether or not to answer the questions posed or to further elaborate on any points highlighted during the interview.

Before each interview all interviewees were informed about the objectives of the research, their role and importance within the study, the methods to be used, and how

the data would be used confidentially and only for the purposes of the proposed research. To do so, a letter outlining all those aspects was sent to each household in advance, and then these concerns were discussed again before the interview.

Additionally, prior to the interview, each person was asked for permission to record the interview using a recording machine. There were no objections regarding its use. Only two interviews, one with a household and another one with a government official, were not recorded because of the malfunctioning of the recording machine. In those two cases, notes were taken and subsequently sent to the interviewees for their approval. All interviews were analysed and stored by the researcher only. To guarantee the anonymity of the participants, pseudonyms were used. All the interviews were transcribed and translated by the researcher.

Since the interviews were conducted within the household framework, children under the age of 18 were not included. Likewise, children living outside the family unit were not considered as members of the household.

No conflicts of interests were present during the research. Despite the fact that some of the topics under study could be considered sensitive for the interviewees, the data collection method used, the semi structured interview, allowed the participants to talk freely about the topics covered, and they were generally open towards all the questions. A similar situation was found by Bermudez (2011).

Moreover, all sources of information and data have been properly cited and referenced throughout the research, and in the Bibliography section. All the data collected have only been used for the purposes of this research, and have not been shared with third persons or organizations.

The next chapter of the thesis analyses the findings of the empirical research.

## **Chapter 4: Analysis of Empirical Findings**

This chapter analyses the transnational activities in which Colombian migrants living in the US engage and the reasons that motivate them to pursue those actions, according to the empirical material gathered. Also, the role of the Colombian government regarding transnational activities is examined. Finally, the impact of those activities at the three levels of analysis proposed in this research is discussed: family (micro), community (meso) and country (macro).

Although there is no consensus about what constitutes transnational activities, as previously discussed, these usually include remittances (monetary and in-kind), international trade, telecommunications, travel, political participation at home, philanthropic participation at home, knowledge and technology transfers, investment and entrepreneurship, and participation in hometown associations. All those activities are analysed in this chapter.

Before turning to the presentation of the empirical findings, it is important to mention that only three families have expressed that they migrated because of economic reasons. Other reasons leading to migration among the families interviewed included study, sports scholarship, entrepreneurship or investments in the US, to explore opportunities and to live in another country, security reasons, and marrying somebody already living in the US. Nonetheless, all of the participants were engaged at diverse levels in different transnational activities, as presented below.

### **4.1 Remittances**

According to the data obtained, Colombian migrants in the US engage in diverse transnational activities at various levels and frequency, with remittances being the most common one, in accordance with the results presented in other studies (Cardona Sosa and Medina, 2006; Gaviria and Mejía, 2005). Those remittances include the transfer of money (monetary remittances) and physical objects (non-monetary remittances). The latter category has been much less explored in research.

Not only do Colombian migrants send remittances back to their country of origin, but also, it does seem to be a common belief that sending money back to Colombia is a common objective of those who migrate:

*“Everybody sends remittances”*. (Esteban)

*“Finally all the friends we have, they all used to send money for their families”*.  
(Valentina)

Regarding monetary remittances, most participants state that they send remittances. When asked about the reasons to send money, most migrants have declared that they do so in order to support the family income and the needs of family members left behind, especially parents and children. In a few instances money was also being sent to sisters and/or brothers.

*“I have always taken care of my family, I worked for them... they knew the money I sent was to pay the rent, their food, utilities... and to pay the debts”*.  
(Jose)

*“I send money to my parents for them to use the way they want to, and to my sister for medical treatment”*. (Carmen)

*“We send money to our mother for her expenses... we always send her money...also for her birthday, for Christmas...”*. (Claudia)

Likewise, money is frequently sent as a gift on special occasions such as birthdays, Christmas, and Mother’s or Father’s Day. In two cases, money was also sent to cover the expenses of properties owned by migrants, as Lina and Carlos explain:

*“I support a little bit my parents by sending them money to pay for their utilities expenses, something around \$150 USD monthly, for example, and eventually something more for special occasions or because somebody needs something special, but I also send for my own expenses because... to pay for the maintenance of the apartment I have in Colombia... and the expenses of a cabaña I have on the coast”*. (Lina)

*“We send money to our daughter, to support her, but also we kept paying for our apartment [which] is still ours”*. (Carlos)

In one case, a migrant stated that rather than sending money, he receives money from Colombia. This money comes from the profit made in a business he has in Colombia,

which was established before arriving in the US; the money received is used as capital to be invested in a new business he is creating in his new place of residence:

*“I receive profits from my business...for the business here”.* (Andrés)

Another person stated that she has an investment in Colombia. The revenues from the investment are managed by her mother, and any time she needs to send money she asks her mother to withdraw it from the investment, so she does not have to use international transfers:

*“We also have income there [Colombia], so when there is a need of money there, my mother manages that account, so if there is a gift for somebody she gets the money from the account and then... she tells me but she has the signature in the account, so she... we have never had to send money from here, or from them to us, because the accounts are settled within Colombia”.*  
(Marcela)

In these last two cases, those migrants do not send money to Colombia, but if needed, they could redirect the income generated in Colombia towards those people needing the money within the country. In this way, they do not recur to international transfers but to local operations in Colombia, but still can guarantee remittances for those left behind.

In terms of the frequency, most remittances are sent on a monthly basis (11 cases), followed by twice a month (2 cases), weekly (2 cases), and eventually on special occasions in the rest of the cases (10). Special occasions refer to birthdays, Christmas, Mother's and Father's days, and others.

As mentioned before, most remittances are sent with the intention of supporting family members left behind, and in other cases, as gifts. In that sense, migrants are confident they know the use given to the money, which usually includes living expenses, money for retirement funds and health, and purchase of gifts, as mentioned by Clarisa:

*“What I send them is used by them to survive, I mean, to live, my mother is the one who manages the finances at home because she is more organized than my father, so with that money they pay for utilities, their health coverage, etc.”.*



Even if the money is sent by the migrant, it is usually the recipient who decides upon its use. Sometimes, the use is negotiated between the migrant and the recipient, and in a few cases, it is the migrant who determines it:

*“I send remittances to my mother, and she is obviously the one who decides what to do with them”*. (Jean)

*“Our daughter sends us a list of her monthly necessities, and we tell her this is ok, this is not, this is fine and such...we needed to handle this with caution”*. (Carlos)

*“I decide how to use the money ...It is interesting how things change with your parents...First they give you money and then they are the ones who explain to you how the money has been used. So I needed to know the numbers because I need to live here, too.... I know all the expenses, all”*. (Ricardo)

Remittances have become an essential source of income for recipient families. They have become a subtle obligation and the opportunity to have presence at home for some people, something that is almost expected in many cases, as indicated by Isabel and Ana:

*“I send remittances and gifts because since I am not there, I want them to feel my presence in my family, to feel like I am there even if I’m not”*. (Isabel)

*“If you are going to be away and the family will be split... and not helping them... it is complicated...., it doesn’t make any sense to be away if you cannot help them”*. (Ana)

Regarding the amount of the money sent, the interviewees have reported a range from \$100 USD up to \$900USD per month. Nonetheless, on average the amounts reported by the participants are similar to the ones found in previous studies (Gaviria and Mejia, 2005), between US\$150-USD\$250. When analysing the differences in the amounts sent, it is possible to see how those who send more money are those who send remittances to support the family income of those left behind in Colombia, especially for older parents or health coverage or treatments. Those who send less money usually send it as a gift or on special occasions.

From the data obtained, it is noticeable that younger migrants tend to use more modern technologies to transfer money using the services provided by internet companies instead of the traditional transfer companies. In this case, the cost of sending

remittances is reduced, and the transfer can be made from home or work. Nonetheless, the most common method used to remit money is to recur to transfer companies and banking services. In one case, one migrant mentioned how he mixes different methods, as he expressed:

*“I have different ways of doing it. I have some stock investments there [Colombia] so when I make transactions instead of buying stocks I tell them to deposit some money to my mother, or I have some relatives who have bank accounts here and there so they make me a deposit there and my mom can make a withdrawal directly there”.* (Jean)

Considering the future of money transfers from the US to Colombia, and according to the data obtained, it is possible to believe that the use of new technology, mainly internet service providers, and mixed methods will be more frequent in the future, reducing the use of traditional transfer or exchange companies to send remittances.

Nevertheless, not all participants send monetary remittances. Out of those interviewed, 13 adults have stated that they do not send monetary remittances, corresponding to eight families. In three families only one member sends remittances. When asked about why they do not send monetary transfers, the most common response is because either their families do not need them to send money (nine cases), or because they do not have family members from their nuclear family living in Colombia (two cases). In only one case a couple explicitly mentions not sending remittances because they do not have the economic capacity to do so:

*“We didn’t send remittances, everybody does it, but we didn’t. Our families didn’t need the money”.* (Esteban)

*“No, I don’t send remittances... I don’t really have family there, so no”.* (Cristina)

*“What we send the most is used things because we don’t have the capacity to send new things or money...”.* (Juana)

Nonetheless, all those who stated that they do not send monetary remittances, do send non-monetary remittances or tangible objects with diverse frequency, usually as gifts for special events. From all the families’ members interviewed, only two stated that they do not send objects to Colombia, one of them because she does not have nuclear family living in Colombia, and the other because she prefers to send money only.

It is interesting to mention here that one interviewee stated how he does not agree with the fact of sending and bringing things, but nevertheless, he does take some things with him in his luggage every time he travels back to Colombia:

*“When I go I carry with me some gifts and some things for my nephews, but meaningless things, but I am the kind of person who doesn’t agree to carry things and bring things, I don’t like it, I have never liked it”. (Camilo)*

The most common items sent include clothes, sports shoes, chocolates and candies, perfumes, toys, vitamins, and beauty products. Those are usually sent through cargo companies (boxes) or within the luggage when they themselves or somebody they know travels to Colombia. According to the interviews, in the last case, the volume of things sent has been reduced in recent years because of the restrictions on the weight and size of the luggage allowed per person on international flights, and the extra cost those can represent to the migrant, as Marta explained:

*“Look, the thing is that now you cannot carry anything with you anymore, because the luggage doesn’t allow you, so you not only have to pay for the gift but also... you won’t pay USD\$100 or USD\$200 for extra luggage”.*

In most cases the objects sent are gifts for relatives, including nuclear and extended family members, while remittances are mainly sent to nuclear family members:

*“I send some things also, especially for my nephews, things like clothes, or toys, an Xbox or a Kinetic, or games, tennis... things like that...”. (Lina)*

These gifts are sent because migrants want to send them, or because of special occasions such as Christmas, birthdays or holidays.

*“And obviously we often send gifts to my father and his children...like clothes... and they received them with joy”. (Diana)*

*“In December, it is like a tradition I have adopted since I live here, I send to my husband’s family, because back there there are some nephews and a brother of my husband, we send to all of them their Christmas gifts, at Christmas”. (Darla)*

The frequency of sending tangible objects is lower than that of remittances, especially for those migrants who only tend to send them when travelling for themselves or when a

friend goes to Colombia. However, most of the time a mixture of methods is used (boxes and luggage), slightly increasing the frequency. Seven families interviewed declared sending boxes regularly, every month or every two months. In some cases, the things sent are called “*encargos*”, or products sent because somebody in Colombia asked the migrant to send them to Colombia. “*Encargos*” are specific things that people in Colombia ask the migrant to buy and send to others in Colombia as a special favour. In most cases the migrant does not charge for the “*encargos*”, so the things sent become gifts for the recipient.

*“When you are here people in Colombia say, no, she is there, so it is very easy for her to get it all. So every time my sisters need something they tell me: hey, can you buy me this thing, or can you get those pills, or this other thing. So everybody makes you “encargos”... those are “encargos”, but I cannot charge them for those things.... Those are gifts”.* (Ariana)

Also, the use of new communication technologies such as the internet has facilitated the “*encargos*”, making it possible for a person in Colombia to buy online whatever product they desire, and sending it to the postal address of a migrant in the US, so the migrant can send everything in a box later, as expressed by Kelly:

*“Sometimes I send gifts, my family ask me for “encargos”, and now with the internet...every person goes on the internet and tells me: look, I saw something on the internet, can I buy it and send it to your home? So they buy the things directly from Colombia and send them to my place, and then I send those things through a carrier”.*

In this case the migrant becomes an intermediary, but the objects sent are not gifts because those are paid for directly by the internet buyer. However, the migrant usually pays for the delivery of the cargo. In two other cases, female migrants have mentioned how they used to send products in boxes or to carry them within their luggage for businesses purposes, i.e. not as gifts but to sell them in Colombia. As they mentioned:

*“There was a time I said... I told my sister, you know what? I’m going to send merchandise, I will buy t-shirts and you can sell them in Colombia...so I started to send some. At that time I used to send boxes with clothes, and that gave me some money. But then I got a job here”.* (Ariana)

*“Sure, every time I went, because back then there were not so many problems with the luggage, so you could ... every kid had the right to have two pieces of luggage, so I arrived like Santa Claus and life was cheaper... you could even bring things for sale, I even made a business out of it, because here with the*

*season changes you could buy very good branded clothes at very good prices... so people told me to bring things, at that time there was no... not all the malls that exist today. So you arrived with this big luggage full of merchandise and there was no problem with it". (Marta)*

Only one of the participants seems to be concerned about this method of exporting/importing products between the US and Colombia, recognizing that this way of doing business might hurt the country's economy:

*"There are things like the T-shirts... that I said, well, I know I'm hurting Colombia's economy, but I needed the money... if, when I say that... because when you send those things the first thing they ask you is: are you going to send them commercially or as gifts? And obviously you send them as gifts, you remove all the tags and you send them as gifts". (Ariana)*

It is important to mention here that the act of sending commercial products as gifts could be considered as technical smuggling, avoiding the procedures and payment of some tariffs in order to make the export/import legal. However, the amounts sent for commercial purposes are small, limited by the volume and weight they can send every time, and the import/export regulation for cargo in Colombia. On the other hand, in three cases migrants mentioned sending used products like clothes to family members either as gifts or to be given away to others in need, as a donation:

*"We send many used clothes, because even if those are used they are good... most of it for people we already know, cousins that don't have, that I don't know what... most of them". (Ricardo)*

*"American people throw away many things. I might have sent a TV somebody gave to me. I worked in a gym, and people used to leave things in the lockers for any reason and sometimes our bosses took them and asked who wanted those things, so I picked those and I sent them, very good products but used, but in a good shape, they were useful here". (Jose)*

Colombian migrants do not only tend to send objects to Colombia, most of them have also claimed receiving tangible gifts from Colombia usually brought by visitors in their luggage and in a few instances through carriers. In both cases, the more common products received include chocolates, candies, liquors, snacks, and clothes. Additionally, migrants tend to bring some of those products in their own luggage when they travel back from Colombia.

Sending and receiving tangible gifts to and from Colombia marks the fact that Colombian migrants keep connected with their relatives and culture, and that even on a smaller scale, international trade between both countries is actively being driven by migrants and their families. This drive is not only seen in the formal trade channels, but also in more personal, informal ones, like travelling. Most of the products sent are considered gifts, and do not have a commercial purpose, and therefore those are not included within national export/import statistics, and might not pay all the tariffs related to this kind of operation. In any case, the volume of this kind of trade is not significant in terms of its monetary value. However, it does have an important meaning for the migrants and their families, allowing them to keep in contact with their culture and to have a sense of companionship with their relatives despite the distance.

Transferring money and objects therefore is a common activity of most migrants interviewed, where most of them perform both, and just a few engage in one or the other. This commonality can be found even though only three families state they have migrated primarily for economic reasons.

When asked about the possible impact of remittances, most families believe the effect is beneficial, whether it is money or tangible things. Common reasons include: because they generate happiness, improve welfare, allow recipients to pay for their basic needs to survive, and because remittances allow recipients to have more money or savings. Some of the experts interviewed also believe remittances have a positive impact:

*“Well, in my opinion, I think remittances are positive because they help families, and get directly to the hands of the families, there is no way they will...be impacted by corruption, which is so... it is part of our lives here. You can read diverse writings that have a different opinion, because my opinion is that even if the money is used to feed a family I think it is positive because it is for the family’s wellbeing; if the money is invested in clothing, well that clothing will allow the younger to dress better, to go to school, to have their uniforms, so in all the senses I don’t think we can say they are negative if they help families; and studies made by the Banco de la República indicate that recipient families invest remittances in education, which is... you can see situations in which families receiving remittances invest that money in private education”.*  
(Carmen)

*“There are various benefits...the most expedite one... I think in a good portion migration is a social protection measure, international migration is like a safety net, people can go to the State, can ask for help on the streets or can migrate and seek some help abroad. In that sense, the money sent by somebody who*

*migrated looking for better luck is mainly used to satisfy basic needs. That is not a trivial thing, because it can make a difference between being poor or homeless, or not...so in theory the basic consumption is not meaningless, it is something important, it is subsistence; and it is also tied with human capital, a lot of this is avoiding the destruction of human capital, because they don't have to remove children from the schools, or they have a source to have access to health services... socially it has a very important value, above and beyond the impact that remittances used in other things like investments can generate ...I think the most important benefit is at the social level, which is the one that establishes a base for people's wellbeing". (Diego)*

In addition, most families believe sending remittances is also good for migrants, because it is satisfactory for them to send money, it gives them peace of mind, and it creates welfare for both parties (senders and recipients). A few families stressed that they believe remittances also had a positive impact on the economy of the country, because they are an important source of money that generates economic growth and more consumption, therefore impacting production and employment. Only in two families participants mentioned that it might hurt the economy because it might generate a lower amount of income from taxes for the government, although the amounts might not be meaningful.

Similarly, four families considered that remittances could also have some negative impacts, since recipients might develop dependency towards the money/gifts received, and remittances might become a sort of mandatory act for the remitter, consistent with Zapata Martinez findings (2009). Only one family mentioned how they used to be sure about the benefits of sending remittances, but now they are not so sure because they have been told about the misuse given to those transfers by the recipient. Nevertheless, this family continues sending money and tangible objects, because:

*"I feel fine sending, but once I arrived in Colombia some neighbours and other people, my brothers, told me that my mother used the money for something different or that she was wasting the money, so that made me feel sad, but in the end it is a duty I have, something I must do, it is up to her what to do with the money". (Rita)*

Similarly, Carlos stated:

*"All those who send money do so acting in good faith".*

Based on the above, it is possible to see how even if remittances might have some counterproductive impact on recipients, migrants in general believe they are good, and the act of sending things from the US to Colombia makes them feel good about themselves and about the support they provide for their families back in the country of origin. In this sense, the positive impacts are more relevant and visible than the possible negative ones. The findings confirm the results of previous studies arguing how remittances impact in a positive way recipient families in Colombia. This is because recipient families tend to spend more money on education, health, and even on entertainment (Gaviria and Mejia, 2005; Kugler, 2005).

Sending money or goods from the US to Colombia is an individual oriented activity, where the agency of the migrant is exercised, whereby the migrant decides whether to send or not, what to send and what amount, how often, the means used to do the transfer, depending on her/his own circumstances and those of the family left behind. This activity does not depend on community networks or extended community links. Yet all those transfers are shaped by the structures of the country of origin and destination, which impact the sending costs, the amount sent, the means used to do the transfer, and the perception of the environment at home, which in turn might also influence the frequency and amount sent. For Colombian migrants in the US, for example, the cost of sending money has decreased over the years (Orozco, 2002), increasing the amount available to recipients.

Considering that most Colombian migrants in the US come from middle-low income class (Upegui-Hernandez, 2012), it is possible to understand why the money transferred is mostly spent on general consumption, since that money is needed to cover basic needs and reduce local capital constraints. This is especially true in the case of migrants from a low-income class.

Consistent with the data obtained, monetary and tangible transfers have a positive impact at the micro level of the family, improving the socioeconomic conditions of recipient families, according to our interviewees. This is because transfers not only help to keep families in contact, but also, because through them families' living standards are being improved, recipients can have access to things they could not afford otherwise, because they provide happiness for senders and recipients, because it reduces capital constraints to procure the coverage of basic needs, because it improves livelihoods, and



also, because through those they can have more disposable income to use as savings, on education, on health improvements, on investments in real estate, and others. There is also a sense of pride for the senders, who feel satisfied thanks to the possibility of sending things and/or money to their families in Colombia:

*“I send money for them and money as savings for my future... I told my mother we would buy a house with that money, so she wouldn't have to pay rent again. I bought her first apartment... then I sold that one and I bought her another one, a better one... I was the one that had my mom living in her own house”. (Luis)*

*“I have a younger sister who is 13 years old, and I told my parents that I would take care of her, so I pay for her education”. (Isabel)*

At the meso and macro level of the community and the country correspondingly, the impacts are more diverse. It might be easy to assume that if many families (around 10% or urban families, Cadena and Cardenas, 2004; and around four million of Colombians, Fomin-BID, 2004) within a community get remittances, then the impacts should be positive at the community level because more families get benefits. But the reality is more complex. This is because one should not only contemplate the benefits for recipients but also the impact on non-recipient families. Although no data have been collected from non-recipient families in this research, there are some impacts that can be analysed from the data obtained from the interviews with recipient families and governmental institutions, like the Departamento Administrativo Nacional de Estadística (DANE).

The products sent to recipient families can be observed by other members of the community, generating a demand effect for those products. Therefore, the import of those products can be increased, although according to one family interviewed these products can also be bought in Colombia, but at a higher price:

*“I think that almost everything can be bought in Colombia, but at a much higher price than here”. (Kelly)*

The demand increase therefore can be for new products or for existing ones. Additionally, through the previously mentioned “*encargos*”, non-family members can have access to products from the US, thanks to social networks formed at the community level. Nevertheless, it is also possible for these families to develop some sort of dependency on the gifts sent, as illustrated below:

*“For example I used to arrive to the town every December with gifts for the whole neighbourhood... and today if I go people only care about what I have brought for them. They are looking for any earring, anything... they don't even say hello to me, but what did you bring me? That's how they say hello to me, not even how are you? No, just what did you bring me? ”. (Rita)*

Imports and exports might increase thanks to the transfer of products. Given the limitations existing today for luggage carriage, the high cost of extra luggage and cargo limitations in terms of volume and weight, the increase of this type of trade might be limited by the increase in the volume of migrants. Still, the demand for the products transferred might even increase if migration stagnates, because the limitation to bring and send those products can motivate others to create businesses or increase this market in both countries. In that sense, this might represent an opportunity for international trade and business creation for migrants and natives between Colombia and the US.

In the case of money transfers, the money might benefit recipient families and non-recipient ones thanks to multiplier effects at the community and national level. This is because there will be more money to spend, creating more demand for local products and services, stimulating job creation and investment at the local and national level. For example, it might create some local jobs thanks to home improvements undertaken with the money received.

The data obtained allows for suggesting that there is evidence of the positive and negative impact that remittances can have at diverse levels, providing support for both the more “pessimistic” and “optimistic” perspectives on the migration-development nexus (De Haas, 2007a, 2007b). The real impact will depend on the level of study (micro, meso or macro), and the environments of the place of destination and departure.

The Colombian government has acknowledged the significance of remittances as a source of income for families within the country, and as an important flow of foreign currency entering the country. The importance of this source of money for the families and the country has motivated the government to work with the local financial system to facilitate monetary transfers within the legal framework of the country to avoid money laundering and to reduce transfer costs. Additionally, they have worked to help migrants to open bank accounts in Colombia while abroad and to motivate migrants' savings and future investment in the country.

The government has been interested in promoting the channelling of remittances into investment within the country, although their initiatives have been mainly focused on the real estate sector. For this purpose, the government has created diverse alliances with other governmental institutions and private organizations to promote the acquisition of real estate through savings, mortgage or direct payment. Also, it has supported the development of real estate fairs in diverse cities of the US where there is an important volume of Colombian migrants, with the purpose of encouraging migrants to invest their remittances in the purchase of houses in Colombia. This has been pointed out by one of the government interviewees:

*“Strategies such as the facility to buy a house in Colombia from abroad, whether through real estate fairs or not, have been designed. Those fairs are the result of a public-private alliance to offer housing proposals to migrants and to generate the mechanisms so they could effectively buy a house here in their places of origin. I think that has been the most effective strategy that has been developed to channel remittances here and to generate a positive impact on our development. We have also developed other strategies”.* (Cecilia)

In addition to this, the government has created channels to motivate its migrants to be part of the national retirement and health systems, in a voluntary way, so they can have access to health treatments and retirement plans in Colombia while sending the required money from abroad (Colombia Nos Une, 2013). In this sense, the government is trying to motivate its migrants to save and channel remittances for their own future and health within the country.

All these initiatives have been developed by the government through its CNU programme, as one of their lines of work called services system, as explained before. This programme has developed diverse strategies, being aware that migrants and their families need to be supported, so they can understand the diverse productive uses they can give to remittances in Colombia. For this, it is important to bear in mind that remittances are private funds that recipients can use freely, exercising their agency within the structural constraints of the country. In that sense:

*“[The Government works to] teach the migrant which channels or projects exist that have governmental support so they can invest their remittances; and this is not only about the channels’ existence, but also about the lack of information and education of the migrant’s family about the use they can give to remittances, keeping in mind that remittances are obviously a private resource, and our work*

*as government is to generate the conduits and to inform migrants' families and migrants about the productive use they could give to remittances under their own decision and will". (Cecilia)*

The diverse strategies developed by the Colombian government to channel remittances into more productive uses might also have an indirect effect on the increase of the amounts of money sent, motivating migrants and their families to explore other options where they can invest and save money. In this sense and following Levitt, Dewind and Vertovec (2003), the government encourages more transnationalism from above (Smith and Guarnizo, 1998), seeking to increase narrow transnationalism (Itzigsohn *et al.*, 1999).

The Colombian government therefore has created some strategies, mainly focused on real estate investment, to increase remittances and to motivate their use in more productive undertakings. However, no specific strategy has been directed towards the sending or receiving of products, another important transnational activity performed by Colombian migrants. This might happen because of a lack of knowledge of the real dimension of this activity and the lack of statistics regarding this topic, making it more invisible for public policies. Also, this might happen because its frequency and volume is harder to measure and might be smaller than monetary remittances.

Remittances, whether monetary or in-kind, the most common transnational activity performed by Colombian migrants in the US to Colombia, have been explored in this section, including the analysis of the data obtained, the motivation to engage in those activities, their impact at the micro, meso and maso level of the economy, and the role of the government regarding this topic. In the following sections, other transnational activities are explored.

## **4.2 International trade**

Cross border and nostalgic trade, as well as other transnational activities such as travel and tourism, are a means by which migrants strengthen their ties with the home country (Orozco, 2003). Migrants' consumption of Colombian products in the US increases its demand while supporting the rise of international trade between sending and recipient countries.

As mentioned in the previous section, a small part of this demand could be satisfied because of the reception of Colombian products sent by relatives and friends in boxes and luggage, or when travelling to the US. However, these amounts might not be significant, and are not considered exports or imports because of the way in which they are transferred. Consequently, they might not have been included in international trade statistics between Colombia and the US. Moreover, migrants do demand national products while living abroad. When asked about the consumption of Colombian products in the US, all of the families interviewed state they consume Colombian products, although at a diverse frequency and amounts.

Those families living in places where there is a greater concentration of Colombians, like New York and the surrounding areas and Florida, can access those products easily, while others have to travel longer distances or visit other Latin stores to acquire the products. In the last case, families usually buy the products on a monthly basis, while in other situations families can buy those products weekly or twice a month, as illustrated below:

*“Every weekend we eat Colombian products”.* (Nora)

*“Look, I go around twice a month to the... it is a Mexican supermarket where Colombian products are sold”.* (Clarisa)

*“I go to the market where Latin products are sold, about once a month; we buy arepas, chorizos, morcillas, Postobón soda, arequipe”.* (Valentina)

Migrants have access to the products thanks to Mexican or other Latin stores, and specialized markets where some Colombian products are sold, as Clarisa and Valentina describe.

When asked about the main products consumed, the most frequently mentioned ones include Colombian arepas, sausages (chorizo, morcilla), candies and chocolates, coffee and cocoa, snacks, and pastries. This tendency shows how Colombian migrants in the US keep a sense of contact with Colombian culture through food. However, one needs to be cautious when identifying which of those products are really impacting international trade. This is because even if they are called Colombian products, many of them can be entirely produced in the US and without Colombian supplies, like arepas.

Others, like candies and chocolates are bought from a specific brand, which mandatorily has been available in the US due to international trade activities.

In general, it is relatively easy for Colombian migrants to have access to these products nowadays, compared to the difficulties of the past. This might be because more migrants have settled in the US, creating more demand and more business opportunities for nostalgic trade among business investors. However, it might be more difficult to have access to those products in places where there is less presence of Colombian migrants or other Latin groups:

*“Because in Texas there is no Colombian food, nothing. What you can find is Mexican food, because of all the Mexicans living there, logically, it is impressive. The culture they have is very rooted in Texas, but there is nothing Colombian. So to get an empanada you had to go to Dallas, a two hour trip, no, it was terrible”.* (Cristina)

Over time, more Colombian products have become available for Colombian migrants, as Rafael describes:

*“For example we have a friend from Puerto Rico who loves supercocos. I used to bring her some. Or when somebody was coming I used to tell them: please bring me supercocos. But then I saw supercocos were being sold here, so now I buy them here but I tell her somebody came from Colombia and brought them to me. But I actually buy them in a store here”.*

This statement made by Rafael also reveals that the supply of Colombian products has increased over time, enhancing the availability of Colombian products to national migrants and other groups in the US. The exposure of Colombian products to other than Colombian people might also drive some demand for certain products. Also, this possible larger demand could support the development of potential markets for other Colombian products in the US.

In some cases, migrants have been able to replace some Colombian products with similar ones from other countries. This is the case with the Colombian cheese, which has been replaced by the Mexican one in two families because of its similarity:

*“We also buy cheese... it is Mexican but... well, we replace the Colombian one with this”.* (Yolima)

*“There is a cheese which is very similar to the farmer cheese but I think it is Mexican, and we consume that one”.* (Marcela)

In those cases, both families have found substitute products that could satisfy their needs, replacing a Colombian product difficult to find with a similar product from another place. In this sense, the similarity to national products has increased the consumption of products from other countries, generating some level of demand and a potential business market for other nations, with a possible impact on international trade in general. None of the members of the families interviewed were importers or distributors of Colombian products in the US. The fact that many of those products are purchased in other than Colombian stores, might imply that this is a potential business opportunity for Colombians and for other Latin American migrant groups.

In terms of the money spent, it is important to mention the difficulty to measure the amount of money spent on these products since most interviewees buy them as part of the general grocery purchasing for the household. However, and according to the data obtained, the values range from USD\$20 up to USD\$200 per month. Nonetheless, this figure is neither exact nor statistically representative, since families in many cases make an approximation based on quick numbers, trying to extract from their monthly expenses on groceries, an amount which might correspond to Colombian products. Moreover, as previously mentioned, many of those products might not even be produced in Colombia. The demand for Colombian products by migrants has also been identified by Orozco (2008), who calculated that those expenses constitute around US\$1000 a year per person.

In addition to consuming Colombian products, migrants in the US might visit Colombian restaurants, bakeries, or Colombian events, activities that reinforce identity while increasing the consumption of Colombian products, indirectly impacting trade between the US and Colombia. Nonetheless, this impact is hard to evaluate because even if those are Colombian venues where Colombian products are being promoted and consumed, the products sold are mostly produced in the US, with supplies from diverse places. The places most frequently visited are restaurants, followed by bakeries and markets. Among the families interviewed, only one does not tend to visit those places because of the time and distance needed to reach them, and because the father of the family was working in two or even three jobs to save enough money to send to his relatives back in Colombia.

Regarding attendance at Colombian events, the most frequently mentioned one in which migrants participate is the commemoration of the independence of Colombia or the 20<sup>th</sup> of July, which is celebrated in diverse places around the US where there is a presence of the Colombian diaspora. However, only two families state they attend this event regularly (every year), while most of the interviewees mentioned how they have gone once or twice but no more. The Colombian Government promotes this celebration through its embassies and consulates.

There is no evidence of a specific programme or strategy followed by the Colombian government to specifically promote international trade from its migrants. Nevertheless, the Colombian government has signed with the US a Free Trade Agreement which does not have a specific negotiation regarding migration or migrants' activities, but has the potential to benefit international trade between both countries in general, for migrants and non-migrants. This agreement might facilitate the acquisition of Colombian products by migrants, and can also represent an investment opportunity to create businesses focusing on nostalgic trade, benefiting migrants and non-migrant families in Colombia. This seems to be the case in Florida, according to one of the experts interviewed:

*“Colombia is Florida’s second or third commercial partner, which is driven in a big part by Colombian migrants”.* (Mateo)

Therefore, international trade generated thanks to migrants could have a positive impact at the national level, but also at the community and household ones. This is because this activity not only gives migrants the opportunity to keep their ties to the country of origin, but also, it can generate income for non-migrants, for companies, and for the government due to exports, an increase in foreign exchange, and indirect taxes. Additionally, since every day there are more restrictions for travellers regarding the luggage weight and quantities they can carry, and cargo transfers, as means used by migrants to transfer products from and to Colombia, this can also represent a good opportunity to increase trade between both nations in the near future.

The consumption of Colombian products by migrants supports the “optimistic” perspective on the migration-development nexus, as it constitutes a potentially positive activity for the development of sending countries. In this case, the agency of migrants to



demand the products they desire from Colombia might be exercised through the means framed by the commercial, legal and a sociocultural structure of sending and receiving areas. As discussed before, this demand might not always be satisfied with original Colombian products, creating an opportunity for Colombian entrepreneurs to invest in this market and in new places. Also, since some products are not available and are being replaced by similar ones from other places, international trade from other countries to the US is also being stimulated by Colombian migrants.

The exposure of non-Colombians to Colombian products could also represent a future demand for those products in the US, encouraging exports and enhancing international trade among both countries. In this case, investors could target Colombian migrants in the US and other migrant and non-migrant groups living there too. As a strategy, investors could commence targeting nostalgic trade consumers while gaining access to the market, and then move to other groups, increasing the total size of the potential market, exports and international trade.

### **4.3 International telecommunication**

International telecommunication has allowed migrants and their relatives and friends living in other places to keep in touch, becoming one of the main activities of transnationalism (Portes, 2001; Schmitter Heisler, 2008). This is because new technologies of telecommunication have given the opportunity to increase the means, length and frequency of calls at cheaper prices. However, it is difficult to measure the volume and the value of international calls related to migration. This is because there are many diverse methods that can be used to communicate across the ocean, ranging from using the services provided by multinational companies, recurring to the service of internet companies that facilitate international telecommunication services for free or at a charge, the use of mobile applications, the use of calling cards, or even using the services of stores that provide the service. Further, it is not possible to establish which calls are made only by migrants and which are made by other people, by companies, by governmental organizations, and others. Neither is it possible to distinguish between commercial and personal calls. However, using the data from the interviews, it is possible to determine whether Colombian migrants in the US call Colombia or not, with

what frequency, whom they call, and the preferred method used by them to communicate.

According to the data obtained, all the families interviewed stated they call their relatives living in Colombia regularly, since this is the main vehicle of communication used to keep in touch with family members from distance. Given the increase in the number of Colombian migrants in the US over time, the affirmation of frequent calls can give support to Vertovec's (2004) findings that telephone calls from the US to Colombia have increased by 95% in the period 1995-2000. In most cases calls tend to be made several times a week, or even every day. In four families, at least one of the members calls several times a day, from three to five times, as Gabriel and Yolima explain:

*"We call every day, every day...and twice a day!".* (Gabriel)

*"I call every day, many times in a day...around four or five times in a day".*  
(Yolima)

Only two families state they call on a monthly basis or even less. In those two cases, both families stated that they did not have any nuclear family members living in Colombia:

*"We call on a few occasions. I used to call a lot when my mother was alive, that was sacred. She died... in 2002, like 10, or 11 years ago... I used to call a lot, but not anymore. And Valeria is now living here with us...so ... I call like once in a month".* (Rafael)

*"I don't call...well...no, really, not... maybe because my family is not there anymore. I do call for birthdays, I mean, like three times in a year. No, I don't keep in touch with them".* (Cristina)

Most phone or internet calls are made to parents, wives and children, while other forms of communication as social networks are much less used for close family members, but are preferred as a way to communicate with friends:

*"[With] my friends [I communicate] through Facebook".* (Juana)

*"Basically.... We communicate with my cousins and uncles through Facebook. And my nanny, she is in Colombia...when I went there I visited her, well she is a*

*lady who lived with me for 30 years, so we communicate with them through the internet, basically". (Cristina)*

*"Yes [I keep in touch with other people in addition to my mother], but mainly through Facebook, I keep in touch with my cousins, and with some of my classmates of Bolivariana University". (Kelly)*

Migrants largely use new technologies of telecommunications, although most migrants employ diverse methods to call. Usually, migrants combine special plans offered by telecommunications companies and internet services. Calling cards are also used, but have been replaced in many cases by special applications loaded on mobile phones, especially by younger migrants:

*"At the beginning we used calling cards, but then we got a kind of phone... a voipeador, and called with it every day". (Valentina)*

*"At first I used calling cards, Orbitel calling cards, and then with the technology, because it has changed, I used more Skype for some years; and lately we use Tango and other cell phone applications". (Aron)*

However, in most cases calls are being made using low or free cost services accessible via broadband connection. The access provided by telecommunication technologies facilitates communication; it is a way to keep in touch with relatives and friends, and allows migrants to have a sense of belonging while away and to keep some degree of connection with those left behind. As Guarnizo (2004) argues, the use of calls usually helps migrants to satisfy their need for continuous contact with the homeland.

Although telecommunication across countries is a transnational activity that has existed since the past, the use of diverse new technologies has facilitated the increase in the volume, length and frequency of this activity due to the lower cost and the better service provided today:

*"No, but when my mother was alive it was very expensive to call Colombia, now it is easier with all the technology and everything. In the past I had to write to my mom very often, because every call of about five minutes used to cost like USD\$20 or USD\$25, so you couldn't call very often. Now you can buy a five dollars calling card... and you can talk for hours... Sometimes I get one calling card and I talk with my sister and she catches me up on everything that has happened in Colombia... with the hurricane she called me day and night, but she called with those cell phones that are from here where the call costs nothing, nothing at all, through that Magic Jack... the last time we went to Colombia he*

*[husband] left them there a Magic Jack, so if they have the computer turned on, they can call us and we speak, and my daughter included it in her phone plan like a local phone number, one of her favourites, so the minutes used don't even count for the cell phone here. So now it is very easy to talk with them". (Marta)*

International calls made by migrants and their relatives are a transnational activity that helps people to be continuously in contact and to keep cohesion within families, improving their living standards. Also, they can generate important revenues for national and international companies, even for those who provide the calling service for free. In that sense, international telecommunication activities carried out by Colombian migrants in the US seem to be positive for families, but their impact at the community level is not clear. At the national level, this activity could generate revenues for local telecommunication companies, increasing at the same time service exports, and therefore, international trade. However, most of the telecommunication companies and technologies used in this market are predominately owned by multinationals companies from the north countries, especially in the case of internet providers and phone applications. As a result, this activity could support the most “pessimistic” perspective regarding the migration-development nexus, as expressed before; because this activity may well increase the dependence of the south form the north.

Moreover, there is no evidence of a specific governmental programme designed in Colombia to motivate, enhance or improve this transnational activity and spread its potential benefits to local companies. However, this is a sector controlled by the government by a specific ministry, where public and private investors can participate. There are three Colombian companies participating in this international market with long distance calls and calling cards services. Telecommunications between migrants and Colombia have a positive impact at the family level, but to enhance this benefit towards communities and national levels the government should improve the telecommunication infrastructure so this transnational activity can assist the socioeconomic development of the country.

#### **4.4 International travel and tourism**

Travel and tourism are transnational activities that allow migrants to strengthen their ties with their home country (Orozco, 2003), giving them the opportunity to visit the

places where they or their parents have lived, and sharing time with relatives and friends within the local culture.

Migrants' opportunities to travel to Colombia are limited by their financial resources and by the legal status they have in the country of residence. In that sense, those who are considered non-legal migrants or have a refugee or asylum seeker status are not allowed to travel freely, as some interviewees explained:

*“Those who go through the hueco [illegal entrance] are burning the candles as the saying says, I mean, he goes to do whatever might happen, and with the expectation to stay...he has all the risks of the world, not only to arrive but to be exposed once he is here with all the things that can happen, but he burned the candles, it means, there is no return...”*. (Carlos)

*“No, no [we haven't travelled to Colombia]. As political asylum migrants we have always had that very clear. If we are here and this government accepted us gently, gave us security, so we never even thought about going to Colombia as long as the permission to go was not granted”*. (Fabiola)

Out of the families interviewed, two were not able to travel to Colombia. One family could not travel because they were granted an asylum status and the other family because they have not settled their legal situation in the recipient country yet. All the other interviewees, who have already resolved their legal status in the US, have travelled to Colombia at least once during the time of migration. In all the families at least one member travels no less than once a year to Colombia, but in one family. In this last case they stated they have been to Colombia only once because all the time they needed to formalize their status within the legal system in the US, and once this was organized, they were able to travel only once, as one of them expressed:

*“Right now we are not in the position to travel, or to make any new projects, because we haven't yet accomplished even half of the things we had planned. We are still working for the things we would like”*. (Juana)

Some families have travelled more than once, especially those who have some business related activities in Colombia, and those who have accomplished a more stable financial situation in the US:

*“I travel almost every two months, for business, but I try to mix it with family visits, too”*. (Andres)

*“I tend to go to all ColombiaModa, ColombiaTex, always invited by Proexport, I always come to these fairs, I tend to tell them to buy me an air ticket not only for... not only for the fair but for a couple of days more, and the company helped me with that, they also paid a lot of tickets, so I had to be in Colombia, I come like six or seven times in a year... because of work... but also we tried to come at the end of every year”. (Carlos)*

There is clearly a tendency for Colombian migrants who are able to travel to come to Colombia often, and those trips are usually limited to visiting relatives and friends. This is because the main reason for migrants to travel to Colombia is to share time with their loved ones, as some expressed:

*“Well, I travel to visit my family; the idea is to be with them as much as you can when you go there”. (Isabel)*

*“I prefer to be with them [parents] and I prefer to see my family instead of going for a trip”. (Clarisa)*

Nonetheless, in a few instances families have had the opportunity to engage in tourism within Colombia when visiting their families. This was mainly the case of families who have relatives or friends who live or own properties in other cities or farms outside the city:

*“We went to Santa Marta, too... and Rodadero...but we really went to stay with our families, but...they invited us, our family invited us”. (Juana)*

*“I go and sometimes I do some tourism, sure, sometimes I go to the coffee producing zone to show it to my family; my wife is Puerto Rican, so my daughter would be a Colombia-Rican... and we go... I have gone...we also move a lot, well in Bogota where my family lives, but we also go a lot to Llanos where one of my brothers lives after marrying a person from that region, and we also go to Fusagasuga where another brother has a farm”. (Camilo)*

When having the opportunity of engaging in tourism, generally other people join the migrant family in their leisure plans, as Darla explained:

*“I always arrive in Bogota, where all of my husband’s family live, and I stay there for three or four days...from there I choose my place to go for a trip, to relax, so I go to the coast, or I go to Bucaramanga... I say tourism because in Bucaramanga, even if it is my house, no one from my family lives there anymore...so we make that kind of plan, like ok, we go to Bucaramanga, to Bogota where the family is, three days here, three days there, and five for*

*another trip...almost every time I convince cousins or friends or somebody to join us, to go in a group and not to be alone”.*

This kind of tourism seems to be more incidental than originally planned for the moment they travel to Colombia. Only three families specifically make tourist plans when coming to Colombia, with the idea of combining family visits and travelling. The places migrants visit the most are Cartagena, Santa Marta, Medellin, the coffee producing zone, and towns around major cities like Bogota and Medellin.

When asked about the reasons why they do not engage in tourism in Colombia, interviewees explain that their main purpose to visit Colombia is to share time with their families and friends, that they do not have enough time for tourism and that they prefer to go as tourists to unknown places in the US or in other countries:

*“Because every time we go there the time we have isn’t like to go to...and the family is so big than just visiting them the times goes by”.* (Adriana)

*“Every time we go we say yes, let’s go to this place, but no, there is no time and we want, as I told you, we want the girls to stay as much as they can with them [grandparents]”.* (Jean)

*“We prefer to spend our money in a place we don’t know yet”.* (Rafael)

However, many of the families interviewed would like to travel for tourism purposes to Colombia, and have thought about doing it. Some of them have even stated they will do that in the future:

*“We have always wanted to do it; every time we go we plan to do it, but...”.* (Yolima)

*“That is something we would like to do, because if we have to go, at least we can go and have a good time while leaving some money in Colombia through tourism, let’s go to the coast, or I don’t know where...”.* (Ricardo)

*“Yes, we have also talked about wanting to do a trip to visit, but to coordinate with the family to also make some...because we always go to Medellin, so we also say ok, why don’t we go to Cartagena, or Santa Marta, so yes, we have been thinking about making a trip and to coordinate with the family to do some tourism, too”.* (Aron)

According to the data obtained, it is clear that Colombian migrants very rarely visit Colombia for tourism purposes, although this could be a potential niche for this business. Consequently, the impact of Colombian migrants on national tourism revenues tends to be small, except for the regions where they come from which are their main places of destination when visiting the country (Newland and Taylor, 2012).

The Colombian government has not designed a specific plan to attract tourism from this part of the population. The national agency in charge of promoting tourism in the country, among other things, is Proexport. In an interview with one of the Directors of this organization, the person mentioned how Proexport promotes tourism in general, but they do not have a programme specifically intended to target Colombian migrants' tourism inside the country:

*“No, no, I don't think so, it is for everybody [a tourism programme], it is about topics. For example, the promotion of Colombia for bird watching, that can be for Colombians or foreigners. I mean, we are not looking for Colombians to tell them to come, to return, because they do return, they have their base... sooner or later they come back”.* (Luisa)

Migrants could probably support the socioeconomic development of their regions and country through tourism, including diverse types of tourism like health tourism. One of the interviewees mentioned how she has to travel every three months to Colombia because she had a medical procedure carried out in Medellin, even though she comes from Barranquilla:

*“I go every three months.... It is sacred because I have a transplant and I got the transplant in Medellin, and because of medical and health issues. Then it would be every six months, and then every year. But I go anyway, sometimes because of health issues, or sometimes to visit my parents”.* (Lorena)

The same person explains how she considered the option of having surgery in Colombia because she believes Colombian doctors to offer excellent quality, but also, because of the lower cost, the facilities, and the shorter waiting list for people expecting a transplant. For that reason it is possible to imagine that medical services and the export of medical treatments targeted at national migrants could also be a potential business opportunity for local residents. In this case, migrant agency can be exercised to select the best possible option between the structures provided by both places: residence and origin.



In general, international travel is an activity performed through the agency of the migrant, who decides the dates, places of destination and things to do while abroad. However, this activity is restrained by the structure of the residence and origin countries, mainly with regard to the legislation of residency, availability of transport routes, and others. However, the agency of migrants can somehow impact those structures, for example through their demand for specific travel itineraries or frequencies, creating new markets and more transnational activities.

Analysing the impact of this transnational activity at the household level, the data obtained support the argument that it is positive because travelling allows migrants to keep their ties with their regions of origin, to keep close to families and friends, to improve household cohesion and to maintain a sense of belonging to the Colombian society. At the community level, the impact seems to be positive as well. This is because when a migrant arrives, he/she spends money in the local market, mainly in their places of origin, which they seem to visit the most, generating more consumption in the community and more income for non-migrant families. Similarly, the impact at a national level seems to be positive, too: not only because of the foreign currency flows, but also because it leads to consumption of Colombian services and products, generating income for national companies and investors. However, there is more scope for those investors to target this population with their market strategies, mainly in tourism and health sectors. This is because to date, the impact on the generation of revenues from migrants in those two sectors in particular is small.

This transnational activity therefore supports the more optimistic view of the migration-development nexus, albeit it operates within the legal and commercial structures of sending and receiving areas that regulate and restrict the flow of people. Even if multinationals companies (mainly international transportation companies) can benefit from this activity, it also represents revenues for multiple local companies at the community and national level.

## 4.5 Political participation

The political participation of the Colombian migrants interviewed is rather limited to the voting exercise carried out by some of them, demonstrating low political involvement and activism. This confirms Guarnizo and Diaz's (1999) findings. However, it is interesting to note how when asked if they participated in political activities back home, most participants immediately said no, but when describing some of those activities, some of them recall having voted in national elections in the past.

Out of the families interviewed, in nine of them there is at least one member of the family who has voted in the national elections of Colombia. However, they claim not to belong to a specific political party or to involve themselves in political activism. When asked about the reasons for their lack of involvement in Colombian political activities, migrants in general, whether voters or not, have expressed their lack of interest in this topic:

*"I have not done anything in politics, maybe because of the lack of interest and time". (Nora)*

*"If somebody mentions politics to me I get bored, and the associations I don't even know them and to tell you the true I'm not interested in those". (Isabel)*

*"I have voted but I don't belong to any political party; I have disconnected myself a little in that regard, when there were elections I did register myself, I went to the consulate and I voted, but I have never been involved in campaigns for any party...politics is something that I'm not really interested in". (Sebastian)*

The lack of activism is evident because of their lack of involvement in political parties, no financial contribution to political activities or campaigns, no participation in political meetings, and so on. When asked about their poor immersion in these activities, migrants revealed a lack of interest and lack of trust in politics and political activities, a lack of knowledge and disconnection, and the belief that at the end whatever they do will have no impact:

*"I think... because of a lack of knowledge, because I... I mean, I can say publicly I have voted for Uribe, for Santos, but I don't even know to which political party they belong, I don't know anything about politics, I don't". (Paula)*

*“I think it is in part a lack of interest, it is like... I don't think it affects me a lot, so... I don't, I don't read news about Colombia so I'm not involved, so no”.* (Kelly)

*“I have never liked politics...no, I don't have the drive to do it, I don't think that what I do or don't do will impact the final result, I think all of them are a bunch of thieves”.* (Helen)

Only one family interviewed has relatives working in politics in Colombia, and even in this family, their political participation was limited to spread the voice about the person running for a position in politics through social network pages, but they themselves do not even vote.

Comparing the political activities in which migrants are involved in Colombia and the US, the difference is not significant. Only those migrants who have the status of citizens in the US can vote, and that is the only political activity in which some family members have participated. In this case, eight families have mentioned to have at least one member who has voted in the US elections. When asked about why they have voted in the US elections most participants argue that they have done so because they live there. Considering that this reason was not given in the Colombian case, this can be an indicator of how they think what happens in the US might affect them more than what happens in Colombia. The findings obtained are congruent with those of Mejia Ochoa (2006), leading to conclusion that Colombian migrants in the US are not particularly interested in politics in general, either in their country of origin or destination. Their narrow participation is limited to voting in some elections.

In one case, one migrant mentioned how even if she has not participated in Colombian politics, not even through voting, she did organize a couple of years ago with some friends a march against the FARC (a guerrilla group in Colombia). According to her, this activity had no political influence, but it was promoted to voice the opinion of individuals:

*“What I did was... we did a march of No to the FARC, three or four years ago, that was the first one, the big one which a lot of people attended, we organized that with some friends...to make heard the voice of the individuals...”.* (Cristina)

Concerning their participation in events organized by the Colombian government in the US, the involvement level is even smaller than that found in political participation. Only in five families at least one member has participated in these kinds of activities. Of course, this is related to the activities carried out by the government through embassies, consulates, Proexport, or other national entities, but it does not take into account activities regarding the elaboration of documents such as passports or others. In this case, those who have participated have done so in art expositions, and business or trade workshops. Only one person mentioned attending a real estate fair. The main reasons for not participating in these kinds of activities are associated with the lack of knowledge and information about the events, the lack of time, and in some cases because they have had bad experiences in the past with those organizations so they decide not to participate.

In the first case, the lack of information and knowledge about the events, most migrants claim that even if the consulate has a list of the migrants residing in their area of influence, they never receive information from the consulate. In other cases, they assert that the government does not have good advertising about the events, and that the communication with the migrants is low. For others, it is not only about the consulate but about the reduced advertising made for the events, which are mainly found in Colombian bakeries or shops:

*“Yes, we have looked for those events, sure, I even registered myself for the consulate distribution list on the internet, for their e-mail and they never... or they send you a couple of messages and then they don’t send you anything, they don’t do good work to reach out to the citizens”.* (Helen)

*“Because of a lack of knowledge, I don’t go to... I get information about Colombianitos because they used to send things, but the consulate doesn’t have good promotion... the consulate is small and doesn’t do much. The only way you can find about any Colombian event, and this might not even be political, is when you go to Colombian restaurants and you see the ads posted, but it is not like the advertisement can be found everywhere, I don’t think so”.* (Ariana)

However, it is also important to stress that some migrants have said that even if the government has not contacted them to participate, they have not looked for those events either, as Jean states:

*“We are not very interested and it is a lack of communication because the consulate has the database of all the people who live here, and I have never*

*received an e-mail from the consulate informing about an event...but we don't log into their web page either, where we can find this information".*

In some other cases, migrants and their families don't attend because of the lack of time, as indicated in the comment below:

*"No, I don't participate. Sometimes I see them... recently there was one about the free trade agreement, some seminars about it, and it called my attention, but it is in the middle of the week, and the time... and to go to Manhattan... so we didn't go". (Marcela)*

Another reason for not attending events organized by the Colombian government or its institutions is related to the poor experiences migrants had in the past with these organizations:

*"All we heard were complaints about the Colombian Consulate... that it was dirty, disorganized, and that it provided bad service". (Ana)*

*"They have been... how can I say it? Like indifferent and...not professional enough". (Bernardo)*

Only two of the participants receive e-mails from governmental institutions, in this case, from the CNU programme. Others have never received e-mails, and one person mentioned receiving only one message from the Colombian government in more than 20 years.

Participating in political activities or events organized by the Colombian government is an activity where migrants can exercise their agency, deciding whether or not they would like to engage in those. However, these are framed by the organizations and parties involved, and the political environment at home, and do not seem to be very well positioned among migrants. The Colombian government, however, has developed diverse strategies to involve migrants in the political life of the country, although at diverse levels and focus, as described before. Even if the government has launched initiatives to engage migrants in national politics, their levels of participation are low, and their impact on the political life of the nation also seems to be insignificant, as one of the experts interviewed expounds:

*"[Migrants'] participation is minimal, small enough to not interfere with the final result if one or other candidate gets the majority of the votes...however,*

*I'm sure that every political party has a lobbyist in the US trying to persuade migrants to vote for their candidates, although I don't think this is making a real difference". (Diego)*

The lack of engagement in political and governmental activities can be related to the environment in the place of departure, a structure that has framed migrants' will to participate in those. This is because the social problems and political confusion inside the country can discourage people from participating. The lack of stimulus can drive migrants to turn to other more individually oriented activities to take part in their home country's life, maintaining relations with relatives and friends but not with institutions or the government, whether forming associations or belonging to political parties or engaging in political activities. This relationship between the lack of engagement and the environment at home is also supported by the fact that the image of governmental institutions is not the best among migrants, as some of them express:

*"I feel the violence really close [in Colombia] and I don't like that, because I see that Colombia lives like... suffocated by the political class and also for the lack of resources and opportunities for people to growth". (Camilo)*

*"And people ask... well, for example, where is the money from the lotteries that are supposed to support the health system? Aren't they closing hospitals?". (Luis)*

*"Once people start to see less corruption, that the economy is improving, that the guerrilla is over, all the problems there, once those problems start to be fixed". (Andrés)*

With political participation constituting an activity of low engagement among Colombian migrants, its impact is also minimal at the national level, as expressed before. The same is the case at the community level, because there is no involvement in those political endeavours. Likewise, the impact at the family level is not significant. The impact is small because of the poor engagement in those activities and also because of the lack of political cohesiveness which can impact Colombia and migrants' projects in the future, as Carlos states:

*"... so we are not a strong force, a unity, we are not a strong force in the US, so the same political parties don't see us as influential, we are a potency because we are many but we are not a defined force".*

This lack of involvement therefore has almost no impact at the home, community and national level, but generates a negative outcome for cohesion, for having special attention from the Colombian government and for lobbying in favour of Colombia and its migrants in the US, as Mateo declares:

*“...there are a lot of Colombian organizations, but they are selfish and they fight among themselves, instead of working as a group for Colombia... if they get organized they could even have a Colombian deputy in the US, like other migrant groups have, but there is no strong pressure group, unified, who can work for Colombians in the US government...”*

Therefore, migrants' poor engagement in this transnational activity can be a factor contributing to the imbalanced power relations between both nations (Banerjee and Prasad, 2008; Chami and Fullenkamp, 2009; Massey *et al.*, 1987). The perceived level of corruption of governmental institutions and politicians, combined with the lack of cohesion and trust among Colombians, discourage further involvement in political activities. In this case, personal relations become more appealing and get more attention from migrants than collective actions surrounded by potentially problematic structural conditions at home.

#### **4.6 Philanthropic participation**

Consistent with the data obtained, this transnational activity is not prevalent among Colombian migrants in the US. These findings are similar to those of Aysa-Lastra (2007), who argues that the level of participation of Colombian migrants in communal and philanthropic activities and in supporting NGOs is low. On sporadic occasions, some families have sent donations after a catastrophe has occurred, usually in the form of money or material goods, as also found by Portes, Escobar and Walton Radford (2006). Two families have mentioned that they used to sponsor a child for a year, but they do not do it anymore because the program was for a year and they did not extend it:

*“I think it was a commitment for a year and we never renewed it”*. (Yolima)

Out of the families interviewed, only four stated that they occasionally donate money to campaigns or family members in Colombia so they can give the money to organizations

or people in need. In those cases, the organizations are managed by people they already know, or the idea has been promoted by a friend or a relative:

*“In Colombia... we have a friend who has a foundation called the Flor Foundation, and we, all of us, we all help her to do garage sales, to raise money, and all that money, and clothes, because we collect clothes, baby accessories, bags, all the things women don't want anymore, and we send all of that to Colombia, and we go to Barranquilla, Bogota, Medellin, and we give them to people in jail, to elderly people, we go to the suburbs”.* (Lorena)

*“In Operación Sonrisa; the director's daughter lives here and she is a very close friend of mine, and she is very active in the organization, so she makes... since two or three years ago she has been organizing sports events, so a run, or fair cake, to collect money...but it is not periodic, it's sporadic”.* (Clarisa)

In the cases where migrants have stated they send money or objects as donations after a catastrophe has occurred in Colombia, they tend to make these donations through relatives or recognized international organizations such as the Red Cross:

*“We just made a donation because of the raining season effects in Colombia... we all gave some money in the office... every person gives some money in a sealed envelope without a name, and the owner matches the amount and we send it to the Red Cross”.* (Lina)

*“I mean, what we do is to collaborate with the Red Cross when there is a disaster, but not from here to Colombia, no, just like that”.* (Adriana)

The main reason to participate in this activity is because of the desire to help others. Nevertheless, when asked about the lack of active participation in philanthropic projects, the main reasons given correspond to their lack of knowledge, lack of money or time, and being sceptical towards donating money to organizations. The last reason was common across many families:

*“I try to donate, but as everybody else I'm sceptical about donating money, because how do they spend it? How do they...eh, I prefer the things I know, in the church”.* (Marcela)

*“I think that if you donate USD\$15 to an organization, USD\$10 of the fifteen will go to bureaucratic expenses of that organization, to pay the salaries to its employees, the rent, trips, and what is left gets to the one that really needed the money. And there are many needs in Colombia and all the donated money should reach those who need it. [If] I can donate mattresses or flat sheets for beds, I feel much better if I know I gave them directly to those who required*



*them, and not that they are still in a warehouse where they can get stolen, lost or damaged”*. (Andres)

Those two examples illustrate how migrants do not trust many of these organizations, confirming the findings of Aysa-Lastra (2007), because they believe some of the donations made will not reach people in real need, that they might get lost in the process, that they might get damaged, or that they might end up in the wrong hands. Only in one family its members mentioned they do trust those organizations, especially the Red Cross.

Two participants revealed that they have made donations through the companies where they work. For example, Andres owns a company in Colombia through which he sometimes makes donations to other individuals in Colombia. Similarly, another migrant does not make donations in person, but through the company he works for. This company buys cards from Colombian NGOs whose profit goes to the NGOs' work. On the other hand, some migrants have also declared they have scarce information about philanthropic projects or organizations working in Colombia, or even NGOs, through which they could participate in philanthropic activities, or that they lack the interest to contribute to their initiatives:

*“I don't know them, and I have not looked for them, either. Which is something amazing, even if you don't have time for anything here, you get by e-mail a lot of ... the Association against Cancer; you get all those kinds of... hey! You should remember there is an NGO that helps with this, there is a... so you say ok, let's help them and you send a check. But you don't have to find them. They get to you, and they tell you to remember there are many kids in need, please help! From Colombia no, I have never received anything”*. (Darla)

*“No. I have not participated in Colombia in any organization or NGO...that kind of support I do it more with Guatemala because I have a closer relationship to the lives of people in Guatemala. My only contact with Colombia is my family. It might also be because of a lack of knowledge; I got an invitation once to have lunch with the Colombian president, but I have only received one communication from the government in 20 years. Sometimes I do get information from the Chamber of Commerce. Here they never send you information about Colombia, the only thing you get information about is related to parties or the musical groups that are coming, and that is the information you get through the Latin community, but nothing about entrepreneurship or anything else, no. The only time I knew about something was because I saw an ad in a Colombian bakery, that's all”*. (Nora)

On three occasions, migrants mentioned their interest in helping Colombian people or Colombian projects in the future:

*“Well, that is my dream, but I cannot do it right now because of my circumstances. My children are small and I have to financially sustain my family first, and I don’t have the means to travel frequently or do those things... but I would like to do it in the future and I have told my husband that I would love to...at some point in time, maybe once my kids are bigger or when... I don’t know, whenever I have more time and more clear circumstances”.* (Juana)

*“It has been one of my interests with my friends... let’s create a foundation and let’s take advantage of the places where each one of us are located and let’s begin to send things, even if we start with used things, but at least to not throw away so many things that can be helpful to so many others. But in reality we have always talked about it but we have never done anything. But always I have had that idea. I have always wanted”.* (Lina)

When families were asked about their participation or the lack thereof in philanthropic projects in the US, the responses were similar. Those who participate do it occasionally after a disaster happens, in the US or in another country, through the Red Cross, the church, people they know or other organizations. Only one person stated they contribute monthly to an organization in the US.

With the objective to foster donations from abroad, the Colombian government joined efforts with the private sector and NGOs to create Conexión Colombia in 2003. This programme was funded with the intention of channelling donations from Colombian migrants in general, and to keep them connected with the country (Colombia Nos Une, 2013). On its web page, the organization has a section dedicated to the results obtained since its operations started, claiming they have received money from more than 40 countries, making it hard to distinguish which of this money comes from migrants in the US ([www.conexioncolombia.org](http://www.conexioncolombia.org)).

The impact of philanthropic activities in which migrants are involved is good for families because it generates cohesion, and the fact that most donations are made through relatives reinforces the trust migrants have towards other members of their families. This impact is also positive at the communal and national level, although minimal given the limited and low frequency of participation in these kinds of activities. The impact is therefore positive at the three levels of analysis (micro, meso and macro), as they result in the improvement of situations present at the household, community and

country level, with regard to conditions otherwise unattended by individuals, organizations, and/or the state.

Donations are activities through which migrants exercise their agency, but the method or means to do so will depend on the structure defined by NGOs, governmental organizations and regulations, and the environment at home and destination countries. It seems that the culture of giving to other Colombians, non-members of their closed networks, is not ingrained in Colombian migrants, in contrast to what other researchers have found in countries such as Mexico and El Salvador (Landolt, Autler and Baires, 1999; Orozco, 2003). In the case of this research, the decision to participate in transnational philanthropic projects is more individually than collectively oriented, based on family and networks connections.

The low involvement of Colombian migrants in philanthropic activities can be seen as supporting the less optimistic perspectives on the migration-development nexus. This is because their low involvement in this activity generates a minimal contribution to the national socioeconomic development of the country, while the assistance level received from abroad might be kept at similar levels. In other words, the national dependency on the countries of the north to provide support to philanthropic projects and NGOs, which support diverse social projects, continues.

#### **4.7 Hometowns and other associations**

Belonging to and working for a hometown association (HTA) is a common communal activity among Mexican, Ghanaians, Salvadorian and other migrants groups in the US (Itzigsohn and Saucedo, 2002; Landolt, Autler and Baires, 1999; Orozco, 2003; Orozco *et al.*, 2005). By contrast, the same pattern is not exhibited by Colombian migrants, according to the data obtained. Among the families interviewed, only five report having one or two members who have belonged to a Colombian association or any other HTA: one in New Jersey, another one in New York as a college student, and three in Atlanta. However, one person still belongs to an association, in Atlanta.

While overall participation is low, the number of people belonging to an association in Atlanta is higher compared to migrants from other regions. A closer analysis suggests

that it is clear that there is one very well established Colombian organization in the city, managed by a recognized Colombian living in Atlanta, who is the president and one of the founders of the organization. As the empirical material indicates, all the three members of one family belonged at some point to this initiative, but only one of them remains an active member ([www.colombianitos.org](http://www.colombianitos.org)).

One of the interviewees belonged to a Colombian association in New Jersey. Its main objective is to acquire greater recognition for Colombians, to have some political force as an ethnic group in the US, and to support initiatives in Colombia. However, the interviewee decided to leave the association to work by himself through the church or out of his own initiative, and to study to become a deacon. In the New York case, one interviewee said that she had belonged to a college association formed by Colombians, who organized events to raise money and to support Colombian projects. However, she decided to withdraw from it because she felt the organization was losing focus and was being used mainly for social gatherings:

*“There was a time in my college, in my university there is a group called Por Colombia, it is Colombian, so... well that club was to support initiatives in Colombia with events held here in new York, in Queens, and we collected money to send it to Colombia. But once I joined the group... in the past they used to hold more events. When I started it became like more hullabaloo, so I got bored and I decide to quit... it became more about partying, Halloween parties, parties for this or that, so it is like it lost its purpose, no... the principles, so I got bored”.* (Paula)

The disorganization and lack of focus influenced Paula’s decision to leave the association. Something similar happened in the case of another person who used to belong to a Colombian association in Atlanta:

*“Because in the last event we participated we noticed it became very bureaucratic, you know, those who managed it were like doctors, the Mr and Mrs that had to be treated nicely, and they were very despotic because they expected you to do all the work without any kind of remuneration, not even a thank you, and they mistreated you, in the sense that they were like hey come here, do this, clean that, make this, but they were seated drinking, waiting; so you didn’t really feel like it was like normal work, but you could see like all that hierarchy and you could say: if this is about charity why aren’t all of us helping? There were volunteers who would go to the events and work for ten minutes and the rest of the time, three or four hours, they were seated, so it was not very well organized and fair, and you could see all those like Colombian politics that are not...not appropriate for charity, it was not charity in reality”.* (Aron)

Other reasons given for leaving the organizations include the lack of time and the fatigue this kind of obligation can give rise to, as explained by Ariana:

*“[I left] because...I got tired of it, it was a lot of work and... that organization is like... to be a volunteer is like a bit of slavery, and I said to myself: no, I don’t have the time to do so many things. So I said no because it is a lot of work and now I cannot do it anymore”.*

When asked about why the participants have joined the associations, the most usual response given was the desire to help Colombia through the initiative of each organization. In one case, one person mentioned how she decided to become a member of an association to meet other Colombians when she newly arrived in the US:

*“Because... at the beginning because I was desperate and I wanted to meet Colombians”.* (Ariana)

As mentioned before, most Colombian migrants do not participate in any Colombian association. Their lack of engagement in this kind of organization has been explained by a variety of reasons, such as the lack of time and interest:

*“No, I think it was because... a lack of time, and these...they liked to do activities that I don’t like, so I was on my own”.* (Rita)

*“No, I don’t belong to any association or anything like that... I don’t even know them and to tell you the truth, I am not interested in those”.* (Isabel)

Other common reasons expressed by the interviewees regarding their lack of involvement in Colombian associations and HTAs included the fear of being related to other Colombians and the lack of opportunity:

*“Honestly, I’m not interested. Look, first of all, unfortunately, two of the people who have literally robbed me are Colombians, and the first contact made with them was because they were Colombian. So that is one reason, I don’t trust them, and second... I don’t see... I mean, they are not a real support for somebody to create a company, or to make a connection, like the Cuban community that really supports and favours the Cubans and their companies, I don’t see that with Colombians. Colombians go by themselves”.* (Andres)

*“There was a time when I was looking for an association eh... but to tell you the truth I never found one. I mean, like a group of professionals from Colombia in*

*the US or something like that specifically, but no, I couldn't find it. I did find Latin-American associations in the US in general, but no...". (Carlos)*

It can be observed from the material obtained that most Colombians prefer not to belong to those types of associations because they are more individually oriented than other migrant groups in the US. This individualism can be the result of negative past experiences they had in the country of origin with other Colombians, or with Colombian institutions or organizations. Also, it is noticeable that most migrants perceive Colombian associations in the US as being disorganized, lacking focus and poorly performing. All these factors contribute to the decision to not become members or to resign from their membership. This view was also shared among some governmental experts interviewed:

*"Out of the almost 900 organizations existing internationally about one third are in the US, and are dedicated to different social, cultural, educational, and medical projects, among others. Nonetheless, their disconnection, lack of cooperation and poor participation is evident...so we could talk of about 900 Colombian organizations abroad, but the real activity or effective activity of those organizations is a lot less, from those 900 around 20% are really working...we realized there is a big fragmentation in the Colombian community...". (Cecilia)*

*"We have identified them [the organization], but most of them don't really operate, or are not working anymore". (Mateo)*

The fear of associating with other Colombians might also be an important factor to analyse when studying the lack of engagement in this kind of activity. This seemed more obvious when the families interviewed were asked about their relationships with other Colombians in the US. Apart from the migrants interviewed living in Atlanta, most Colombian migrants have stressed their fear of associating with other Colombians because of the stigma generated by drugs, because of the difference in education and culture with other Colombians, because of their legal status and because of certain behaviours that they prefer to avoid:

*"Look, let' see... I mean, it will sound bad because it is ruthless, but anyway, we do have some Colombian friends, but most of the people are not like... are not on your level, they don't have the same preparation, a lot of people are illegal, so you don't like that either, I mean, I... it is going to look awful, but you don't like to be with illegal people, or with problems, I mean, it is a completely different level to the one you...and those who are ok, who are legal, it is very*

*nice, are good people, hardworking people, but those who left like to do other kinds of things is...you don't... you never share with those people". (Valentina)*

*"I don't know if it has to do with the socioeconomic level, but no, I don't think so, because I have also seen this on other occasions, but the culture of...it is a little bit unrefined in the way they talk, it is all about vulgar words, the familiar way they treat each other is customary, to talk impolitely, to talk only with offensive words, and maybe when I was there [Colombia] I didn't feel it that much, but being outside this attitude disturbs me, perturbs me, bothers me, I don't like the way men talk to each other, the way they speak, and I see that a lot in Colombian places, so I try to avoid them". (Marcela)*

*"We are...hard on each other... we are disorganized and trouble making... especially when drinking". (Carlos)*

The families interviewed in Atlanta, on the other hand, explained how they feel comfortable having Colombian friends because of the similar tastes and education levels, although they do not particularly look for Colombian friends:

*"Look, if I manage to make friends and they are Colombian, perfect, because of the feeling, I mean, it is easier to understand what we are talking about. But it is not like I look for them". (Darla)*

*"No, we meet [Colombians] and if they don't like us, they are not our friends and that's it, but we are open to meet people from everywhere". (Yolima)*

In this case, it does seem like Colombians in Atlanta might have a similar profile, as this is a more recent Colombian enclave in the US than others in New York, New Jersey and Florida (Guarnizo, 2005), where older enclaves exist with more heterogeneous Colombian population living there. However, most Colombian migrants have a few Colombian friends and they feel comfortable around them. They prefer to stay and share their time with their relatives and close friends, with whom they have more things in common.

The lack of engagement in Colombian associations and links with other Colombians in the US confirms Guarnizo, Sanchez and Roach's findings (1999) about migrants' close and fragmented form of organization in the US. This close network is formed by family members and intimate friends. In diverse moments during the interviews it was clear for some people that Colombians are individualistic and that their community in the US is not cohesive, as also observed by Portes, Escobar and Walton Radford (2006):

*“I think the poor organization and also the fact that Colombians have a mentality of ‘I will progress on my own’, all that... I think there is a lack of unity so people together can progress”.* (Andrés)

*“Well, I think that normally the Colombian migrant moves around relatives and friends, it is a relatively small circle; I don’t know how strong the relations between the close networks are, but I don’t think they are strong or active in reality, I think it is more about closer friends and relatives”.* (Diego, expert)

Some of the government representatives and experts share similar opinions, as exemplified by the following comment by Mateo:

*“They are very fragmented, I don’t know if they have representation, and if they do, it is not representative. It seems to benefit some specific groups, and there is a lot of mistrust because they say they work to help the community, but in reality all they want is personal benefits or initiatives... there are a lot of Colombian organizations but they are selfish and they end up fighting among themselves instead of working as a group for the country”.*

This lack of cohesion impacts the potential engagement of migrants in more collective actions, limiting the possibility of improving the level of involvement in Colombian associations and in cooperative actions, mainly in those of transnational scope. The Colombian government has not designed a specific strategy to encourage the participation of Colombian migrants in hometown associations, other than the one included in the previously mentioned Conexión Colombia; however, the government is making efforts to facilitate more networking among Colombians living in other places, and among those migrants and Colombians still living within the national borders.

Through CNU, the government has created a database of Colombian organizations within the Community plan area of work. With this directory, the government seeks to recognize these organizations, support the promotion of their activities and gather information about them for further use by other Colombians. Also, through the web page, it has created a community network with the objective of reinforcing the Colombian community abroad and the work of Colombian organizations. According to one government representative interviewed, the consulates have also developed some connections with Colombian associations:

*“The consulate is in charge of organizing meetings with the associations so they can organize themselves, it creates programmes to generate and maintain the Colombian community, as a community, not as an enterprise”.* (Mateo)



The empirical findings suggest that even if participation in these types of organizations is minimal, there is potential for their development as many migrants seem to be willing to support these kinds of initiatives.

Since participation is limited, the impact of this transnational activity at the home, community and national level is also marginal. Following Orozco (2005a), the lack of involvement in hometown associations reveals the poor support provided by migrants to their places of origin in a communal way, which in turn can reduce their sense of community and their transnational activities. As Vertovec (2004) suggests, there is no institutionalization of transnational relations. Hence, the lack of engagement in initiatives of this type limits the potential benefits this transnational activity can generate. If this trend could be modified, the activities could support the more optimistic view of the migration-development relation, providing the associations' objectives are accomplished.

#### **4.8 Knowledge and technology transfers**

The transfer of knowledge and technology by Colombian migrants might well be one of the transnational activities that could benefit the most the socioeconomic development of families, communities and the country in general. However, although most family members interviewed agree that they have learned new things while living in the US, only five families state that they have transferred knowledge or technology back to Colombia to some degree. All but one of those transfers was made to their own businesses or to a family business, either because some processes were improved or because they have learned new ways of doing business. In the remaining case, the migrant explained how through conferences and consultancy he has been able to transfer knowledge to other Colombians:

*“Yes, I think that when I finished my masters’ and I started to work in consultancy on international business we somehow attended some conferences in Colombia, or meetings or interviews, where we were explaining to other Colombians how to do this...in those meetings and in those interviews, those were like the first occasions in which I began to inform some Colombians about how to make those kinds of businesses...and now that I have visited Medellin I gave a seminar about how the Hispanic market works, which is my area of expertise”. (Sebastian)*

Although migrants learn new things that could be implemented in Colombia to improve processes, technologies and enhance development, most migrants recognize they have not transferred that knowledge to others in Colombia, except for the cases just mentioned. In two other families, the members have stated that they have done some intra-company transfers. Since they work for multinational corporations that have a presence in Colombia, they have taught some processes or have given instructions to other nationals working in the same company but in the Colombian subsidiary.

Other than that, there is no evidence of knowledge or technological transfers. When asked about this lack of transfer, most migrants responded that they have not engaged in these kinds of activities because they have not had the opportunity, or because they do not know how to do it, or because they feel they have lost connections with the country, or because they are not interested in doing so, as illustrated below:

*“I can imagine I can do it [transfer knowledge], I can imagine I could help a lot, but I don’t know who, or how, nor that I have looked for it either, and I don’t think I would because I cannot leave the things I have to do here”.* (Marcela)

*“I can imagine we can do it, but I have no idea about it, because I don’t know how they work in Colombia anymore, I have been here for a long time already...no, lack of opportunity, maybe, I have never really thought about it”.* (Helen)

Only one of the migrants interviewed considers she has not learned new things living in the US. This might be because since her arrival she has been a housekeeper. Before emigrating she used to be a secretary.

The empirical material provides information about the hardly existent knowledge transfer by Colombian migrants to their country of origin, and reveals no evidence of high-level technological transfers. This kind of transfer seems to be led to a greater extent by companies rather than individuals, mainly through intra-company transfers. The lack of advanced technological transfers might be linked to the fact that most Colombian migrants work in less skilled or low cognitive demanding jobs while in the US, although they are among the groups of migrants with higher education levels in this country and are on average better educated than Colombians residing inside the nation (Medina and Posso, 2009).

Most of the participants work in less skilled jobs in construction, cleaning services, restaurants, sales, housekeeping, and realty. Some others work in middle range managerial roles in local or multinational companies; one is a college professor, and four work for their own companies in construction, BPO, and trade. Only one person has a high managerial position in a logistics company. In some cases participants who are professionals work in middle managerial roles not related to their profession, something that seems to happen frequently among migrants (Carlisle, 2006; Raghuram, 2009). The limited exposure to more highly-technological advanced work and positions limits the potential of Colombian migrants to develop more advanced technological knowledge and expertise that could later be transferred to Colombia.

One initiative followed by the Colombian government to promote the transfer of knowledge and technology within the CNU programme aims to facilitate online conferences and generate contacts between migrants abroad and other Colombians, as Cecilia explains:

*“Colombia Nos Une works for that too, through the identification of distinguished Colombians who live abroad, and connects them to events and to enable interaction to facilitate the transfer. This complements projects like CIDESAL, for innovation, science and technology... CIDESAL (Creación de Incubadoras de Diásporas de los Saberes para América Latina) is a Project executed in Colombia through an agreement between the Instituto de Investigaciones para el Desarrollo from France, the Ministry of Foreign Affairs, and the International Organization for Migration...which connects highly skilled Colombians who live abroad...whose objective is to create knowledge incubators so the knowledge of the highly skilled diaspora can be incorporated into the academic, technological and development processes of the country”.*

In this sense, the government is working towards facilitating the transfer of knowledge and technology through events and conferences where prominent Colombian migrants can participate. To accomplish this, they work to constantly build and keep up to date a data base of those migrants and promote the organization of events in which they can participate. Similarly, it has created a knowledge network on their web page with the aim of connecting Colombians and enabling knowledge transfers.

The empirical data show that the transfer of knowledge and technology from Colombian migrants living in the US is minimal, and therefore its impact at the family, community and national level is also marginal. The lack of engagement in this transnational activity supports the arguments of brain loss (Beine, Docquier and Rapoport, 2001; Medina and

Posso, 2009; Todaro, 1996) instead of brain gain or circulation (Castles and Wise, 2007; Kotabe *et al.*, 2013; Saxenian, 2005), and as such also adds evidence to the less optimistic views about the migration-development nexus. In that sense, the poor level of transfers does not assist local socioeconomic development, while the country of residence, in this case US, benefits from the cheap labour of skilled Colombians. It does seem like knowledge and technological transfers in Colombia are a matter of MNCs, not individuals.

#### **4.9 Investment and entrepreneurship**

Consistent with the data, ten of the families interviewed state that they have some investments in Colombia that they have made with the money earned in the US, while two of those families have also invested in the country before migration. Additionally, two families have mentioned that they have kept investments made in Colombia before migration, but have not made new investments since arriving in the US.

Out of the investments made using money earned in the US, seven have been in real estate, mainly in the cities of origin of the migrant. However, two families have also invested in other places, in a vacation home or a place to rent out:

*“Being here... ok, I bought real estate in Colombia like a farm and an apartment on the beach in Santa Marta, and I also bought an apartment in Medellin”.*  
(Bernardo)

The main reasons to buy real estate in Colombia are related to the idea of having an investment, having a place to live for relatives or when the migrants visit the country, or in case they have to return. Consequently, Colombian migrants consider the purchase of a property a good investment, as Lina explains:

*“I don’t know [why I have invested in real estate in Colombia] if it is a ‘Plan B’ or I don’t know...the truth is that a lot of people say that once you get older you would like to return to you country, they say that they will live out of their check and all that... but... I don’t know, I did it especially because I think that the most secure investment is real estate, and in any case, my family lives there, I still have my parents and my brothers, and hopefully I won’t have to return because of a disease or an emergency, so at least to have a place where to arrive. In reality I did it more as an investment, so I have something fixed there and no matter what it will earn value and I am going to receive money out of it”.*

One of the experts interviewed also considers that buying this kind of assets has become a strategy used mainly by the middle class in Colombia to save money:

*“Middle class citizens in Colombia are not typically thinking of investing in the stock market, or in treasury bills. What they do think about is buying a house... In case they don't plan to return, anyway they can guarantee some sort of financial support for their children or any person depending on them in Colombia”.* (Diego)

The empirical data obtained reinforce previous findings that stress the importance given by Colombian migrants to the purchase of real estate (Gomez, 2009), as these statements show:

*“If somebody asks me for advice on where or what to invest in, I always tell them to invest in Colombia in real estate”.* (Luis)

*“All those who can... well now it's a difficult time, but in reality to invest in real estate is one of the most extraordinary things in any place and where you are from”.* (Bernardo)

In other three cases, migrants have also invested in businesses in Colombia. Two of those businesses are in the trade and distribution sector (one for sporting clothes and another for jewellery), and the other one is an antipiracy company. However, only two of them have been settled as a result of the migration experience. This is because in the jewellery company case, the migrants (father and mother) have learned about this business from their experience in the US, and based on this experience they have decided to create a trading jewellery company that started buying products in the US to be sold in Colombia. Now they have expanded their operations to other markets to buy the products, as Luis explains looking at his wife:

*“I think that going to the US opened for me the doors for what... to what I'm doing today, to get to know other markets. Actually, I travel a lot between both countries to make business contacts, so... Life is odd, right? Do you remember how I used to go to the restaurant where you worked, and there was a bathroom there where I used to sell my watches?... And now I'm working on something really similar”.*  
(Luis)

In the case of the antipiracy company, the investors met in Florida, and thanks to the contacts they have in both countries, the company was created in Colombia and attends to clients from the US:

*“Our clients are from the US, all of them, I mean, we... they are all multinationals, we work for Microsoft, right now we have three multinationals that are our clients, like Microsoft, Oracle and Adobe... we work in the area of antipiracy, we execute antipiracy campaigns at the Latin American level, and we have established some systems from which we receive an input which is a complete database, and we make a process and generate an output of a series of companies that administrate the stage of the software license they have”.*  
(Carlos)

The other trading company is dedicated to the export of sporting cloths from Colombia to Mexico. In this case, the migrant buys the clothes in Colombia directly from manufacturing companies and then she sells them in Mexico, thanks to her networks:

*“One time I went to Mexico and I brought for my sister in law and my mother in law some of those clothes, and they started to use them and all their friends loved the clothes. Everybody started to ask about the clothes, saying they were very good; asking where they were from and my mother and sister in law told them the clothes were Colombian, that I manufacture them, so their friends liked it even more, because Colombian textiles have a very good name there; so they put me in contact with a person who has a boutique in Mexico and this person buys me all the collections. So I make a collection and she distributes it in Mexico, and that’s how the business started”.* (Lina)

In Lina’s case, she hasn’t invested in a business in Colombia. She buys the products in Colombia and then sells them in Mexico. Her business contributes to Colombian exports, but does not represent a direct investment. Likewise, it is not a result of her migration to the US, but rather of family networks.

On two occasions migrant families have said that they have businesses in Colombia that were created before migration. One of those businesses is a hotel which does not specifically target US customers or international travellers, and it is not the main activity of the owner in the US who has created another company in his place of residence. The other business is a family business created between the migrant and her brother which was formed before migration. Businesses created as a result of migrants’ investments generate income, mainly for their families, and jobs, but their operations do not involve advanced knowledge and/or technological transfer from the US, except in the case of the antipiracy company. However, in all cases, previous experiences and

lessons gained at a personal level have been important factors contributing to the establishment of each business.

One migrant has also declared that she has not invested in Colombia, but that on some occasions she has sent money for her mother's business to pay some bills. The ownership and profit generated by the business is only for her mother who owns a store that sells natural products:

*“For her [mother] to buy the store we gave her half the money needed, so with that she bought the store assuming all the debt, so with her work she started to pay the debts of it. So if she doesn't have enough money to pay the rent or for a supply, then we would send her the money”.* (Claudia)

In this case the migrant is supporting a local business with money sent from the US. It is a monetary transfer that will sustain the operation of the store, but it does not constitute capital for the business. Therefore, it might rather be considered remittances than an investment made from abroad. In addition, the profit generated will not be obtained directly by the migrant but for her mother, helping her to maintain or even improve her living standards.

Regarding other possible types of investments, another important option that so far has received little attention is the money Colombian migrants have invested in the Colombian stock market. Out of the families interviewed, four have declared to have investments in this sector, but only one of them has used for it money earned in the US. In the other three cases, the investments were made before departure or as a result of a transfer of assets (from property owned in Colombia before departure to the stock market in the same country), or thanks to migration to other countries:

*“We have invested in stocks. Well, the thing is that I already had some stock investments before I came here, so I just kept them”.* (Jean)

*“I have a portfolio investment...when I sold my house [in Colombia], with the money left after I sold it, I invested in a portfolio investment in Bancolombia eh...four different options, among those there are some stocks from Ecopetrol”.* (Gabriel)

*“No, [I didn't invest] because my wage was very low [in the US]. But once in Europe I became a professional, so I could save some money with which I could buy my house, my land, and make some investments”.* (Rita)

The family that stated they have invested in the Colombian stock exchange market with money earned in the US argue that the investment has been made with the idea of having some savings for the future and to diversify financial risk. In this case, the father has worked in the financial sector, which might have motivated them to make this kind of investment.

There are no other types of investments made in Colombia reported by the interviewees. The families that did not report having investments in Colombia have exposed as the main reasons for not doing so their economic conditions at the moment, their belief that their life is now in the US and therefore they are not sure about returning, and the lack of opportunity to invest:

*“No, we haven’t invested; we don’t have enough income as to invest there, no”.* (Fabiola)

*“I think the main reason is that I consider my future to be here, so I want to invest here. When we bought our house, then this apartment... I feel my future is here, and my savings, and my retirement, are here”.* (Ricardo)

*“No, we haven’t had the opportunity to do so, maybe if someone makes us an offer we might do it, but so far, no...”.* (Cristina)

However, all but two families have shown interest in investing in the future in Colombia, mainly in real estate, as Nora and Claudia convey:

*“I would invest in real estate to guarantee a future, because to invest in real estate in Colombia is a safe investment, it is better”.* (Nora)

*“I would invest in a house, in real estate. I think...because my mother always tells me to set up a business, another store, but it doesn’t interest me. The investment that calls my attention the most is real estate, well, with my boyfriend... because there will always be people in need of a house to live in, there is always somebody who needs to rent, no matter what, so it doesn’t have the risk of not selling, or not to have money to pay your employees, that you don’t have enough money... I mean, it is easier... and that’s what I’m doing now with my boyfriend, so we have looked at projects that... in Roosevelt there are agencies selling those kinds of projects, but we are still looking. We haven’t done so yet, but we want to do it”.* (Claudia)



These and other similar statements made by other interviewees are in line with Gaviria and Mejia's findings (2005), indicating that buying property within Colombia is of great importance for migrants as a possible strategy to save money for the future, to improve income and to reduce wealth risk.

Those two families that mentioned not being interested in investing in Colombia argue that they prefer to invest where they live and that it is not really good business to invest in Colombia rather than in the US, as explained below:

*"I honestly no... because I think that one should invest where one lives, in the place where one resides". (Nina)*

*"That is nonsense, those who believe that investing in Colombia and all that story made about Colombia being better now because here... or those who sell homes here in New York saying that here in the US it is not worth to buy that one should invest in Colombia, because Colombia is...that is a marketing strategy, it is not real". (Camilo)*

Although both reasons are different, their explanations demonstrate that there is a fraction of Colombians living in the US who believe it is not worth investing in real estate or in business in Colombia. In contrast, three families mentioned they would like to invest in Colombia in businesses in the areas of international trade, consultancy or logistics, and in a hotel:

*"I would probably like to return in the future and set up my own business, or to be a consultant, because I think there is a lot to learn, there is a deficit in logistics, and I can see that in my job every day, so I could return to do that". (Nora)*

*"I would like to do something... like what I have mentioned before, especially now that there is a free trade agreement, I would like to... I cannot tell you precisely in which product, no. But I would like to do something like international business... I would like to invest in something like that, and mainly because I like the exports businesses". (Paula)*

*"I will invest in the same thing that I already have, which is a hotel...in Bogotá". (Andres)*

In the last two cases the intended investments would be made in Colombia, but in the first one, the impact would be on international trade (exports-imports) without necessarily involving investments made by the migrant. In the consultancy case, there

could also be some degree of knowledge-technology transfer to the national logistic market in Colombia.

However, it is important to be aware that intentions or ideals do not necessarily mean real investments in the future in Colombia. The desire to invest could be more related to the nostalgia felt for their country, or to the instant idea that came to their minds at the moment the question was raised, but it does not necessarily show a real intention to invest. Nevertheless, this might provide some guidance for future policy development or for companies targeting migrants as customers, who based on these desires, could implement strategies to encourage diverse types of investments in Colombia.

Many of the families would recommend others to invest in Colombia, mainly in real estate (11), followed by businesses (6), stock market (1), and any kind of investment (1). Two families explicitly mention they would not recommend others to invest in the country because of the security situation of the country, and because it might not be worthwhile investing in Colombia.

Only on two occasions families have stated they have disinvested in Colombia. In both cases, the families have sold their homes in Colombia and have used that money to invest in the US. In one case, the family has decided to sell the house because it was difficult for them to manage the property from abroad. In the other case, the family has an asylum status which does not allow them to travel back to Colombia yet, so they decided to sell their house in Colombia to buy a place to live in the US:

*“The thing is... the maintenance, who is going to take care of it [the property] ...we had an apartment, so the tenant didn't pay, or they did, I don't know what... so to pay attention to all that was hard, and sometimes you don't have the opportunity to travel frequently to supervise everything or you don't have somebody to help you with that, so... we used to live there, but then we came here and we rented it to make some money, but then we decided to sell it... ”. (Adriana)*

*“After a while we... we already had an apartment in Colombia and we decided to sell it to invest that money here, and we bought a house ”. (Fabiola)*

In both cases the families have not reinvested in Colombia since migrating to the US. However, there are other families that have invested in the US in the real estate sector, creating businesses or in the stock market. In the first case, twenty families have stated

they have bought homes in the US, while five of the households owning a home in the US have created businesses there, too. Those businesses are focused on different activities related to building contracting, ice distribution, consultancy, clothes distribution and one restaurant. All those are operating, except the restaurant. Two other families have reported having invested in the stock market. Neither family has invested in the stock market in Colombia, nor have they invested in a house or business in the US. On three occasions families have mentioned they have invested in Colombia but not in the US. Those investments are in real estate in all the cases and a business in one case, although this business was created before migration. Therefore, the investment patterns of Colombian migrants in the US underline the importance given to real state ownership.

The Colombian government has developed some strategies to motivate its migrants to invest in real estate within the country: the organization of real estate fairs, the participation in the programme *Mi Casa con Remesas* (My House with Remittances), and an agreement with the *Fondo Nacional del Ahorro* (National Savings Fund). Real estate fairs have been organized through the CNU programme in various cities where there is a significant number of Colombians (London, Miami, New Jersey, New York, and Quito, among others). In this case, the government works with other private institutions to promote the purchase of real estate projects, where builders, financial institutions and the government provide information to all those who might be interested. This information includes the offer of diverse real estate projects in various places, the financial mechanisms that migrants can use to buy their home in Colombia, and the process to acquire the property. *Mi Casa con Remesas* is a programme supported by the Inter-American Development bank where families in Colombia that regularly receive remittances from abroad can access a special credit line to buy a house in one of seven cities: Armenia, Barranquilla, Bogota, Cali, Manizales, Medellin or Pereira. In this case, the programme works thanks to an alliance with some NGOs and private financial companies, with the support of the national government. Finally, the government has also made a special alliance with the *Fondo Nacional del Ahorro*. As a result of this agreement, Colombians living in the US or Mexico can save money for a period of time and then have access to a credit line to buy their house in Colombia. Additionally, CNU web page (2013) has an open forum where questions regarding how a migrant can buy a house in Colombia can be answered. The same questions can be addressed in the services fairs that some consulates hold in different places.

All these programmes were developed with the intention of channelling remittances into a more productive use, in this case, into real estate. The government has participated in those initiatives with its CNU programme, where all the strategies related to Colombian migrants are integrated. According to one of the experts interviewed:

*“Some strategies were developed like the facility to buy a home in Colombia from abroad, either through real estate fairs... which were the result of a public-private alliance project to bring real estate offers to our migrants, and to generate the mechanisms so they could effectively buy a house here in their places of origin. I think this has been the most effective strategy followed so far to encourage the channelling of remittances here and to generate a positive impact on our development. We have also supported other initiatives. Right now we are working with the Fondo Nacional del Ahorro so Colombians living abroad can open an account where they can directly deposit money, thanks to some agreements this organization will make with other intermediaries in other countries, so migrants can save money and after a year they would be able to buy a house or to invest in education”.* (Cecilia)

As Cecilia declares, real estate fairs might be the most effective strategy developed so far to attract migrants’ investment in Colombia. To strengthen this strategy, the government has also been working with financial institutions in Colombia to facilitate credits or mortgage lines for migrants and to improve access to bank services from abroad. The government has also had an interest in channelling remittances into more productive investments. One of the projects developed is Promicro. Promicro is a scheme generated in 2010 by CNU and the Colombian Consulate in New York with the objective of supporting, advising and providing credits to Colombian business owners in New York and New Jersey. For this, the government has worked with other institutions. As explained by one of the experts interviewed:

*“We lead a project in the US in New York and New Jersey to promote Colombian entrepreneurship and entrepreneurs in those places. Initially this initiative was called Promicro. This program aimed at supporting all those Colombians who could have an entrepreneurship proposal or a business already in operation with the idea to assist them to strengthen their initiatives...then the program was replicated in other areas. Afterwards, Promicro was transferred to Miami with the same lines of work, which are supporting entrepreneurship and business creation in the US”.* (Cecilia)

As noted in this comment, these initiatives have been focused on the creation of businesses in the US, not in Colombia. Therefore, the project does not encourage migrants’ investment in business formation inside Colombia. So far, there is no similar

initiative or other project promoted by the Colombian government to attract migrant investments in business creation inside the country. According to CNU (2013), in order to facilitate business creation the government has also created a virtual trade network on this web page. Here, Colombians all over the world interested in fostering personal connections that can result in knowledge, trade and commercial relations can participate. Also, the government through its consulates has developed workshops on topics related to business creation, trade, and export opportunities. Other similar workshops have been developed by Proexport (Colombian export and tourism promotion agency), addressed at the general public who can be interested in visiting or investing in Colombia, or in exporting products from Colombia.

There is no specific plan designed by the government to attract investment in other areas, such as the Colombian stock market. Additionally, the results of the programmes promoted are difficult to measure, and there is no publicly available data about them, as Cecilia states:

*“We have a results matrix, in which we register the results of the real estate fairs, service fairs, the virtual formation of SENA, the academic cooperation of ICETEX, Colombiano Seguro en el Exterior from El Seguro Social, health bi-national week, Redes Colombia, and the migrant attention offices, among others... there is some information for internal use which we use for satisfaction indexes, but sometimes after we carry out all the analysis and we present it here, because it is more for other areas of the Ministry, we would be able to publish it, but...”*

Regarding participation in those events and projects, out of the families interviewed, only in one family one member has attended a real estate fair out of curiosity; in another family, the mother attended a workshop about how to export from Colombia to Mexico (organized by Proexport); finally, the father of another family has participated in workshops and seminars (also organized by Proexport). Additionally, another family mentioned that they have participated in some art expositions held by the consulate in Atlanta. All the other families interviewed have not participated in events organized by the Colombian government. Moreover, only in two cases the families have stated they have registered on CNU web page, from which occasionally they have received e-mails. Similarly, two families mentioned how the consulate in their region has their contact data but so far they have not received any invitation to participate in any event.

CNU has also launched some other initiatives aimed at motivating Colombian migrants to invest in education, health and retirement plans inside the country. In the first case, the government has made agreements with other institutions to facilitate virtual education, scholarships and credits for migrants to study in their places of residence. In the other two cases, migrants can participate in the national health and retirement systems through sending their contribution from abroad, so the individual can have access to health services and retirement plans in Colombia. Out of the families interviewed, only one belongs to the Colombian retirement system, while other two are registered in the health system. Those programmes also facilitate the channelling of remittances inside Colombia. However, strategies to encourage investment will not suffice until the more local structural issues that impact investment have been resolved, mainly those related to the local investment environment. This was also mentioned by one person in the interview:

*“There is no magical recipe...just as long as people start to see less corruption, to see how the economy is improving in Colombia, to see the end of the guerrillas, of so many problems there are, as long as all those problems get resolved... it is not to force people to go and do it [invest], but it becomes logical to do it, and now it is occurring a little bit. It is logical to do it. It is good business to reinvest in Colombia. So instead of investing here they are investing there... I think the sum of improving Colombia will make Colombians resolve to turn back to their country”.* (Andrés)

Likewise, structural factors that have pushed people to migrate are an obstacle limiting potential investments in the country, and therefore, the government needs to work to either reduce or better, eliminate those factors. In addition, the image of national institutions also needs to be strengthened to improve the investment environment, as mentioned in the section about political participation. Another consideration relates to capital constraints and the amount of money needed to invest in productive ventures of bigger size and potential impact inside Colombia, as one government official interviewed points out:

*“In comparison with other groups, investment activities are not very high for Colombian emigrants. This is because Colombian emigrants usually come from a middle class that is being formed in Colombia, but they don't have the economic base needed to invest in Colombia in a big company. This is different from other migrants like Jamaicans, who work more in groups, and in addition the capital needed to invest in Colombia is three times higher than the capital needed by Jamaicans to invest in Jamaica. Colombian migrants work and invest to achieve and keep a financial stability for their families”.* (Luisa)

The statement above not only makes reference to the high amount of money needed by Colombian migrants to create a company, which might be higher than the amount of money they can even raise or risk for a business venture, but also, alludes to the fact that Colombians tend to act in isolation. In other words, they do not usually work as a group, they are more individually-family oriented, limiting their capacity to form business partnerships that would help them to create and sustain businesses. In this sense, and although there are some investments made by migrants in Colombia, there is still a lot of work to do in order to make them more productive for the long term development of the country, increasing growth and welfare for the entire nation.

Investment and entrepreneurship activities carried out in Colombia by its migrants living in the US can have diverse impacts at the household, community and national level. At the family level, the socioeconomic development of families is being improved by the possibility of owning a house, or to enhance it and make it more suitable for the family's needs; furthermore, the possibility of owning a small business can provide income for the family left behind, increasing their wellbeing and the possibilities to have access to better education and better health coverage. In this sense, migrants are investing in the socioeconomic development of their families, at an individual level. Similarly, investments made in the Colombian stock market, although small, are being made with the intention of protect future income and wellbeing, benefiting the family as well.

At the community level, investments made in home improvements enhance the quality of living within the community with a better living environment, while creating the opportunity to offer local jobs. Also, the establishment of local business can allow non-migrant families to have access to services or products they could not acquire before, to new jobs, and to being exposed to new technologies or ways of doing things. However, at the national level the impacts are mixed. The investments made in real estate create jobs and income, while increasing foreign exchange and demand for locally produced building supplies. However, this might also cause a price bubble in the sector, making it difficult for others to have access to home purchasing. According to El Kareh (2008) from 2005-2008 only in the real estate fairs made with the support of CNU participants have made transaction for USD140.8 million.

Investments made in businesses seem to be low and limited by diverse factors such as capital constraints, local environment and migrants' aversion to risk. Yet, when the investment is made, it generates jobs, increases national output, income, and growth. Still, most companies created are small, with a limited influence at the national level. On the other hand, the low level of investments made in the stock market has a minor impact, given its small volume.

In the case of transnational investment and entrepreneurship of the migrants, the individual exercises her/his agency within the national structure. Under the actual Colombian circumstances, the national structure leads the migrants to prefer a more secure form of investment, i.e. real estate. The individual desire to invest might be limited by the lack of capital, knowledge or by more structural environmental factors, as well as the migrant's aversion to risk, setting a difficult threshold to pass in order to make more entrepreneurially oriented activities. The positive impact at the family and community level supports the most positive view regarding the migration-development relationship, while the mixed impact at the national level can provide argument for both, optimistic and less optimistic views.



## Chapter 5: Discussion of findings

### 5.1 Implications for migrants, members of society and the Colombian government

The previous chapter has analysed the data collected from the interviews with migrant families and other secondary data sources. Also, it has discussed the transnational activities in which Colombian migrants in the US engage, including their motivations to participate in them, the impact of those activities at the family, community and national level, and the role of the Colombian government in relation to those activities.

According to the data obtained, the structures of the places of origin and destination and the characteristics of Colombians migrants have shaped the frequency and level of engagement of those migrants in diverse transnational activities. Table 12 offers a synopsis of the level of participation in the transnational activities analysed in the preceding chapter.

**Table 12: Level of Participation**

Transnational Activity		Level of Participation/Impact		
		Migrant and family	Community	National
Remittances	Monetary	High	Low	Low
	Non-monetary (In-kind)	High	Low	Low
International trade		High	Medium	High
International telecommunication		High	Medium	High
Travel and Tourism		High	High	Low
Political participation		Low	Low	Low
Philanthropic participation		Low	Low	Low
Hometowns and other associations		Low	Low	Low
Knowledge and Technology Transfers		Low	Low	Low
Investment and entrepreneurship		Medium	Low	Low

Source: Own elaboration of the author

As the table above indicates, most transnational activities are family oriented, while participation in more communal or national activities is lower or even incidental. Also, this chart underscores the fact that migrants are mainly involved in more individually oriented transnational activities. Therefore, the impacts of those activities on the country of origin vary according to the level of engagement and analysis (micro, meso, macro).

Using the data from the interviews and the secondary sources discussed in the methodology section, this chapter discusses the impacts of those activities at the household (micro), community (meso) and national (macro) levels. The chapter also presents recommendations for the community and the nation aimed at improving the potential positive impact of transnational activities.

## **5.2 Implications of Transnational Activities**

### ***5.2.1 Micro level impacts: Households***

The empirical material suggests that the objectives set by migrant families are being accomplished. Efforts made by migrants and their families to send remittances and to engage in transnationalism are paying off for the entire households, especially for those who belong to the nuclear family. This is because of the enhancement in wellbeing households are achieving thanks to transnational activities and their impacts. Those impacts are summarized in Table 13.

**Table 13: Impact of Transnational Activities at the Micro Level of the Household**

REMITTANCES			
Monetary		Non-Monetary (In-kind)	
<i>Favourable</i>	<i>Unfavourable</i>	<i>Favourable</i>	<i>Unfavourable</i>
Satisfaction/Happiness Cohesion Enhance family's livelihood Enhance family's welfare Increase income Increase savings Reduce capital constrains Coverage of basic needs Supports health, retirement plans Entertainment Higher likelihood to invest Better quality of life Replacement of absence Increase consumption	Dependence Family separation/fragmentation Misuse Incentive to migrate Change in roles Lack of parenting figures Reduced aversion to risk	Connection Enhance family's welfare Replacement of absence Satisfaction/Happiness Access to new/escarce products	Dependence Sustituion of personal contact Incentive to migrate
INTERNATIONAL TRADE			
<i>Favourable</i>		<i>Unfavourable</i>	
Enhance family's ties Culture/Identity Passage of traditions		Induce Cultural changes	
INTERNATIONAL TELECOMMUNICATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Enhance family's ties Satisfy need for contact Cohesion Enhance family's livelihood Allows a sense of presence while away Keep in touch		Neutral	
TRAVEL AND TOURISM			
<i>Favourable</i>		<i>Unfavourable</i>	
Enhance family's ties Culture/Identity Cohesion Sense of belongingness		Motivate further migration Induce cultural changes	
POLITICAL PARTICIPATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Neutral		Neutral	
PHILANTHROPIC PARTICIPATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Cohesion Enhance trust Support network		Neutral	
HOMETOWNS AND OTHER ASSOCIATIONS			
<i>Favourable</i>		<i>Unfavourable</i>	
Neutral		Poor sense of community	
KNOWLEDGE AND TECHNOLOGY TRANSFERS			
<i>Favourable</i>		<i>Unfavourable</i>	
Improves family's business operations		Neutral	
INVESTMENT AND ENTREPRENEURSHIP			
<i>Favourable</i>		<i>Unfavourable</i>	
Income Create jobs Support for family's business Enhance family's wellbeing Enhance family's welfare Protection of future income Stability Security Savings		Neutral	

Source: Own elaboration of the author

With regard to remittances, and considering that most Colombian migrants living in the US belong to middle and lower classes (Upegui-Hernandez, 2012), the money remitted to Colombia helps recipient families to improve their living standards, allowing them to satisfy their basic needs and to reduce the capital constraints existing in their place of origin. In some cases, remittances also allow recipient families and migrants to make investments in Colombia in real estate, small businesses, better health coverage plans, better education, and retirement plans. Similar findings were arrived at by other authors (Gaviria and Mejia, 2005; Kugler, 2005).

On the other hand, migrants engage in other activities than sending money. Physical objects sent also seem to accomplish the task of bringing families together. Objects are not only gifts, but also represent the feeling of being remembered and loved by somebody from abroad (Zapata Martinez, 2009). When a Colombian migrant sends an object, the recipient receives a product that, even if she/he could have obtained it in the local market, has a special meaning. Likewise, when the migrant receives something sent from Colombia, it represents a family souvenir and a cultural reminiscence. Those gifts are in-kind remittances.

Similarly, remittances are beneficial for the sender because they allow the migrant to feel the migration experience is worthwhile, to reinforce their connections with the relatives, and to increase their satisfaction. Moreover, sometimes remittances represent an opportunity for migrants to save money, to invest and to plan their retirement in the home country, near relatives and friends. In that sense, and considering that remittances are allowing recipients and migrants to exercise their freedom and to convert those resources into capabilities to live well, migration can be a vehicle that allows migrants to enhance their welfare and socioeconomic development (Sen, 1999). Migration has become a livelihood strategy for Colombian families to enhance their socioeconomic development, as portrayed by NELM theory. For both parties, recipients and senders, remittances have become an important element of the migration process which supports the endorsement of migration activity as a strategy for families to overcome local budget constraints and to enhance their living standards, as NELM predicts (Massey *et al.*, 1994).

Although there might be some negative consequences of sending remittances for the family, such as dependency, misuse of the money received, and change in family's roles, among other things, migrants seem to be satisfied with the sending activity because they feel they are accomplishing an objective, or because they believe remittances are the price they have to pay for staying away from the family. In other words, it would not have been worth migrating if they were not able to help their nuclear family members left behind. As one of the experts interviewed comments:

*“If you are willing to give around \$4 billion dollars, it is because there is somebody you really care about on the other side of the ocean, and this somehow explains the drama they live, because nobody will...I mean, if you are giving money it is because there is somebody you love a lot there, and if you love this person but you don't have her/him around, it represents a high cost. Therefore, even if the person who stays behind is able to compensate for things thanks to economic improvement, and they are revealing by preference that they are better being split than together but without opportunities, there is wellbeing at the expense of being apart. But this expense in terms of wellbeing is compensated by the amount of remittances sent, which also allows for various things...they can live in the house they wanted, they can probably feed, dress and have a good living standard, and send their kids to the schools and universities they wished, with the cost of having the family split and the kids growing up without the presence of one or both of their parents”.* (Diego)

Hence, migrants and their families, when split in the migration process, seem to compensate for the distance with economic improvements that allow those left behind to have a better quality of life. In such cases, remittances are sent frequently and amounts seem to be higher. Similarly, sending tangible products allows recipients to have access to new or otherwise inaccessible products, bringing cohesiveness and welfare, becoming part of the family livelihood. This act is framed by economic relations that reinforce migrants' connections with relatives while overlooking the difficulties that migration can generate for the household. Likewise, monetary and in-kind remittances reshape family relations and might become a resource used by migrants' parents to keep their position within a family unit while away (Zapata Martinez, 2009).

It is interesting to note from the data obtained that even if most migrants do not see themselves as economic migrants or people who migrated because of economic reasons, the majority send remittances and consider this activity to be of real importance to support family members left behind (Lucas and Stark, 1985; Solimano, 2003). However, analysing the reasons provided for migration decisions, it is possible to determine that in most cases (sport's scholarship, company transfer, opportunity,

entrepreneurship or investment in the US) those motives have had an economic purpose at the end, where the migrant departs with the expectation of improving economically. Under other local structural characteristics, Colombians might not have left the country for these reasons, providing they could have obtained what they were looking for inside the country while enhancing their living standards, and without jeopardizing family cohesion. Thus both, agency and structure are essential components to be considered when studying migration. However, given the structure in place at the moment of departure, migrants are able and willing to sacrifice family unity, cohesion and integration, if the possibility of improving economically through migration can lead towards a better economic welfare for the entire household.

This link between replacing the company and closeness of a relative for economic wellbeing reveals that migration becomes a family economic approach, in line with NELM (Taylor, 1999), where the household distributes its human resources in different countries to achieve what they believe to be an improved socioeconomic wellbeing. This higher level of welfare is related to the possibility of accessing goods and services not available to them before because of the lack of money or reduced income. As a result, it is possible to determine how the distance and separation of family members is being replaced by the possibility of increasing the local consumption of families, where the probable drawbacks associated with migration are being substituted, and even masked, by economic benefits. Families, therefore, behave as expected by most economic theories where economic mentality drives a family's actions, and where building sustainable livelihoods precedes other social factors (Arango, 2003; Borjas, 1989; De Haas, 2010).

Thus, the relation between migrants and their families in the country of origin becomes more economically driven. Increased consumption becomes an important and expected consequence of migration at the individual and family level, leading migrants and families to define themselves as consumers, which in turn defines their relationship with their communities. Remittances compensate for absences, thanks to the money received that allows the recipients to access products and services not available to them otherwise (Zapata Martinez, 2009). Even if nuclear families migrate together or reunite in the place of destination, avoiding the splitting process, migrants send remittances in the form of money or objects to other relatives or close friends. Although the sending activity in this case tends to be less frequent, and usually related to special occasions,

this relationship is again marked by the importance of consumption and economic welfare.

In all cases migrants seem to find in remittances a method of keeping in touch with the loved ones left in the country of origin (Ruiz Baía, 1999). Through remittances migrants feel they have presence at home even if they are away, so that those who receive the remittances will remember them (Zapata Martinez, 2009). It gives the impression that the concept of happiness and success is related to the ability of migrants to send remittances and the possibility of recipients to consume more at home. In view of the fact that remittances provide happiness and better living standards for families, and they in fact believe so, it would be plausible to argue that migration contributes to the socioeconomic development of families (Sen, 1999). In this sense, Colombian migrants in the US and their families behave as predicted by NELM and neoclassical theories that highlight that people migrate in search of better paying jobs, where the individual pursues utility and wellbeing maximization (Borjas, 1989), but for the nuclear family as a whole. Migration allows migrant families to increase labour net return (Arango, 2003), since they consider that the benefits they and their families can obtain are higher than the cost assumed.

However, in contrast to the explanation provided by neoclassical migration theory, and thanks to networks, poorer but connected individuals can also migrate. In this case, networks reduce cost allocation increasing labour return for people from diverse economic positions (Massey *et al.*, 1993). Moreover, others, different from labour migrants, such as refugees, also participate in transnational activities and seek to obtain their family's wellbeing maximization, albeit in conditions that might limit their scope of action. Furthermore, and in line with the criticisms put forward towards neoclassical theories, migrants consider other aspects when migrating, not only wages, but employment, and network connections (Massey *et al.*, 1994). Also, migrants do not act in isolation, but as important members of families, as argued by NELM and households approaches (De Haas, 2010). The structure of the country motivates some Colombians to live abroad, looking for economic improvement for the family unit thanks to remittances and to other transnational household oriented activities. However, dependency can be generated, as predicted by Wallerstein (1974; 1980). Nonetheless, migrants do exercise their agency within the structures that surround them, a point neglected by Wallerstein in his World Systems Theory.

At the micro level of analysis of households, and as has been shown by this study's results, families left behind improve their welfare thanks to remittances through which they can increase savings, increase consumption of durable and non-durable goods and enhance education and health coverage (Fajnzylber and Lopez, 2008). Those findings are similar to the ones reported by Massey *et al.* (1998), who establish positive contributions made by remittances to families in terms of wellbeing, nutrition, health, food, higher propensity to invest, reduced poverty and unemployment. However, their impact is limited by the structure of the place of origin (Vammen and Bronden, 2012). Hence, the positive connection between migration and development is mainly based on the potential use given to remittances, taking into account their volume, but indirectly on other transnational activities in which migrants can engage, such as investment, trade, travel, and telecommunications. Those appear to be beneficial for the households, as explained before, and by extension thanks to multiplier effects for the community and the nation as discussed by Ghosh (2006), Katseli, Lucas and Xenogiani (2006) and OECD (2007). Likewise, even if most remittances tend to be spent on consumption, that consumption can become an investment in future capital and social formation, which might be more socially productive because it can increase the family's productivity through improvements in their own wellbeing (OCDE, 2009).

Only a few migrants recognize there are some drawbacks associated with migration, and these tend to be underestimated by migrants and their families thanks to the improvements in their economic situation. Those disadvantages are pointed to by the less optimistic approaches to the migration-development nexus, and are related to more socially and culturally oriented concerns, such as the separation process experienced by families (Garay, 2007; Guarnizo, 1997), the responsibility to take care of children and their education, the need to pay attention to the older members of the families, the lack of a mother/parent figure for children, the possible change of roles inside the family (Katseli, Lucas and Xenogiani, 2006; Zapata Martinez, 2009), the dependency recipients might develop towards remittances and migration (which in turn might impair their ability to develop by themselves the necessary means to achieve more welfare), the incentive generated to motivate others to migrate, and the lack of encouragement to find jobs locally (Chami and Fullenkmap, 2009).



Even though migrant families have made the decision to compensate for these possible drawbacks with the livelihood built thanks to migration, the roots of the problems are not being solved, generating other difficulties that will affect the community and the national socioeconomic development. Thus, the impact of remittances at the family level can be considered positive by migrants and their families, while from the perspective of critical commentators it might be seen as generating unaddressed problems that in the end become national issues impeding further socioeconomic development.

In addition to sending remittances, Colombian migrants in the US engage in other transnational activities such as consuming Colombian products while in the US, making frequent calls to Colombia, travelling often to their places of origin and making investments. All those activities have positive impacts at the individual and family level, allowing household members to keep in touch, to ensure family cohesion, to maintain the family network, to keep in contact with their homeland, and to maintain their identity and their membership of a household unit. Nevertheless, the frequency with which those activities are carried out varies from migrant to migrant, depending on their economic, social, and legal status in the US. For example, those who migrate with their nuclear family, tend to call and travel less than those who have some members of their nuclear family still living in Colombia.

The consumption of Colombian products supports migrant connection with the Colombian culture. This trade nurtures migrants' traditions and can motivate some individuals within migrant families to create businesses to attend to this market. This transnational activity yields positive impacts for the migrant and her/his household, allowing them to keep in touch, to preserve their traditions and to pass them on to second and other generations. This consumption will depend on the migrants' agency to acquire the goods they desire and on the commercial, legal and sociocultural structures that might limit the availability of the products demanded. Therefore, some products might not be accessible either because they are not sold where the migrant lives or because of high prices. In this case, migrants try to find substitutes from similar cultures.

Another common transnational activity performed by Colombians in the US is telecommunications, as shown by the empirical data gathered. The frequent calls made

by migrants and their families help households to maintain cohesion and to be in continuous contact, improving the family wellbeing. This seems to be especially true for Colombian migrants living in the US, since this group of migrants tends to make more calls than those located in other regions of the world (Garay and Rodriguez, 2005). Telecommunications not only allow people to keep in touch with their relatives in the home country and to act as families even if distance separates them (Vertovec, 2004), but also represent one of the most common transnational activities carried out by migrants (Orozco, 2003).

Another activity that support migrants' contact with their families is travelling. Visiting their home country allows migrants to keep in touch with their places of origin, to keep family cohesion and unity, to maintain their local ties, to rebuild social relations, and to have contact with relatives and friends (Itzigsohn and Saucedo, 2002). Nonetheless, those trips can motivate other relatives to migrate (De Haas, 2009; Garay and Rodriguez, 2005; Guarnizo and Díaz, 1999). The data obtained highlight that the main reason motivating migrants to come to Colombia is to visit their relatives and friends, underlining the importance given to family. This could generate positive impact for families' cohesion and wellbeing. Furthermore, on some occasions migrants take family members to other places in the country for tourist purposes, increasing family's entertainment spaces and shared time, both contributing to family unity.

In the case of investments, those can be made through remittances sent to relatives or directly by the migrant. Both will impact positively on the family wellbeing in the short, medium and long term, and can become a saving strategy to guarantee a better life in the future. Still, most investments are made in real estate, and to a lesser degree in business or portfolio. Investments made in real estate by migrants represent an important socioeconomic development tool for families, allowing them to improve their living standards through home ownership or enhancement, which represents progress in terms of the welfare for the household (Datta, 2009; De Haas, 2009; Ghosh, 2006). The findings of this research demonstrate that owning a house is an important type of investment for Colombian migrants, which seems to represent security, stability and wealth, as described by Gomez (2005), Mejia Ochoa (2006) and Uribe (2005). At the same time, investments made in small business and the stock exchange market are carried out with the intention of securing better livelihoods for migrants and their

families, and to procure some savings for the future, in line with Kotabe *et al.* (2013) and Vaaler (2013).

Investments made in real estate in the place of origin of the migrant is a transnational activity commonly found among diverse migrant groups (Glytsos, 2002; Gomez *et al.*, 2004; Niimi and Özden, 2008; Portes, Guarnizo and Haller, 2002), such as Salvadorans (Landlot *et al.*, 1999), Mexicans (Durand *et al.*, 1996), Ghanaians (Orozco *et al.*, 2005), and Guatemalans (Adams, 2005). Considering the wellbeing families can achieve thanks to the purchasing of real estate, migration can be seen as a tool for development at the micro level of households. This optimistic view is also based on the fact that thanks to migration individuals have been able to exercise their agency to invest their money freely, allocating their resources where they perceive them to bring more benefits and less risk, a notion promoted by neoliberal thinkers. Likewise, depending on the definition of development used, investment in real estate can be considered a productive investment (Taylor *et al.* 1996; de Haas 2008, 2009), which improves capacities and wellbeing, and therefore, can be considered a developmental investment (Sen, 1999; De Haas, 2010). Colombian migrants invest mainly in housing in Colombia to afford a place to live for their relatives and themselves, showing a preference to invest in these kinds of assets over other types of investment. This inclination was evidenced in this research when interviewees were asked about the type of investment they would be interested in making in Colombia, whereby most of them pointed to real estate. Similar findings were arrived at by Gavia and Mejia (2005).

Just as the national structure of Colombia may well have pushed people to migrate to the US, the same structure might lead migrants to prefer to invest in other places, or to invest in what they consider to be the most secure form of investment inside the country, e.g. real estate (De Haas, 2012; OECD, 2007; Taylor, 1999). In fact, some migrants have expressed that they have invested in this sector with the purpose of making a profitable investment, not to secure a place to live. Investments made in business are usually of small scale and low innovation, where relatives and friends can work to generate income for themselves and profits for the investor (Katseli, Lucas and Xenogiani, 2006; Vaaler, 2013). As a result, their impact can be favourable for families and household's job placement. However, those investments can also generate higher risks and inefficiencies, reducing the full potential impact of this activity.

As showed in Tables 12 and 13, Colombian migrants are much less involved in other transnational activities. For instance, migrants have not been largely engaged in national associations and HTAs, communal activities or community remittances, technology and knowledge transfers, entrepreneurship, political and philanthropic projects. This seems to be the result of their personal characteristics and the socioeconomic and political structure of Colombia and the US. The low level of participation in those transnational activities generates a minimal impact at the micro level of families.

Nonetheless, although there is a high level of fragmentation within the Colombian community in the US, it seems like solidarity and reciprocity are still in place, mainly among certain relatives and friends who usually share similar backgrounds, social status and perspectives (Guarnizo and Diaz, 1999). This was especially evident when interviewees were asked about migrants' participation in philanthropic projects, where most of them showed a desire to participate but actually only a few of them engage in those, in particular, in projects they manage by themselves or that are managed by relatives or very good friends.

It is interesting to see how even if Colombian migrants in the US come mainly from the urban areas (as compared to other migrant groups such as Mexicans; Orozco, 2005b) and are among the most educated communities living in that country, their general involvement in communal transnational activities is low, especially in politics and cultural affairs of the country of origin, contradicting previous findings (Portes, Escobar and Walton Radford, 2007). When Colombian migrants participate in transnational organizations or individually in charitable projects, they tend to prefer to make the contacts personally or through recognized and known organizations or people.

The engagement in more individual oriented transnational activities of Colombian migrants in the US therefore has been shaped by their personal characteristics, and the structure of origin and destination places. As stated by Itzigsohn and Saucedo (2002), this individual orientation towards transnational activities might be subject to personal resources, which in turn impact their individual decision to participate or not. Hence, the more resources Colombian migrants can acquire, the greater the likelihood of their participation in more transnational activities.

The transnational activities in which Colombian migrants living in the US engage are an indicator of the importance given by migrants to their families and their welfare. However, the same migrants may well desire a better wellbeing for all Colombians but the transnational activities in which they are mainly involved are not specifically targeted at providing better living conditions for communities, other non-migrants, and the nation. In other words, the impacts of their transnational activities at the national and community level are more indirect than specifically pursued. Migrants and their families act as units and their livelihood becomes the main objective of migration and transnational activities, through which the objective of providing welfare for households gets accomplished. Community and national development are not the main concerns for migrants, and although they seem to care for Colombia and its inhabitants, most of them do not make specific efforts or engage in transnational activities to support local and national development. Individualistic behaviour is more common than communal.

Based on the empirical findings, it is clear that at the individual and family level, migration appears to support the more optimistic perspectives regarding the migration-development nexus. Migration becomes an instrument used by families to enhance wellbeing, increase consumption, and reduce capital constraints (Datta, 2009; Massey *et al.*, 1998; OECD, 2011). Additionally, the behaviour of migrants and their families complies with a neoliberal agenda, promoting the desirability of greater income and consumption, which is at the same time the basis of the most optimistic perspectives on the relationship between migration and development.

At the micro level of analysis, involvement in transnational activities is an act of agency that supports the economic wellbeing for families but not necessarily the enhancement of community and national structures. On the contrary, it might have a negative social impact on that structure, because of the drawbacks migration can generate at the household level that are not being addressed directly by families, but that will be reflected in the community and national social environment.

### *5.2.2 Meso level impacts: Community*

Following the discussion of the impact of transnational activities at the micro level of analysis proposed in this research, this section goes further in this discussion debating those impacts at the meso level of the community of origin of the migrant. Consistent with the data obtained, these effects are summarized in Table 14.

**Table 14: Impact of Transnational Activities at the Meso Level of the Community**

REMITTANCES			
Monetary		Non-Monetary (In-kind)	
<i>Favourable</i>	<i>Unfavourable</i>	<i>Favourable</i>	<i>Unfavourable</i>
Increase local consumption Enhance community living standards  Can create local jobs  Increase local investment Multiplier effects Small business creation	Dependency  Motivate further migration  Can increase imports	Can increase exports  Access to new products  Motivate business creation  Culture/Identity	Can increase imports  Can increase inequality  Motivate further migration  Induce cultural changes Dependency Trade deficit
INTERNATIONAL TRADE			
<i>Favourable</i>		<i>Unfavourable</i>	
Increase demand for local products Increase local production Culture/Identity Keep community ties Can create jobs Can increase income Incentive for community business creation		Induce cultural changes	
INTERNATIONAL TELECOMMUNICATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Incentive for community business creation Sustain networks Keep community ties		Neutral	
TRAVEL AND TOURISM			
<i>Favourable</i>		<i>Unfavourable</i>	
Keep community ties Culture/Identity Consumption of local products/Services Rebuild social relations Use of locally owned places Local Tourism development Income generation		Motivate further migration  Induce cultural changes	
POLITICAL PARTICIPATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Neutral		Low support to the community	
PHILANTHROPIC PARTICIPATION			
<i>Favourable</i>		<i>Unfavourable</i>	
Community cohesion		Low support to the community	
HOMETOWNS AND OTHER ASSOCIATIONS			
<i>Favourable</i>		<i>Unfavourable</i>	
Neutral		Small and fragmented networks Low support to the community	
KNOWLEDGE AND TECHNOLOGY TRANSFERS			
<i>Favourable</i>		<i>Unfavourable</i>	
Neutral		Brain loss	
INVESTMENT AND ENTREPRENEURSHIP			
<i>Favourable</i>		<i>Unfavourable</i>	
Cohesion Keep community ties Culture/identity Enhance community representation		Neutral	

Source: Own elaboration of the author

As with households, the impact of remittances at the community level will depend on the structure in place, the migrant's characteristics and the level of involvement in transnational activities. As stated before, Colombian migrants are mainly involved in individually oriented activities such as remittances. The potential beneficial and disadvantageous impacts remittances can generate at the community level vary according to the local structure, but in line with previous studies, remittances seem to have had a positive impact at the community level (Acosta *et al.*, 2008a; Cardenas, Medina and Trejos, 2010).

Thanks to access to a higher level of income provided by remittances, recipient families are able to improve their houses, stimulating jobs creation at a local level and the demand for local products, thus enhancing the wellbeing of the community.

Remittances recipients increase local consumption (Ghosh, 2006), can motivate local entrepreneurship and production (Ghosh, 2006), generate multiplier effects through spending (Durand *et al.*, 1996; Katseli, Lucas and Xenogiani, 2006), and can stimulate business creation and job generation (Durand *et al.*, 1996). Still, the increased local consumption generated by remittances can have some undesirable outcomes if not accompanied by increases in production, such as inflation pressures and prices bubbles that at the same time can jeopardize non-migrant families' abilities to access products, leading towards inequality. Similarly, remittances can increase the relative deprivation of locals, motivating further migration (De Haas, 2008), as depicted by cumulative causation theory discussed earlier (Massey, 1998).

Authors such as Chami and Fullenkmap (2009) and Goldring (2003) argue that remittances are mostly spent on general consumption, exerting an unfavourable impact on the community because they can distort asset prices, creating more poverty for others who cannot afford those prices, and polarizing income and property ownership.

According to the data obtained recipients use remittances mostly to pay for general expenses and health and retirement plans, to buy real estate and for investments.

Therefore, local consumption is increased, raising demand, production and stimulating investment, as argued by Taylor (1999). Although the amount of money invested in other assets than real estate by each migrant is small, the total amount invested by all the migrant population could become an important source of capital for business creation in the country (Portes, Guarnizo and Haller, 2002).



However, Colombian migrants have demonstrated low participation in community or social remittances (Levitt, 2001b) that could generate a more direct effect on community development, such as participating in local projects (Van Doorn, 2002). This might be because of the previously mentioned lack of trust towards other Colombians and local institutions, limiting their actions to more individual activities. In terms of in-kind remittances, when migrants send objects to relatives in Colombia, other non-migrant families get exposed to what migrants do for their families. Also, through the close networks Colombians have, non-migrant families can also receive some tangible products sent by migrants' friends living in the US, particularly for special occasions. The exposure to American products can increase the demand for imported products, and could motivate others to migrate, at the expense of dividing more families.

As a result, the community can gain access to products not available before, enhancing local wellbeing, but imports can be stimulated hurting the local economy. Similarly, the exposure to products otherwise not obtained can motivate further migration, causing brain drain and reduction in the local labour force. Also, this exposure can cause changes in the local culture (Portes, 2009). Equally, other members of the community might also send in-kind remittances to migrants, encouraging local exports and therefore, more production and job creation, and a positive impact on the balance of payments.

The demand for local products fosters socioeconomic development, helps migrants to maintain their identity as Colombians, and supports community connections between migrants and their communities of origin (Orozco, 2008). This demand generates trade from local regions, creating local jobs, generating income for non-migrants and national companies, while fostering migrants' traditions. This transnational activity generates favourable effects for the community thanks to the increased demand for local products abroad, the exposure of communal traditions to other markets and the maintenance of traditions by those members of the community who are away. Moreover, it can stimulate entrepreneurship from locals in order to target nostalgic trade of the local diaspora.

Another way in which migrants stay in contact with their communities of origin is through international telecommunications. The data collected show that there is a high frequency of communication between migrants and their relatives and friends. Although communication with friends is mostly done through internet applications and social networks, there is still a high sense of connection. The availability of new forms of communications created by technological advancements and the internet allows for a more frequent contact with non-family members. This is possible thanks to free services such as social networks that connect people from distant places for diverse purposes.

International calls made by migrants to relatives and friends could also represent a source of income for communities through the creation of small calling shops and other telecommunication services. It could also represent an opportunity for communities to sustain networks and to link migrants with their communities and local projects. Nevertheless, most communications and applications are owned by multinational companies, with little participation of community businesses, except for shops. In this sense, this activity induces more cohesiveness but increases development gaps between the local community and other places.

Another activity that allows migrants to stay in contact with their communities of origin occurs through trips made to those places, as observed by Ruiz Baía (1999). Most Colombian migrants tend to visit their places of origin when coming to the country, increasing the consumption of local products and services, and therefore, generating income for non-migrant families and local growth. Moreover, these trips help to preserve migrants' identity and roots. When coming to the country, migrants can stimulate other people to migrate thanks to the expectations they can generate in others. Those expectations can be a result of perceived changes in wellbeing, wealth, and behaviour that are noticed by other people in the family or community (De Haas, 2009; Garay and Rodriguez, 2005; Guarnizo and Díaz, 1999). Also, they can induce changes in the tastes and culture of the community (Levitt, 2001b; Levitt and Jaworsky, 2007; Vertovec, 2004). Thus, travelling can also induce some adverse impacts for the migrant community.

According to Newland and Taylor (2010), migrants might spend less money as a tourist in the country of origin, but they spend it in locally owned places, generating a higher impact on the development of the region, having more contact with locals than other

tourists do. Therefore, the local demand increases, generating more production and jobs. Also, this kind of tourism is not seasonal, i.e. it is steadier throughout the year, enhancing income generation in the community. Moreover, migrants can inspire others to visit the country increasing tourism in general. However, migrants are not perceived as tourists, and local authorities have not designed specific programmes to attract them to encourage this type of tourism. A similar phenomenon occurs in the Dominican Republic, as reported by Hume (2011). Due to the high propensity of Colombian migrants visiting their places of origin, there is an increase in the amount of foreign currency spent locally, thanks to the rise of local consumption from migrant visitors, improving the local economy. However, at the same time, if this increase in demand is not accompanied by an increase in supply, there could be a general increase in prices or inflation, affecting negatively non-migrant families.

Another transnational activity that can generate benefits for the community is investment. All investments made locally generate multiplier effects on the community and the economy incentivising production and income. However, according to the data obtained and in line with Chami and Fullenkmap (2009), the levels of investments made in the community by Colombian migrants are minimal and do not make a difference in the context of the overall GDP of the community and the country. Most investments are in real estate, which also creates multiplier effects (De Haas, 2009), as discussed earlier. Investments in businesses, although small, are also beneficial for the community, generating local jobs, and in a few instances, the transfer of knowledge.

As mentioned before, Colombian migrants in the US exhibit a low level of involvement in communal transnational activities such as political participation in the country, participation in HTAs and other Colombian associations, philanthropy, and knowledge and technology transfers. As a result, they generate a minimal impact at the meso level of analysis of this research. In keeping with Landolt (2001), the weak social networks formed by Colombian migrants limit the types of transnational economic (and non-economic too) activities in which they get involved, impacting their capacity to generate social capital (Guarnizo and Diaz, 1999; Guarnizo, Portes and Haller, 2003) and to become embedded in their community development (De Lange, 2013). This limitation might also be one of the main reasons why they have a low level of participation in those communal transnational activities.

The low level of migrants' involvement in local politics prevents them from participating in the political environment of their places of origin, which at the same time can be the places where their relatives and friends live, and where some of their investments could be made. In that sense, migrants are passive actors of the local politics of their communities of origin, even if they can get affected by them. Similarly, their lack of cohesion as a group and their poor involvement in politics forbids them from exercising pressure at the national governmental level in favour of local development and projects (Glick Schiller, Basch and Szanton Blanc, 1995; Lyons and Mandaville, 2008).

Similar reasons regarding migrants' personal characteristics, and the socioeconomic and political structures of Colombia and the US, might have influenced the low participation of Colombian migrants in national associations and HTAs, communal activities or community remittances. The last category is related to developmental projects at the community level supported by the migrants' remittances sent by former members of the community (Solimano, 2003). Likewise, those factors affect migrants' trust towards institutions and politics, reflected in their lack of involvement in political and philanthropic projects, as expressed by the interviewees.

Itzigsohn and Saucedo (2002) studied the sociocultural transnational activities of Colombian, Salvadorian and Dominican migrants in the US with regard to participation in hometown associations, charity organizations, and local sports clubs, sending money for special community projects, and trips on national holidays or celebrations. Their results point to the direction of the findings of this research, signalling that among the groups studied Colombians have the lowest level of participation in those community oriented transnational activities. This lack of involvement in community oriented transnational activities does not only reduce the potential benefits that migration can bring to communities (De Haas, 2009; Ghosh, 2006; OECD, 2007), but it can also impact migrants' ability to create investments and to transfer knowledge and technologies to the country of origin, since their networks are small, fragmented, and closed (Vaaler, 2013).

This context and a low sense of community therefore influence the low level of transfers of knowledge and technology made by Colombian migrants, who even when recognizing that they have learned new things, have not been dynamically involved in

this transnational activity. The community therefore is affected by brain loss, instead of gaining from migrants' experience and brain circulation. This brain loss is an impediment to the community and country's future development, indicating that one of the most important arguments used by the less optimistic perspective on the migration-development nexus holds true in Colombia. However, as argued by De Haas (2009), this brain loss could also become an opportunity to improve education levels in the community because those who stay behind could see in education an opportunity to improve their prospects to move abroad.

The poor involvement in community building activities is affected by the lack of trust Colombians have developed towards other Colombians and institutions, probably as a result of the conditions in Colombia at the time most migrants left the country, whereby high levels of violence and illegal drug business actions shaped Colombia's image abroad. In addition, migrants fear being associated with these kinds of people and businesses, resulting in them being more cautious in selecting their friends and networks (Aysa-Lastra, 2007; Bermudez, 2011; Guarnizo and Diaz, 1999; Itzigsohn and Saucedo, 2002).

It is clear that the structures in the places of departure and destination have shaped Colombian migrants' behaviour towards other Colombians and institutions, leading them to strengthen their ties with relatives and close friends, to establish closed networks, and to be cautious when dealing with others. In this sense, it is logical to argue that Colombians feel more comfortable in controlled spaces where they feel they know each other, making it difficult for them to be comfortable when surrounded by "others" they are not familiar with. This might lead other community members to recreate the image of a Colombian fellow who is individualistic, conflictive and probably selfish (Riaño Alcalá, 2008). This was also found in this research, as pointed out in the data analysis chapter.

Therefore, the lack of involvement in community projects weakens the Colombian community, reducing its potential for social capital building and group actions, except for the small social network to which each migrant might belong (Aysa-lastra, 2006; Mejía Ochoa, 2006). Furthermore, a weaker community has lower representation and can exercise less influence in the place of origin and destination to achieve community benefits. The possibilities to strengthen this community are low as long as Colombian

migrants do not see the benefits it could generate for them to take part in community building projects. One strategy suggested by Yang (2009) to enhance community organizing and migrant networks is to grant them the right to vote in local elections in the country of origin. However, even though the Colombian government has conferred the right to vote to its migrants since 1961 (Guarnizo, 2005), along with other political rights promoted with the purpose of increasing their participation in national politics, their networks remain fragile, closed and fragmented.

The transnational activities in which Colombian migrants get involved are focused on improving the family's welfare, and to a lesser degree, to support close friends and networks. However, as the discussion above shows, all those activities have mixed impacts at the community level.

Even if not all members of a community have family members living in the US, the transnational activities in which migrants of the community engage impact the community as a whole. These impacts seem to be positive in some cases, and adverse in others. Positive impacts are mainly related to access to new products and services, job creation, network support for close friends and relatives in the community, improvement in the living conditions of neighbourhoods, economic multiplier effects of remittances at the community level, the creation of small businesses, and the potential exposure of members of the community to new knowledge or technologies (De Haas, 2007a; Dustmann and Kirchkamp, 2001; Kotabe *et al.*, 2013; Kugler, 2005). Also, there are some incentives to create businesses such as international trade or distribution companies, to satisfy ethnic demands abroad (Bailey, 2010). Likewise, other businesses can flourish at the community level thanks to transnational activities, such as international telecommunication facilities or stores, and international travel and tourism agencies, among others (Guarnizo, 2004).

Some less positive impacts include the increase in demand for imported products at the local level, indirect motivations for others to migrate and possibly split their families, and the exposure of local culture to foreign ones that could modify communal traditions (Garay and Rodriguez, 2005; Levitt, 2001a; Levitt and Jaworsky, 2007). Furthermore, since the participation of Colombian migrants in HTAs and philanthropic projects at home is low, little contribution is made by them directly to the community. In other words, migrants do not have a strong presence in the communal development and

projects of their regions of origin. Therefore, communities remain dependent on the government, NGOs and international organizations. In this sense, the reliance on the north is maintained, supporting more pessimistic views on the migration-development nexus.

The empirical evidence suggest that the low levels of involvement of Colombian migrants in communal activities like HTAs, politics and philanthropic projects, reveals little assistance of those migrants for their communities of origin. This lack of involvement is replaced by more closed, family oriented support networks and activities, and can be influenced by a lack of community sense generated by their more individualistic, almost selfish and untrusted relations with other, characteristics shaped by the local and national context. Therefore, it is possible to argue that the findings of this research provide arguments for both, the more optimistic and the less optimistic perspectives on migration-development nexus discussed by De Haas (2007a, 2010, 2012).

In keeping with the objective of analysing the impact of transnational activities at the meso level, this sub-chapter has presented a discussion of the main findings of this research pointing towards both positive and negative outcomes for the socioeconomic development. The actualisation of the full potential for positive impacts is limited by the lack of involvement in community projects and the local structures in place.

### ***5.2.3 Macro Level Impacts: The Country***

The previous two sections have discussed the impacts of transnational activities of Colombian migrants living in the US at the micro and meso level. Those impacts vary according to the level of engagement in those activities. In this section, the effects at the national level are discussed. Table 15 summarises the effects evidenced by the data gathered.

**Table 15: Impact of Transnational Activities at the Macro Level of the Country**

REMITTANCES			
Monetary		Non-Monetary (In-kind)	
Favourable	Unfavourable	Favourable	Unfavourable
Increase foreign exchange Increase demand Increase investment Increase savings Can create jobs Multiplier effects Increase production	Can increase imports Can create price bubbles Brain Drain Motivate further migration Reduce labour Inequality Poverty Could generate inflation	Increase trade Can increase exports Culture/identity Motivate business creation Indirect exports	Can increase imports Can reduce indirect taxes Induce cultural changes Motivate further migration Save foreign exchange
INTERNATIONAL TRADE			
Favourable		Unfavourable	
Increase trade Increase exports Increase growth Increase indirect taxes Increase foreign exchange Exposure of national products to other markets and consumers Incentive for business creation Increase income Can create jobs Increase nostalgic market		Induce cultural changes	
INTERNATIONAL TELECOMMUNICATION			
Favourable		Unfavourable	
Incentive for business creation Participation of national companies Increase service exports Increase national income Increase service trade		High participation of MNC Increase import of services Increase North-South dependence	
TRAVEL AND TOURISM			
Favourable		Unfavourable	
Income generation Incentive for business creation Consumption of national products/services Increase production Economic growth Support tourism industry development Encourage international tourism Non seasonal tourism Increase foreign exchange		Induce cultural changes Motivate further migration Import of services	
POLITICAL PARTICIPATION			
Favourable		Unfavourable	
Neutral		Low cohesion Low governmental attention Low lobbying in favour of Colombia and its migrants in the US Imbalance power between North-South	
PHILANTHROPIC PARTICIPATION			
Favourable		Unfavourable	
Cohesion Support network		Dependency from abroad Increase North-South dependence	
HOMETOWNS AND OTHER ASSOCIATIONS			
Favourable		Unfavourable	
		Small and fragmented networks Low community cohesion abroad	
KNOWLEDGE AND TECHNOLOGY TRANSFERS			
Favourable		Unfavourable	
		Brain drain	
INVESTMENT AND ENTREPRENEURSHIP			
Favourable		Unfavourable	
Increase exports Increase trade Increase production Increase investment Increase demand Can create jobs Increase income Increase foreign exchange Economic growth Can motivate technology/knowledge transfer		Low technological/knowledge transfers Low innovation Can create price bubbles Can increase imports Imbalance power between North-South	

Source: Own elaboration of the author



As can be seen from Table 15, transnational activities could have diverse favourable and less favourable impacts at the national level. Those effects vary depending on the level of engagement of the migrants, their personal characteristics, and the socioeconomic and political structures in the country (De Haas, 2009; Katseli, Lucas and Xenogiani, 2006; Vertovec, 2001). Rapoport and Docquier (2005) contend that in general, migration and remittances are positive for the long-term economic performance of the country of origin because they support national development, without disregarding their possible negative impacts. Similar results have been argued in the Colombian case by Acosta *et al.* (2008a) and Cardenas, Medina and Trejos (2010). The beneficial impacts of remittances (monetary and in-kind) described by migrants and analysed based on the empirical material gathered, echo the arguments used by neoliberal institutions and agendas that promote an optimistic perspective regarding migration and development, such as IOM and WB. The neoliberal thinking discourse argues that migration is a positive phenomenon where individuals can exercise their freedom to move to other places, creating a more flexible labour market.

The level of remittances sent to the country has grown over the years, increasing the availability of foreign currency and possibly leading towards currency revaluation. The transfer of money at the same time fosters national consumption, international investment, entrepreneurship, trade and financial markets, while reducing poverty and inequality, lessening capital constraints, increasing foreign exchange and nurturing growth and investment in the country of origin of the migrant (Fajnzylber and Lopez, 2008; Ghosh, 2006; Rapoport and Docquier, 2005; UNDP, 2009). These positive impacts assist national development and are stimulated through the multiplier effects of remittances (Durand *et al.*, 1996; OECD, 2007).

According to De Haas (2009), impacts of remittances' on inequality are ambiguous and seem to depend on selectivity. Since Colombian migration in the US is heterogeneous, thanks to a less selective migration process, remittances could be reducing inequality at the community level. This argument is also reinforced by Cardenas, Medina and Trejos' (2010) findings. Nonetheless, remittances can also lead to more inequality, poverty, increased imports, reduced labour, and more migration which in turn increases brain drain (Fajnzylber and López, 2008; De Haas, 2008; Massey *et al.*, 1994; Taylor *et al.*, 1996). Further, migrants and their remittances cannot change the structural problems

Colombia faces so that greater development can be achieved, even if migration can become a “self-help” development “from below” (De Haas, 2012; Smith and Guarnizo, 1998; Vammen and Bronden, 2012). Further, the government’s role in creating the right national environment to generate prosperity cannot be transferred to individuals, although they can be important transformation agents influencing local policies (De Haas, 2012).

Migrants’ departure is framed by the characteristics of the socioeconomic and political structure of the place of origin. These characteristics are not modified by migration and remittances. Therefore, more migration can be expected as long as the structure is not modified to reduce local impediments that limit the family’s potential to improve its wellbeing. In this case, more structuralist-oriented approaches to migration seem to hold true: migration can exacerbate underdevelopment for sending regions (De Haas, 2011). Nevertheless, and given the structure in place, if people do not migrate it might not be possible for them to improve their families and their own welfare.

With regard to in-kind remittances, sending and receiving objects impacts international trade, although this might not be considered as such because of the value, size, and method used for the transfer of the goods. The methods used include cargo companies and luggage. Regardless of the method used, the companies that produce the goods sell them locally, and cannot determine which of the products sold will end up in other countries. Thus, some companies might be generating indirect exports without even knowing it. In addition, it is difficult to measure their real volume and they are usually not included in official trade statistics (Ghosh, 2006). In line with Solimano (2003), in-kind remittances are also a way of saving on foreign exchange because those are imports which are mostly not recorded and paid for from Colombia using foreign exchange.

The exposure of non-migrant families to US products sent by migrants might increase the demand for American products, and thus generate benefits for the US economy through an increase in its exports, leading to a higher level of production and economic growth for the country. At the same time this demand has a negative effect on Colombian balance of payments, adversely impacting the Colombian economy and increasing the gap of development between the north and the south. This increase in

asymmetric growth is one of the main arguments put forward by Neo-marxist perspectives with regard to the migration-development nexus (Wallerstein, 1974, 1980).

In accordance with the findings of this research, sending objects can lend support to both pessimistic and optimistic perspectives on migration-development nexus. This is because while this activity can increase trade and business entrepreneurship, cohesion, living standards, access to unavailable products or services and growth, it can also stimulate imports, dependency, cultural change and trade deficits. Since most of the products can be procured in Colombia, as expressed by the interviewees, the effect on imports can be expected to be minimal, leading towards a more positive economic impact of remittances, while generating cultural and social drawbacks. Additionally, other individuals can be persuaded to migrate, separating more families and reducing the availability of labour in Colombia, among other consequences. Thus, the imbalanced relation between the US and Colombia might become intensified. This lack of balance results in further contributing to unequal relations and a greater dependency, as pointed out by neo-Marxist approaches to migration and development (De Haas, 2010, 2011; Durand *et al.*, 1996; Massey *et al.*, 1993, 1998; Waller Meyers, 1998).

Alternatively, the consumption of Colombian products in the US can have a positive impact on the national economy, creating more exports, enhancing the country's balance of payment, increasing the amount of foreign exchange flowing into the country and encouraging national growth (Gaston and Nelson, 2010; Kate and McBride, 2013; Katseli, Lucas and Xenogiani, 2006). According to the data, most of the products consumed include non-traditional exports, such as arepas, sausages, candies and chocolates, coffee and cocoa, snacks and pastries, and represent part of their culture and are part of the regular groceries purchase of the migrant. According to Orozco (2005a), most Colombians living in the US buy home country products (81%), and spend around US\$1000 per year per person (Orozco 2008). However, for Newland and Taylor (2010) the average amount expended in home country products every year is US\$564. According to the data obtained in this research, the amount of money used to buy Colombian products ranges from US\$240 up to US\$2400 per year.

Although there is no clear value of how much this market could represent, there is an active demand for Colombian products from its migrant population. A rough but not statistically representative estimate could be found multiplying the average amount

expended per migrant (US\$1000, Orozco 2005a) times the volume of migrants living in the US (around 1,626 200 Colombians; Colombia Nos Une, 2014) for about US\$1,626 200 000 per year. Considering that Colombia in 2013 exported US\$8,353 million (without including oil exports; ANALDEX, 2013), this trade could represent around 19,5% of Colombian exports. Furthermore, this demand can stimulate other migrant and non-migrant Colombians to create businesses targeting this market, increasing the total trade between both countries.

Also, other non-Colombians can gain access to Colombian products in the US, giving the opportunity for Colombian producers to enter the US market and target Colombian migrants and other people living in that country (Gaston and Nelson, 2010). In addition, and as the empirical material suggests, some Colombian products can be substitutes for goods demanded by other migrant groups, like Venezuelans, potentially increasing the market participation of Colombian products. The demand for Colombian products fosters national socioeconomic development, supports migrants' identification with Colombian culture and helps the Colombian diaspora to preserve its customs. This demand generates international trade that might trigger the creation of jobs, income for non-migrants and national companies, and more income for the government through added taxes. This transnational activity provides a beneficial impact for the country of origin.

As pointed out by different authors (such as Guarnizo, 2003; Kate and McBride, 2013; Katseli, Lucas and Xenogiani, 2006; Orozco 2008), migrants play an important role in promoting trade between sending and receiving economies, mainly because of their capacity to influence trade preferences, to facilitate intermediation and to offer market and contact information for businesses and entrepreneurs in both countries. Based on this research, it is clear that the migrants interviewed mainly exercise their influence over trade between Colombia and the US because of their expressed preferences towards some traditional Colombian products, especially for those without adequate substitutes that cannot be found in their place of residence. However, no evidence suggests that Colombian migrants actively act as intermediaries for trade facilitation.

The impact of migrants on international trade between their home and resident countries has been regarded as positive (Ratha, 2003; Kate and McBride, 2013), strengthening the economic relations between both nations, reducing the dependency on remittances

(Guarnizo, 2005), generating more exports than imports for the country of origin of the migrant in most cases (Gaston and Nelson, 2010; Urrutia, 2003), and encouraging non-traditional exports (Orozco, 2008) which are more labour intensive and artisanal (Newland and Taylor, 2010). Some empirical studies discussed by Katseli, Lucas and Xenogiani (2006) and Perez-Lopez (2007) support those findings. Consistent with the interviews data, Colombian migrants do demand non-traditional exports, although their exact value cannot be measured.

Migrants' significant position in trade makes it necessary to include their activities within international and economics studies (Kate and McBride, 2013), although this is still an area in need of further research. The demand for Colombian products by migrants could reduce the imbalanced relation between the US and Colombia, reducing dependency, encouraging local development at home and motivating socioeconomic growth at the local level. Moreover, it motivates the export of non-traditional products to the US. This activity can be stimulated at an initial level by migrants, but if properly explored, can become a market opportunity for Colombian producers and distributors. Therefore, this transnational activity performed by Colombian migrants in the US provides support for the more optimistic perspectives on the link between migration and development, because under these circumstances, migration can induce national socioeconomic development (e.g. Chand, 2010; Katseli, Lucas and Xenogiani, 2006; Massey *et al.*, 1998; Orozco, 2005a; Stark, Helmenstein and Prskawetz, 1997; Taylor, 2006).

The demand for Colombian products by migrants can also become an opportunity for entrepreneurship. This is because migrants and non-migrants could develop partnerships to produce and distribute diverse Colombian products in the US, taking advantage of the location of both and developing the necessary demand-market and supply-market knowledge in both nations. Through this transnational activity, Colombian migrants in the US exercise their agency to procure Colombian goods that satisfy their personal demands, although their level of agency is limited and shaped by the commercial, legal, and sociocultural structures of the place of origin and destination. In this sense, all products demanded might not be available, or might only be accessible at higher prices, restricting migrants' ability to obtain what they want. However, over time, migrants' demand can at the same time shape surrounding structures, influencing future commercial relations between Colombia and the US.

Another common activity performed by migrants is international communication (Orozco, 2003), as has been found in this research. International calls might also represent an important source of income for national and international telecommunication companies. Nonetheless, this research has underlined the importance of other means of communication in the telecommunication market. Therefore, it is possible to argue that the use of calling cards might decrease over time as long as access to other sources of telecommunications (e.g. internet programmes or software, cell phone applications, special telephones) becomes more widespread and improved.

Following from this, there could be an opportunity for technological developments in the area of calling applications for mobile phones and computers, an opportunity that could be explored by companies from both countries. Since some Colombian companies participate in this market, especially via calling cards, and some non-migrants might develop small businesses that facilitate this activity at the community level, migration could assist development through this transnational activity at the micro, meso and macro level. In the last case, income could be generated for companies, services exports could increase, and international trade could grow in the country. At the same time, transnational networks stimulate the growth of telecommunications (Orozco, 2005a) due to the economic demand of migrants for this international service (Orozco *et al.*, 2005). According to Vertovec (2004), the ethnic market for international communication is vast, and migrants are the main consumers of calling cards. According to the US Federal Communication Commission (2014), Colombia is the fifth destination of international paid calls made from the US. The international traffic of US calls has increased by 5.7% from 2011 to 2012 in terms of minutes, but the revenues have declined 6%, due the reduction in costs associated with the calls. Consistent with the same report, most of the revenues generated in this market are for US based companies.

Considering that most calls use the services and technologies provided by American multinational companies, these benefits are mostly being obtained by the US, even if there is a diversification in the means used to make the calls. For that reason, the potential benefits this activity could generate for Colombia's socioeconomic development are not fully realized, and the gains of migration through this activity are mainly for the US. In this context, migration does not support local development but underdevelopment, increasing the level of dependence of Colombia on the US, of a

country from the south to one from the north, creating more imbalances and providing evidence for the less optimistic perspective on the migration-development nexus. Here, a greater extent of development is generated for the US (Guarnizo, 2003, 2004).

By contrast, when Colombian migrants living in the US travel to Colombia, they generate a positive impact at the national level. This is because this transnational activity causes an increase in foreign exchange and stimulates a greater demand in the country, stimulating the national economy. Also, travelling allows migrants to keep in touch with their countries of origin (Itzigsohn and Saucedo, 2002). As the empirical material demonstrates, the majority of Colombian migrants tend to visit their places of origin when coming to the country. Those trips might involve the use of services provided by national companies such as airlines, Colombian travel agencies, hotels, restaurants, and others. In fact, most international flights are provided by AVIANCA, a Colombo-Brazilian firm (ANATO, 2014), and the most frequent routes involve US and Colombian cities. However, some multinational companies from the north also participate in this market (Guarnizo 2003, 2004). Also, tourism can generate cultural change and motivation for others to migrate.

In general terms, travelling is a transnational activity that might generate both benefits and drawbacks for the country. The engagement of migrants in this kind of activity can promote economic development, while impacting negatively on local tastes. Yet, migrants bring money that is spent inside the country, stimulating consumption, production, and growth (Inter-American Development Bank and Multilateral Investment Fund, 2004; Orozco, 2005a, 2005b, 2006). Nevertheless, most individuals interviewed agree on visiting frequently the country but not visiting other than their regions of origin. Therefore, they do not act as tourists, although they do spend money in local places, creating income for local businesses. In addition, travel services can be provided by multinational as well as national companies.

Overall, this activity might bring more development than drawbacks, because the potential negative effects it can create will also be influenced by other activities, such as sending remittances, international calls, and others, by globalization per se (for example, access to information from all over the world, and enhancements in telecommunication and transportation technologies), and mainly, because of the national structure and environment that might encourage migration. If the national

environment is perceived as stable and beneficial, travelling will be unlikely to stimulate further migration. However, this positive impact could be higher at the national level if migrants increased their participation in tourism, spreading more benefits in other communities different to the one of origin (Orozco, 2005a), which is the place they tend to visit. Moreover, migrants could motivate other individuals living in the US to visit the country, supporting the development of the national tourism industry.

Although migrants might spend less money as tourists in the country of origin (Newland and Taylor, 2010), they tend to visit more local emblematic places than other tourists do. Migrants' tourism is more constant during the year and can include more areas within the country, as was found in this research. This tourism can take diverse forms, such as medical or health tourism, business tourisms, education tourism, heritage tourism, religious or fairs tourism, and local or national festivities tourism. In Colombia, similarly to the Dominican Republic, there are no specific strategies designed to attract migrants' tourism, even if both migrant communities in the US tend to travel frequently to their counties of origin (Hume, 2011) and, according to Perez-Lopez (2007), migrants and diasporans can contribute to the economy of their home country through tourism, among other activities.

Using the data provided by Orozco (2005a), it is possible to compare the frequency of travel of several Latin American migrant groups in the US to their homelands, finding that those who visit their countries the most are Dominicans and Guyanans, while Guatemalans and Cubans tend to travel back less. Colombians are located in the middle interval, with most of them travelling to Colombia once a year, similar to the findings of this research. Nevertheless, although this research has indicated that most migrants travel at least once a year to Colombia, Orozco's (2005a) data show a different pattern, with around 57% of Colombian migrants found to have never travelled back to their homeland. The difference in the findings can be explained by the different data collection tools used. Orozco's study used surveys administered to remittances senders only, who visit commonly used remittances outlet stores, where the surveys took place. In this research, interviews were carried out with migrant families, regardless of their remittance related activities, including a wider spectrum of participants.



It is also important to mention here that the potential impact of transnational travel is determined not only by the agency and willingness of the migrant to come and consume national products and services, but also by the structures in place in the US and Colombia, which affect the possibility of travelling, the frequency, the places to visit, and the costs, among other things (Newland and Taylor, 2010). In this research it was clear that those who cannot travel because of regulations or personal finances do wish to have the opportunity to visit their places of origin. Therefore, to maximize the potential benefits for the sending country's socioeconomic development, the national structure should motivate travel and diverse types of tourism, such as health- or religion-related tourism. Moreover, sending and recipient countries should work together to avoid futile regulations that restrict the flow and circulation of people.

While Colombians tend to participate in travelling, an activity that reinforces their identification and connection with the country, their involvement in more communal transnational activities is minimal. According to the data obtained, participation in communal transnational activities that are oriented towards community building such as celebrations of national holidays seems to be less appealing for migrants, especially those who have stayed for a longer time abroad. This lack of engagement seems to be influenced by a high level of distrust, division and fear affecting this migrant community, as found in this research and also in other studies (Bermudez, 2011; Guarnizo and Diaz, 1999; Guarnizo, Sanchez and Roach, 1999). Also, the high level of social, regional and racial stratification present inside Colombia has shaped migrants' behaviour when abroad (Riaño Alcalá, 2006; Aysa-Lastra, 2006; Bidegain, 2008). The low level of engagement in collective community building activities is also shaped by the mistrust Colombian migrants have shown towards other Colombians and institutions, probably as a result of the perception of corruption described by some migrants during the interviews. Moreover, the structure of the place of destination has impacted the low level of cohesiveness exhibited by Colombian migrants because of the stigmatization related to the drugs trade and the poor image of the country in the eyes of other communities, as revealed by the interviewees. This has also made Colombians prefer to distance themselves from other Colombians, outside their direct family and friendship networks (Guarnizo and Diaz, 1999; Guarnizo, Portes and Haller, 2003; Mejía Ochoa, 2009). Similar reasons might have affected migrants' modest participation in other transnational activities such as philanthropy, HTAs and other associations, knowledge and technology transfers, politics and entrepreneurship. This low level of

participation generates a minimal impact at the macro level of analysis of this research. As discussed in the previous section, the Colombian community seems to be fragile, and the lack of its members' involvement in collective activities leads to a weak representation and association.

Another transnational activity in which Colombian migrants participate at diverse levels is investment. In line with the data collected, and due to the attachment Colombians feel towards their country, and the development of strategies to channel remittances into more productive uses inside Colombia, migrants have shown to be prone to investing in real estate, mainly in their places of origin. This is by far the most common investment activity performed by Colombian migrants living in the US.

Investments in real estate might benefit the nation since they will stimulate the economy, leading to job creation, increase in foreign exchange, and increase in national output (De Haas 2008, 2009, 2010; Gomez, 2005). Investing in real estate can be considered a productive investment from the perspective of socioeconomic development (De Haas, 2008; Taylor *et al.*, 1996), but it can also be seen as an activity that does not lead towards long term growth, limiting the capacity to impact the nation's future output and development (Massey *et al.*, 1987; Waller Meyers, 1998). In line with Pino (2014), for January 2014 Bancolombia, one of the biggest commercial banks that offers mortgage lines for Colombian emigrants, has given 1409 loans to Colombians living in the US. This represents around 5,6% of the total volume of mortgages at that time in the country (Superintendencia Financiera de Colombia, 2014). Even if there is no data available from other financial institutions, this number alone reflects the importance of this activity within the country.

Participation in other types of investments such as businesses creation or entrepreneurship, the stock market, and farming and cattle, is much lower or almost inexistent, as compared to other migrant communities (e.g. Chand, 2010; Ghosh, 2006; Gillespie *et al.*, 1999; Orozco *et al.*, 2005; Saxenian, 2005; Tung, 2008). This kind of investments generates positive multiplier effects for the economy, such as job creation, increased demand in diverse economic sectors, and national economic growth (De Haas, 2005, 2009; Gomez, 2005). Moreover, only a small fraction of remittances are invested in small business, the impact of which at the national level is minimal, and where there are no signs of technological or knowledge transfers that can enhance productivity in

the country (Waller Meyers, 1998). This is also the case with Colombia where few of its emigrants invest in businesses inside the country, as has been found in this research and as discussed by other studies (Banco de la República, 2005; Garzon, 2005; Gomez *et al.*, 2004; Guarnizo, 2005, 2006; Uribe, 2005). Nonetheless, individuals cannot be forced to invest their money in specific types of endeavours, and they exercise their agency to choose what they consider the best option according to their personal circumstances and the structure of the place where they locate their investments, in this case, Colombia (De Haas, 2012). However, although this research has supported the idea that migrants tend to invest in real estate in their home countries, it has also revealed that the purposes to do so are not only related to improving the housing conditions for relatives, but also, that in the Colombian context buying a home can also be considered a profitable investment or a long term saving for the migrant.

On the other hand, other investments in the country of origin such as portfolio investments have been much less explored in migration literature. Although the findings of this research show that Colombian migrants in the US have a low participation in this market, there seems to be an interest in finding out more about this option, and therefore, this could become another investment option (Kotabe *et al.*, 2013) in the future.

Colombian migrants' investments in real estate inside the country do not change the structural problems underlying the investment environment in the country, and their migration does not result in the development of new or improved structures that could lead to a better investment climate and entrepreneurship, attracting investment in more productive ventures that could impact in the long run the development level of the country. Similarly, the national investment environment and local structures might constrain migrants from investing in other types of projects, setting up boundaries that make it difficult for migrants to carry out other financial ventures that could be even more profitable for the migrant, her/his family, the community and the country as a whole. Those boundaries can be settled by, for example, capital constraints, poor infrastructure, a lack of transparent and clear regulations, perception of corruption, weak financial institutions, and perception of political and economic risks (De Haas, 2010; Durand *et al.*, 1996; Ghosh, 2006; Portes, Guarnizo and Haller, 2002; Taylor *et al.*, 1996). Moreover, the structure of the country that has motivated people to migrate underpins migrants' investment decisions. Under those circumstances, migrants might

choose to invest in other places or in sectors they consider to be more secure (De Haas, 2012; OECD, 2007; Taylor, 1999). As evidenced by this research, Colombian migrants consider real estate investment to be the most secure form of investment in Colombia.

The poor level of investment in businesses can be associated with diverse factors such as the lack of interest in becoming self-employed, the large amount of capital needed to start a business in Colombia, the lack of financial support, their small and fragmented networks, their aversion to risk, and their lack of knowledge about business creation and business opportunities in the country. Also, as stated by Medina and Posso (2009), many Colombian migrants work in low skilled or non-highly cognitive jobs in the US, which limits their exposure to new technologies or knowledge, thus limiting their capacity to create new businesses or to transfer new methods and knowledge to Colombia, as demonstrated by the data collected. Additionally, those migrants who have claimed to have learned new technologies or processes do not transfer them, either because of lack of interest or because they do not know how to do it. This behaviour might also be related to the lack of trust towards others, their lack of interest in being associated with other Colombians, strengthening the image of a selfish and individualistic Colombian mentioned before.

Another potential reason why Colombian migrants tend to invest less in business creation could be their lack of previous entrepreneurial experience (Katseli, Lucas and Xenogiani, 2006), and the general investment climate in Colombia (Ghosh, 2006; OECD, 2007). However, migrants might be more prone to invest back at home because of their attachment to the homeland, their greater knowledge about the market, their local contacts, their motivation to invest also in social endeavours, and their ability to work around institutional shortcomings through informal protections (Gillespie *et al.*, 1999; Riddle, 2008; Vaaler, 2013).

Taking into consideration that the data indicate that most investments made in business creation are of a small scale and are mostly related to trade, it is plausible to determine that most of the jobs created in those businesses are for relatives (Katseli, Lucas and Xenogiani, 2006; Vaaler, 2013), while more external jobs creation is not generated. Thus, the impact on job creation is positive, but its potential is not fully realized.

Although the less optimistic literature regarding the link between migration and development argues that most income generated abroad is spent on general consumption (Massey *et al.*, 1997), some other authors have found that migration stimulates diverse types of investment in the homeland (Brown, 1997; Dustmann and Kirchkamp (2002), McCormick and Wahba, 2001). Consistent with the data obtained from this research, it appears that remittances are in fact mainly consumed, and only a small portion of those are invested, mainly in real estate, and to a lesser degree in businesses and stock market. In this sense, the remittances of Colombian migrants contribute to further dependence from the north. However, in the Colombian case, there is no evidence of investments made in cattle or farming, maybe because of the mostly urban origin of Colombian emigrants.

Investment in new businesses or entrepreneurial activity of migrants inside Colombia is still an area where more initiatives are needed. The accumulation of income, knowledge and contacts migrants develop abroad might allow them to make investments that would not be possible internally because of credit constraints, financial limitations, large amounts of capital needed, and/or lack of knowledge (Yang, 2009). Some migrant groups have shown to be involved in high levels of investment in industries in their countries of origin, such as the Chinese, Egyptians, and Indians (Brinkerhoff, 2006; Gillespie *et al.*, 1999; Saxenian, 2005), while in the case of this study, this engagement tends to be low, of small scale when it occurs, and with low levels of innovation, technology and knowledge transfers. Similar findings were obtained by Gaviria and Mejia (2005) and Mejia Ochoa (2006).

Adding to the disintegrated migrant Colombian community the lack of trust Colombian migrants display towards institutions, the difficulty to establish bridges to stimulate businesses and knowledge transfers is increased (Schotter and Abdelzaher, 2013), because those links are dependent on networks and/or institutions. Therefore, the likelihood of raising investments or technological transfers will be constrained by the characteristics of the members of each small network configuration.

Furthermore, this mistrust also affects migrants' political participation at home. As the empirical material has shown, political participation of Colombian migrants in their homeland is low. Their impact therefore is small, and they do not seem to influence the political environment of the country. Similar results have also been found for

Colombian migrants living in Spain and the UK (Bermudez, 2011), and for Brazilian migrants (Levitt, 2001a). However, it does seem like transnational political participation of other migrants groups (Dominicans, Haitians, Mexicans, and Salvadorans, among others) is greater and more influential (Levitt, 2001a).

Again, the poor involvement of Colombian migrants in homeland politics can arguably be related to the distrust, division, and fragmentation of this community (Bermudez, 2011). It seems clear from this research that most migrants are not interested in participating in politics, except for exercising their right to vote and holding a double citizenship. Their involvement in Colombian political parties and in other political endeavours is minimal. This poor engagement also points to the lack of institutional trust on the part of Colombian migrants.

As previously discussed, Colombian migrants have exhibited a low level of involvement in communal oriented transnational activities. This lack of participation is affected by the legal, commercial, social, economic, and cultural environment at home and in the US. For example, US regulations might prevent some migrants, especially refugees and illegal migrants, from travelling to Colombia, whereas stigma and preconceptions about Colombians might discourage Colombian migrants from connecting with other nationals in the US (Guarnizo and Diaz, 1999; Guarnizo, Portes and Haller, 2003; Mejia Ochoa, 2009). Moreover, financial market policies might discourage migrants' investments in Colombia (Fajnzylber and López, 2008; Ghosh, 2006; Katseli, Lucas and Xenogiani, 2006).

Over the past few years a number of local and regional institutions in Colombia have designed strategies to begin connecting with their diaspora, mainly through virtual networks, with the intention of strengthening their ties with migrants, in order to make them good ambassadors of their regions while abroad, and to provide information to its migrants. However, some of those programmes seem to have lost their initial enthusiasm, which is evident through their lack of promotion and visibility, and in most cases, in the unavailability of their web pages. Also, these programmes do not seem to be known by many migrants, since none of the interviewees in this research have mentioned any of those initiatives.

The interplay between the Colombian structure, the US structure, and the migrant profile seems to have influenced Colombian migrants' involvement in individually oriented transnational activities, while inhibiting them from participation in collective transnational endeavours. Those three specific characteristics have created a distinctive set of features that need to be addressed to understand migrants' involvement in transnational activities and the impact of those activities. Similarly, the assessment of the impact that each transnational activity can have at the diverse levels of analysis established in this research will depend on the definition of development used (De Haas, 2012). In this case, socioeconomic development is used in a broad sense, as discussed in the introductory chapter. This broad concept also leads to identifying diverse positive and less positive outcomes of migration for development. Also, all these characteristics might create differences in the behaviour of distinct migrant groups in the US, and in the corresponding assessment of their influence on the development of homelands.

For example, some researchers (Beard and Sarmiento, 2010; Cohen, Rios and Byars, 2009) have found evidence supporting the argument that Mexican migrants in the US show a high level of commitment to their communities of origin, have strong transnational networks in both countries built on a trust base that sometimes is regulated with control or even punishment for non-committed members, and usually support their community development through the work of HTAs, to which they tend to belong (Levitt, 2001b). Moreover, other studies have found a strong participation of migrant groups in hometowns associations and collective remittances, such as Salvadorians (Landolt, Autler and Baires, 1999), Ghanaians, (Orozco *et al.*, 2005), Dominicans, Guatemalans, Haitians, Guyanans, Bangladeshi, (Ghosh, 2006), and Ecuadorians (Orzoco *et al.*, 2005).

Based on the empirical material gathered, it is possible to establish that Colombian migrants are mainly involved in transnational activities that have a direct impact on their family wellbeing, while the effects at the national level are indirect and not purposely intended. Therefore, it appears that even if migrants are interested in the national socioeconomic development they do not wish to play the role of active agents in this development.

Through the analysis of the data and the literature reviewed, it is possible to assert that Colombian migrants in the US lead individually- and family-oriented transnational

lives, but they do not constitute transnational migrants' communities as discussed by Guarnizo (2004). Out of all the research participants, only two families reported being involved in a transnational entrepreneurial activity. Consequently, the impact of Colombians' transnationalism at the macro level is diverse, depending on the activity analysed, and can generate support for both a positive and negative assessment of the migration-development nexus.

## **5.2 Recommendations for the community**

Following the analysis of the impacts generated by migrants' transnationalism at the household, community and national level, this section offers recommendations for community with the intention of reducing the negative outcomes while increasing the positive ones. Specifically, local and governmental actions directed at linking local migrants to the communities of origin are discussed.

Even if transnational activities can impact the community, there is no evidence of a comprehensive and effective programme designed by local governors, administrators or institutions to increase migrants' involvement in the regional socioeconomic development of their places of origin through transnational activities. As previously mentioned, some local institutions have designed programmes to link their migrants to the local community, but those are not commonly known among the migrant population, and their activities have diminished over time. In this sense, there is work to be done by local communities, authorities, communal leaders and institutions to strengthen migrants' ties at the community level, drawing their attention to the important role they could play in supporting local socioeconomic development. Of course, the strategies to be developed by the community must be aligned with those of the nation and with the general planning for the region.

The first steps the local authorities must follow are to get to know and recognize their migrant population, and then to work on strategies to enhance migrants' trust and confidence towards the community and its institutions. Otherwise, it would be very difficult to further develop plans to enhance the impacts of transnationalism. Therefore, the local or community authorities should begin by identifying its migrants, their



location, their profiles, their needs and their level of involvement with the community. This will demand the creation of a database that would need to be updated regularly. For this, web pages with on-line tools should be designed, so that the migrant population could become aware of the interest their communities have in getting to know them better. This web page can also display general information about the community, its projects, achievements, festivities, and other information about the life of the community. Also, interactive tools where migrants can provide ideas, recommendations and even contact relatives and friends and create social networking could also be added, in order to start building migrants' confidence. Another communication channel that could be used complementarily to get to know the migrants and to gather information about them is through local churches, local schools, community facilities, and regional events.

Once the community has more information about its migrants, their location and interests, it would be necessary to work to enhance their confidence and their attachment to the community. This is because migrants exhibit low levels of trust, high fragmentation and have a high perception of corruption towards diverse governmental, social, national and even international institutions. Since Colombian migrants tend to work in closed networks and fear to be associated with other fellow Colombians, showing an individually and family oriented behaviour, local authorities need to focus on building links with their migrants as individuals and with their families inside the community.

With this in mind, local authorities could start using the same web page previously mentioned to invite migrants to visit their community, to take part in local events, holidays and festivities, and even to invite and encourage them to participate in special activities designed by themselves, such as artistic performances and sports tournaments. Also, migrants could be encouraged to get involved in the organization of those local events, to suggest activities or to become ambassadors of their region extending the invitation to other migrants. All the information related to the activities developed should be publicly displayed through the web page, including the events' schedule, a sort of newsletter describing the day-by-day activities, and the final results. To enhance communication, the communities should also promote those activities through national Embassies, Consulates and existing HTAs. Also, throughout the year, migrants could be asked to participate in cultural exchanges, sports clubs, sports tournaments, and

international and local exhibitions and fairs. Participation in those activities could increase a sense of belonging and commitment to the community of origin, motivating them to become more involved in the socioeconomic development of their regions of origin.

Another activity in which migrants could be involved would be invitations to talk about their work, their experiences and their knowledge to other members of the community through school classes, seminars, workshops, and as lecturers in universities. This strategy could raise migrants' status in the community, increasing their motivation to participate in local activities. At the same time, this activity could foster knowledge and technology transfers. In addition, it could motivate migrants to visit their communities on other occasions, e.g. when an important project or accomplishment has been achieved. The invitation to get involved in this kind of activities, combined with the continuous communication and publication of information, could raise migrants' attachment to the community, mainly because they could feel they are important members of the community who are included in local activities, regardless of their actual participation in those.

Another, longer term strategy that could be developed includes inviting migrants to participate in other local projects where they could support at the same time their family wellbeing and the community development, for example through building schools and enhancing telecommunication infrastructure. Migrants could be asked to propose ideas, to participate in local decisions, strategies and plans, to vote for regional projects, and to act as observers, advisors, investors, and even developers. In any case, to encourage migrants to participate in more communal activities, Colombian institutions would need to gain their confidence and trust. Institutions that wish to involve migrants would need to create strategies to make visible their work and their results, to increase transparency, and to allow migrants and their families to have access to evaluations, verifications or personal visits to confirm the output of their involvement.

With the family being an important linkage of migrants to their communities, it might be of great importance to include migrants' families in the planning, development and execution of any programme designed that includes native migrants. Incorporating migrant families would generate a better understanding of their needs and would help determine the best strategies to link migrants with their communities. Also, it might

help to raise migrants' trust, since their relatives are aware of the local environments and could act as direct observers of the execution of the proposed plans.

Considering that most Colombian migrants in the US have shown an inclination to belong to closed networks formed by relatives and close friends, who usually come from similar regions, it might be a good start to begin linking migrants with their small communities before moving on to regional or national projects. This is because migrants might feel more connected and comfortable supporting their regions of origin, where some of their relatives and friends still live, or where they go on vacation, or where they think they know the situation better, or where they have already invested, before committing themselves to national projects that might have a small impact on their communities of origin. In any case, the idea would be to engage them and to make them active contributors to the social development of their regions, but not to make them responsible for the administrative duties involved.

Likewise, the authorities could support the creation of HTAs that have partners in the locality with which they can share similar objectives. To accomplish this, administrators would need to create tools to link migrants and communities, and should visit the places where most of their migrants are located to motivate them to participate in these initiatives. Once migrants' needs have been identified, community leaders should develop plans to help migrants to satisfy those needs; this might involve developing training sessions to work with other local or national entities, to work with their families and with other members of the community. If migrants and their families realize that they are valued members of the community even if they live abroad, and that their communities remember them, they could be more inclined to initiate or to maintain their contacts with the community and to strengthen their links with their region of origin. Programmes designed to engage Colombian migrants and their transnational activities in local socioeconomic development projects could also be designed by other organizations outside the governmental sphere, such as research centres and universities. Those institutions might also have a better reputation amongst migrants.

Once migrants' level of trust, confidence and attachment to the community has been nurtured, local authorities could seek to develop other strategies aimed at increasing the involvement of migrants in transnational activities that have a positive impact on the community. Of particular interest would be to link Colombian migrants to local

business incubators and entrepreneurial programmes, some of which are managed by universities or NGOs, where the migrant, as a potential investor of capital or knowledge, could obtain first-hand information about potential business ventures in which they could participate. In this case, migrants could contribute in diverse ways, such as through providing guidelines to develop business proposals, supporting the product/service design, becoming a financing party or a business associate, becoming a distribution party in the US market, assisting entrepreneurs and entrepreneurship programmes with consultancy, and providing international contacts for entrepreneurs and the entrepreneurial programmes. In doing so, migrants could invest knowledge and money, and they could transfer technologies in more productive ventures, which in turn could increase their own wellbeing and the wellbeing of the community in which the project is being developed. In addition to this, through participating in these kinds of initiatives migrants could act individually while supporting community socioeconomic development.

Another possible project local authorities, universities and other organizations could develop to connect migrants with entrepreneurial activities at the community level could be to design specific business incubators for migrants. These incubators should motivate migrants to invest in businesses in Colombia, explaining to them how to create a business in the country, providing support throughout the process of creating and establishing a new business, instructing them about how to obtain financing, and creating the links with other institutions to help them to create business networks. As an example, IntEnt activities (Riddle, Hrivnak and Nielsen, 2010) could be studied to determine the best course of action.

Also, migrants could enrich education in local schools, colleges and universities, in diverse ways. Migrants could, for example, teach summer courses, provide opportunities for internships and graduates to work in the US to learn new technologies and practices, support social and research initiatives through financing or knowledge sharing, and provide contacts with experts or other institutions to support the achievement of education centres' goals. They could also be part of consultancy teams and support financially research groups, ideas or centres.

In order to achieve this, education centres should begin by identifying which members of their community have migrated, creating a record with information about them and

inviting them to participate in the projects of the institutions according to the profile of the migrant. Here, it would be important to contact graduates who feel a strong attachment towards the institutions, and therefore, would be more willing to participate. Even if distance and cost could represent a problem, the use of new technologies of telecommunication could facilitate the process.

Special attention could be given to the design and promotion of special touristic plans for local migrants. Those could involve diverse types of tourism (e.g. nostalgic, health, religious) that might encourage migrants to visit their community more often and to feel more attached to their homeland. Also, this could represent an opportunity to teach their origins to second and third generation migrants and to stimulate non-migrants to visit local attractions.

All the suggestions put forward above would aid in developing greater community orientation, building connections among migrants and residents, looking for networks to strengthen their ties, reducing distrust and enhancing cohesion. Also, they would promote entrepreneurship, knowledge and technology transfers, as well as political participation, travel and tourism. The recommendations provided here are outlined in Table 16.

**Table 16: Recommendations for the Community**

<b>RECOMMENDATIONS</b>	
<i>Objective</i>	<i>Strategies</i>
Get to know and recognize the local migrant population	Develop data base and web page
Reduce fragmentation, lack of cohesion, increase trust, confidence and attachment	Invite migrants to participate in diverse local events Public display of information about the events, the community, its projects and accomplishments Enhance communication Invite migrants to participate in local projects Include migrants' families in strategies and plan development Support HTAs creation and linkage with local partners Improve institutional transparency and image
Increase entrepreneurial transnationalism	Include migrants in local entrepreneurial strategies Develop migrants' business incubators
Increase knowledge/technology transfer	Invite migrants to participate in school, university, consultancy and internship programmes
Increase transnational tourism	Design special touristic plans for migrants and their relatives

Source: Own elaboration of the author

To help fully realize the potential benefits of transnationalism for the community and the country, the next section offers a number of recommendations for the national government to enhance the positive impacts of those activities.

### **5.3 Recommendations for the government**

In addition to the efforts of communities to increase the potential benefits that transnationalism can generate for their local socioeconomic development, the national government should also work towards this end. Although it is clear that over the past few years the Colombian government has made efforts to improve its relations with its migrants all over the world, creating strategies to include them in the national projects,

there is still a lot of work to be done in order to make those efforts more efficient and to enhance the potential positive impact of migrants' transnational activities on the socioeconomic development of the country. Those efforts have been grounded in the change of the Colombian government's approach to its migrants, moving from the view of the migrant as a potential political associate towards a prospective economic agent with the capability of influencing the socioeconomic development at home (Guarnizo, 2005).

This more recent perspective might have been influenced by the neoliberal discourse propagated by some international organizations and academics (e.g. IOM and WB), who consider migrants as important players who can assist national development thanks to their remittances and transnational activities. With those perspectives in mind, and with the idea of paying attention to migrants' needs, the Colombian government established the PIM and other strategies discussed before.

Nevertheless, governmental initiatives, managed through CNU programme and delineated in its PIM, are focused only to a small extent on transnational activities, and within those, mainly on the costs of money transfers and the purchase of real estate. On the other hand, other schemes have been delineated to secure migrants' rights. It is important to underline that the government must include in its projects diverse types of migrants, not only labour ones. This is because, as demonstrated by this research, other types of migrants, such as refugees, students and others, do engage in some types of transnational activities. Their involvement is of course restricted by their legal status and specific circumstances.

To more fully integrate Colombian migrants into the national projects and to enhance the positive impact migrants and their transnational activities could have on the socioeconomic development of the country, the national government needs to work to improve and develop new strategies. But before any programme has been designed, it is necessary for the government to understand that the national structure is one of the main factors influencing migrants' engagement in transnationalism. In other words, the government must continuously work to enhance the local environment and make efforts to improve national socioeconomic development, for example through investing in education, improving national infrastructure, implementing stable regulations, ensuring stable economic and political climate, reducing poverty and extreme poverty, and

lessening inequality levels. However, this is a continuous effort the government should carry out for the general advancement of the country, regardless of their desire to involve or not its migrants in national projects.

Likewise, the national government should make an effort to reduce structural dependency from abroad while improving the national socioeconomic development. Within the international business context, the literature suggests that north-south relations based on business transactions, through which dependency is maintained, are driven by multinational companies (Guedes and Faria, 2010). Nevertheless, migrants' activities seem to show a similar pattern at the general level of the economy. What migrants do at an individual level does not differ from what MNCs from the north do on a bigger scale.

Essentially, migrants' transnational activities do not modify dependency, which is mandatorily a governmental responsibility. Structural change is necessary if long term socioeconomic development is to be achieved. Transnational activities can support this development, but the right structure needs to be in place to make the most of those activities. As Qureshi *et al.* (2012: 39) state: "transnationalism cannot be viewed as an autonomous domain created and sustained by the partaking people, nor an exclusive people-to-people informal exchange space, but is significantly produced by other players, including the state. The state not only powerfully mediates the transnational connections of people, but also creates and sustains categories and produces identities and subjectivities alongside formalizing the informal spaces and exchanges."

Before designing specific strategies for migrants' involvement in national projects, the government must develop tools to understand its migrants and their transnationalism, collecting data about this population, and systematically updating it. The government should work with its national department of statistics, DANE (Departamento Nacional de Estadísticas), and with other governmental institutions such as consulates, embassies, Ministries, the Central Bank and other organizations such as research centres and universities that are interested in understanding Colombian migrants and transnationalism. Likewise, support could be requested from international organizations such as the International Organization for Migration, the World Bank, and the OCDE.



Hence, and with the objective of understanding better Colombian migrants and their activities, multidisciplinary work should be developed, under the management and coordination of the government through its Foreign Affairs Ministry and its PIM. The work developed should be focused on a long term perspective, not just on the current political agendas. Some data regarding the number of Colombians living in other countries, the volume of remittances they send, and their main destinations have been collected. Additionally, other data need to be collected, especially regarding the transnational activities of Colombian migrants, such as travel and tourism, trade, telecommunications, philanthropic participation, associations and HTAs, and investment. Once the data have been collected, the government and all the institutions that work with Colombian migrants could understand better their situation, and therefore, design the right programmes to connect Colombian migrants with the nation, considering their fear of association with other Colombians, their lack of trust towards institutions, and their closed networks, with the purpose of increasing the positive effects of migration and transnationalism while reducing possible negative impacts.

However, since migrants' trust towards institutions is weak, the government must start working to enhance its transparency level and its image, and to allow its general population, both abroad and inside the country, to have access to online reports on programmes, results, funds, and use given to funds. Likewise, the government needs to enhance the level of confidence migrants have towards institutions. To accomplish this, more transparent information needs to be publicly displayed, and migrants should be able to express their opinions, provide suggestions and recommendations. This would allow migrants to feel they are being heard, and therefore, that they are important members of the Colombian community. In order to do so, it is essential to begin with improving the image of consulates and embassies abroad, which are the main places of direct contact of migrants with the country. This image could be enhanced if the level of services were improved, if there were better personal attention to visitors, if there were a sense of fairness and integrity in the services provided, and especially if migrants request were timely and effectively processed.

Moreover, Consulates and Embassies should make a better effort in promoting their services, events and programmes, since many of the people interviewed have expressed their lack of knowledge about them. This better communication could be done through CNU web page, Embassies' and Consulates' web pages, active HTAs, ethnic stores,

radio and TV networks, social media, real estate fairs, and during events where migrants' families could participate. This better communication could increase the sense of belonging and support that national government provides to its migrant population.

Governmental institutions abroad could also join their efforts to organize annual public meetings to present their objectives, plans, evaluations and the results of their activities. Those events could be transmitted online, and the presentations and supporting documents could be accessible via the internet to other users. This could also increase transparency levels while reducing perception of corruption.

In addition to enhancing the national environment, getting to know its migrants and working to improve the institutional image, the government should develop strategies to reduce migrants' fragmentation, lack of trust and cohesion, and to increase migrants' attachment to the country. As demonstrated in this research, migrants' lack of trust in other fellow Colombians has also been affected by the image of Colombians abroad. Taking advantage of Marca Colombia, the strategy conceived to expand national competitiveness and improve the international image of the country (<http://www.colombia.co/>), the government could motivate migrants and residents to become ambassadors for the country. "Marca Colombia" could be used freely by all Colombian citizens, and could help to enhance the international image of the country and therefore, reduce the current stigma and lack of confidence towards Colombia and its residents.

Using consulates, export trade offices and embassies, the government could also facilitate more cultural exchanges to enhance community cohesion. With this in mind, the authorities could not only promote national artists and their performances, but also, they could create shared spaces where local artists and migrant artists could develop workshops, work together, or even organize joint performances and exhibitions to promote artistic development and cultural affiliation. Also, the government could promote the circulation of fairy tales, books, novels, poems and other pieces of literature written by national authors.

Since Colombian associations abroad and HTAs are fragile, small and fragmented, the government should attempt to work with those in order to help them to become better organized. Of course, their independence should be respected, but the government could

provide information, consultancy, databases and examples of successful organizations so that national ones could learn and apply what they consider important to strengthen their work. Also, the government could endorse “twin-associations” formation where migrants’ associations from Colombia and abroad could work together to generate best practices and greater social acceptance. It is also necessary to make clear the importance of those organizations for the country and regions, because of the potential positive impacts they could generate, but also because through them social embeddedness could be built, enhancing migrants’ ties with the community (De Lange, 2013). Additionally, the government could work with these organizations to promote the celebration of national festivities in places where there is a big Colombian community (e.g. New York and surrounding areas, Miami, Atlanta).

As stated by Portes, Escobar and Walton Radford (2007), the Colombian government and CNU programme have not been able to link Colombian organizations with the country. Their work has been mainly focused on reaching individual migrants through internet groups. This indicates that the government still needs to develop strategies to allow the connection between migrants and other local associations and initiatives. To start with, the government could include in CNU webpage a database of Colombian organizations, with their objectives and contact information. Publishing information would not be enough, so shared spaces where interested parties could meet should be developed. Those could be installed inside other Colombian fairs. Also, organizations matchmaking forums could be organized in cities where most migrants live and in Colombia, so that they could get to know each other and share projects and ideas. Since trust is an important issue, having the opportunity to meet personally the organization and its administrators could enhance confidence among participants.

To increase communal participation, the government could develop programmes where the nation, the migrants’ association and the community together plan, execute, fund and control the progress of community projects. This cooperative effort could provide better results if control over the management of the resources were exercised by representatives of the three sectors, enhancing confidence while providing more development for the community. Furthermore, according to Orozco and Welle (2005), sharing community projects increases inclusion and participation.

Once migrants' confidence has been raised, the government could develop other strategies to enhance the impacts of transnationalism. Of high priority could be to foster migrants' investments in Colombia. Current strategies support a positive use of remittances for longer term purposes, but they are focused on a narrow range of options. The government should also develop strategies to motivate its migrants to channel their remittances to other investments in more productive ventures and in the national stock exchange market. To this end, the government could work with business incubators, promoting their initiatives abroad and motivating migrants to participate as investors, workers, distributors and/or consultants of those initiatives.

Like with other international investors, the government could delineate special programmes to incentivise migrants to invest in national business projects. Some of those strategies could include the reduction of income tax for a certain period of time if migrants invest a minimum amount of money in specific less-developed regions, to encourage them to invest in special export trading zones, to create channels to facilitate transfers of money and capital (in term of cost, amounts allowed, method used to transfer money, among others) and trade, and to offer tax incentives to migrants if they transfer technologies to Colombia. Similarly, some special tax incentives could be provided for migrants who effectively promote Colombian exports, FDI and tourism.

Of course, the government should also facilitate investment information for migrants abroad. For this to happen, it is necessary to create seminars, workshops and online data bases with information regarding the process needed to create a business in Colombia, the regulations, the incentives in place for foreign investment and business creation, the existing programmes for research and technology creation, the free trade agreements in place and how to take advantage of them. Furthermore, the government should not only provide these workshops for migrants abroad, but also, for recipient families inside the country. Families are not only the main recipients of monetary transfers, but also, they could be the ones who decide how to use remittances. Likewise, they can influence migrants' investment decisions, providing first-hand information about the market and the economy and administering those investments. Therefore, they could act as a mediating entity that could afford more confidence to migrants, reducing their fear and distrust. The government, with the support of local entities, could also stimulate microenterprise development by relatives who receive remittances, so that remittances can be invested in small scale businesses which need lower initial investment levels.

The government and other institutions could provide information about investment opportunities and should develop public goods that can enhance their success probabilities (Yang, 2009).

Additionally, the government could work to teach migrants how to work within clusters and co-development, the important role they can play in internationalization and business creation and in supporting socioeconomic development. Based on the work developed by some regions, the government could use the experience of export clusters to link migrants and recipient to those initiatives.

The Colombian government must also work with financial institutions to design programmes in order to enhance banking rates amongst migrants and recipients, providing saving and investment options for both. For example, financial institutions could generate special portfolio investments for migrants with diverse national and international financial options, and to participate in the national stock investment market with specialized agents. Also, they could work with other institutions to offer special accounts for migrants and recipients, so that the costs of remittances can be reduced if all parties are able to use the same account in different countries, taking advantage of ATM cards (Solimano, 2003). Solimano (2003) has suggested to governors to launch migrant bonds that produce for them an interest while their money is being invested in the country, or to create foreign currency accounts denominated in US dollars.

Financial institutions could also develop special technological applications to be used on mobile phones, tablets, or computers, so that migrants and recipients could have real-time, online access to financial information about their savings and investments, to simplify money transfers and reduce their costs, and to allow migrants and their authorized relatives to share the management of financial transactions involving national and international operations.

The government could also create the means to connect migrants with business associations to explore business, investment, and commercial opportunities. As is the case with real estate fairs, it would be feasible to develop business-investment-partnership fairs, where residents and migrants could meet and explore investment opportunities. This could also include business incubators, universities and other institutions working with entrepreneurship and entrepreneurs. Equally, the government

could conduct and share with migrants, their families, and their communities of origin, studies regarding diverse business and trade opportunities available in nostalgic trade. To achieve this, it would be necessary to analyse migrants' consumption habits, main products and services consumed, potential substitution and complementary products, places of higher consumption, logistics and trade regulations. These findings should be published not only online on web pages, but also through workshops, seminars, fairs, national chambers of commerce and other events where the consulates and local institutions gather migrants and remittances recipients. This study should include also in-kind remittances sent and received, which could also represent a potential business opportunity for migrants and local residents.

National private construction companies could study the potential market for retirement houses or villages for Colombian migrants abroad. This could be an interesting market because of the national climate, the feelings of nostalgia of Colombians abroad and the income available for them after retirement. According to Yang (2009), the US social security payments can be sent to any country, regardless of the legal status of the recipient.

Other long term strategies could be directed towards other transnational activities. For example, through Colombian export promoting agency, Proexport, the government should also design special tourist programmes to attract migrants to visit their country and diverse destinations inside it. In order to do this, they could use plans targeted at increasing health tourism, nostalgic tourism, religious tourism, folklore and tradition tourism for migrants and their children, historical tourism, the other unknown Colombia, and others. Similarly, Proexport should also include special strategies to motivate migrants to create businesses and commercial connections between residents and non-residents with the purpose of raising Colombian exports and possible knowledge and technology transfers.

Through the national department in charge of scientific and technological advancements in the country, the government could plan a strategy to connect local research centres and universities to work with skilled Colombians living abroad. As a result, migrants could become part of research groups as researchers, consultants or collaborators, taking advantage of their knowledge, contacts, expertise and perspectives. Therefore, national

research groups could work with other nationals to enhance innovation and research while migrants would transfer knowledge and technology to the country.

To increase the likelihood of knowledge and technological transfers, and migrants' circularity, the government should work to simplify the process of validation of higher education titles obtained abroad, facilitating the odds of getting the right job and remuneration for Colombian migrants who have studied abroad but who can contribute to local industries, universities, governments, and other organizations. Correspondingly, the government should make an effort to make agreements with countries where most migrants live to allow more movement of migrants and more transnationalism.

Although the government's projects and strategies are constrained by national regulations and budgets, the government could work with other institutions such as NGOs, universities, business associations, cooperatives, and financial institutions. Together they could develop strategic alliances to assist the achievement of the goals proposed in the PIM and the new ones developed to enhance transnationalism's impacts on the country.

All the recommendations provided in this section have aimed at offering guidance for policy action, in an attempt to increase the potential positive impact of transnationalism for Colombia. A summary of the recommendations discussed above has been incorporated in Table 17.

**Table 17: Recommendations for the National Government**

<b>RECOMMENDATIONS</b>	
<i>Objective</i>	<i>Strategies</i>
Enhance national structure and environment to stimulate socioeconomic development	Invest in education Improve national infrastructure Reduce poverty Lessen inequality Stable regulations and economic/political environments
Get to know and recognize national migrant population and their transnationalism	Collect migrants data with the support of other institutions
Improve governmental image and reduce corruption perception	Public governmental data about projects and their outcomes Enhance consulates and embassies' services level and image Improve communication with migrants Annual publication of governmental activities, projects and achievements
Reduce fragmentation, lack of cohesion, increase trust, confidence and attachment	Promote the use of “Marca Colombia” Cultural exchanges HTAs support and twin associations Celebration of national festivities abroad Public information about Colombian organizations and initiatives Create shared spaces for Colombians and organizations Support communal projects with migrants involvement
Increase transnational investment	Work with business incubators Develop special fiscal and financial benefits Develop training sessions for migrants and relatives as potential investors Stimulate microenterprise development Stimulate clustering and co-development strategies Support the creation of special financing, saving and investment options Develop business-investment-partnership fairs Share market and business knowledge Encourage the development of retirement villages for migrants
Increase transnational tourism	Design specific touristic plans for migrants
Increase knowledge /technology transfers	Connect migrants with research centers and Universities Ease higher education titles homologation Work with other governments to facilitate circular migration

Source: Own elaboration of the author



All the recommendations provided support the government's objective of linking migrants to the country while enhancing transnationalism's impact and migrants' wellbeing, considering the data collected and migrants' preferences.

This chapter has discussed the main findings of the present research, examining the impact of the transnational activities of Colombian migrants living in the US at the micro, meso and macro level of households, communities and the nation. Moreover, a number of recommendations for policy action at the community and national level have been offered with the purpose of proposing strategies that enhance the impacts of transnationalism.

## **Chapter 6: Conclusions**

Following the discussion of the research findings and the recommendations for community and governmental policy action, this chapter provides an account of the conclusions drawn from this research. To this end, it summarizes the main findings, contributions, limitations and implications for future research that can be drawn from the present study.

### **6.1 Main Findings**

As a conclusion, it is plausible to assert that Colombian migrants living in the US impact their families, communities and the country at diverse levels through the transnational activities they pursue (agency), which at the same time are shaped by the characteristics and conditions in the countries of residency and origin (structure). The structures of the places of origin and destination have impacted Colombian migrants' agency and their transnationalism, leading them to develop lack of trust towards other Colombians and institutions. This, at the same time, increases the perception of other Colombians "as strangers", limiting their interest and participation in widen communal endeavours and their involvement in assisting local communities of origin, creating a lack of community sense produced by their more individualistic, almost self-centred and untrusted relations with others. This lack of trust generates the creation of closed and fragmented networks, inducing them to conduct more family oriented transnational activities rather than other more communal oriented actions.

This research indicates that Colombian migrants living in the US lead individual transnational lives where there are continuous connections with the homeland at the family level in their everyday actions. Migrants and their families live in bi-national households and reproduce transnational social relations (Smith and Guarnizo, 1998). However, they do not form a transnational migrant community (Guarnizo, 2004). There is a strong presence of "transnationalism from below" (Smith and Guarnizo, 1998),

where migrants' agency is exercised in search of the best possible welfare for the household along the policies imposed from above. Under those circumstances, Colombian migrants respond with individual and families-based actions to the practices that globalization and capitalism has imposed on them. Colombians' transnationalism therefore could be considered broad for communal activities, but narrow for more individual ones (Itzigsohn *et al.*, 1999).

The interaction between the Colombian and the US structure, and the migrant profile have influenced Colombian migrants' participation in individually oriented transnational activities, while preventing them from involving themselves in collective transnational undertakings. Those three features have created a unique set of characteristics that need to be considered when analysing the involvement of migrants in transnational activities and the impact those activities can generate. Therefore, an awareness of these three features is necessary for development of an understanding of the different transnational behaviours of diverse migrant groups in the US. Migrants exercise their agency within the structures that surrounds them. In the case analysed in this research, and in line with Portes' (2011) findings, not all Colombian migrants participate in all transnational activities to the same extent. In other words, migrants are involved in transnationalism at diverse levels and frequency, depending on their personal characteristics and the structure of the country of origin and destination. This is also the case for non-economic migrants. In the case of this study, the structures in place in both countries have led migrants to distrust national institutions, to fear to be associated with unknown Colombians, to mistrust other Colombians and to have closed and fragmented networks, as previously discussed. Those characteristics have shaped their participation in transnationalism, inducing them to become involved mainly in individually oriented activities. As a result, Colombian migrants in the US engage in less collectively oriented transnational activities, such as sending monetary and in-kind remittances to relatives and close friends, making frequent telephone calls, travelling home, investing in real estate, and consuming Colombian products.

Participation in collective transnational activities is low. Therefore, the potential benefits that transnationalism could bring to the country and the community are not being fully realized, because of the structure in place in Colombia that shapes the lack of engagement of migrants in collective and community oriented transnational activities, such as politics, philanthropy, HTAs or other associations, transfer of

knowledge and technology, tourism, entrepreneurship and social and communal remittances.

The findings of this research confirm the engagement of migrants in diverse transnational activities, not only in sending remittances, although the level of participation in each transnational activity varies according to the agency and the structures surrounding each migrant group. Therefore, some transnational activities can be actively performed by some migrants groups (i.e. HTAs participation), while other migrant groups might not involve themselves at the same level in these same activities. In addition, transnational activities are performed by economic and non-economic migrants, considering the specific characteristics and structures surrounding them. For example, according to the data obtained in this research, refugees might not travel back home because the legal system that limits their ability to travel, but nonetheless, they frequently call home.

Thus, Colombian migrants use migration as a family strategy to overcome local constraints and improve their families' livelihoods, as predicted by NELM (Massey *et al.*, 1994). Families, through migration and transnationalism, manage to find satisfaction in economic welfare even if this means being separated by distance. This division is made smaller thanks to constant contact available through advances in telecommunication technologies, frequent travel, transfers of remittances (monetary and in-kind), and the nostalgic consumption of Colombian products.

In accordance with the definition of socioeconomic development applied in this research, it is possible to conclude that transnationalism allows migrants and their households to accomplish wellbeing, to achieve higher living standards, to exercise their freedom and to convert their resources into capabilities to live well (Sen, 1999). In this sense, transnationalism contributes to the socioeconomic development of families (Sen, 1999), and migrants' families in fact believe so. Furthermore, as discussed in the micro level impact section, families compensate for migration drawbacks with improvements in livelihood standards, leaving those unaddressed problems as concerns for national policies and development. In other words, migration might become an act of agency that supports economic wellbeing for families but not necessarily the enhancement of community and national structures. On the contrary, it might have a negative social impact on those structures.

Even if participation in collective transnational activities is low, the involvement in individually oriented activities also affects the community and the nation (meso and macro impacts). Those impacts are more ambiguous, providing support for socioeconomic development in some cases and generating less positive or even detrimental outcomes in others. In the case of communities, transnational activities of migrants provide beneficial impacts thanks to the demand for nostalgic products abroad, the possibility of accessing new or scarce products and services due to in-kind remittances, the support offered to close networks and friends, the multiplier effect of remittances in the community, wellbeing improvements thanks to home purchasing and upgrading, job creation, increased local consumption of recipients and migrants when visiting the community, the creation of small business and the stimulation for non-migrant families to develop new ventures, and the exposure to new technologies and knowledge. Similar findings have been discussed by authors such as De Haas (2007a), Dustmann and Kirchkamp (2001), Guarnizo (2004), Kotabe *et al.* (2013) and Kugler (2005).

However, transnationalism can also generate some less positive impacts at the meso level of the community, such as incentivizing demand for imported products, motivating others to migrate, creating price bubbles that limit non-migrant families' capacity to acquire homes or products, thus causing more inequality, and changing local cultural tastes (Levitt, 2001b; Levitt and Jaworsky, 2007). In addition to this, migrants' participation in community development projects is minimal, leading towards an increased lack of cohesion within the community and the maintenance of dependence on international aid and the national government. Those negative impacts could be minimized if local authorities developed strategies, such as the ones recommended in the previous chapter, to increase the positive impact of transnationalism while reducing its negative effects. At this point, there are no specific programmes designed by the Colombian government for migrant communities to accomplish that objective.

Similar to the impact of migrants' transnational activities on communities, their effect at the national level is also unclear. This is because transnational activities in which Colombian migrants engage are mostly individually rather than collectively oriented. At the macro level of analysis, transnationalism offers arguments supporting the more optimistic perspectives on migration-development nexus thanks to the increased

income, international trade growth, foreign exchange expansion, poverty reduction, access to new or scarce products and services, stimulus for entrepreneurship and business creation, investments in real estate and small businesses, investments in the exchange market, multiplier effects of remittances, and increased consumption.

On the other hand, it also provides arguments supporting critical views on the migration-development nexus at the macro level as a result of the possible cultural changes, increased inequality, dependence from the north, inflation pressures, price bubbles, lack of community cohesion abroad, lack of political participation that promotes national development abroad, brain drain, motivation for further migration, low innovation and transfer of knowledge/technology, low investment in businesses and entrepreneurship, low representation, and poor social capital building.

As with communities, the government should work to enhance the positive impacts of transnationalism and reduce its negative effects. To achieve this, it is important to embrace the recommendations provided in the preceding chapter, while enhancing local image and trust and encouraging collective action among Colombian migrants living in the US. The Colombian government has designed a policy (PIM), a programme (CNU) and several strategies to connect its migrants with national projects. These schemes have been described and discussed throughout this research. Nonetheless, these initiatives do not consider the special characteristics of Colombian migrants and their lack of trust towards institutions and other fellow Colombians, and do not encompass all transnational activities and their potential to support socioeconomic development. Furthermore, their outcomes are not clear, and they are mainly focused on remittances and real estate investment. Consequently, all the potential benefits that transnational activities could provide are not fully realized.

It is important to recall that the first step the government must take to develop new strategies is to understand this phenomenon, generating and improving data collection methods about migrants and all their transnational activities before designing long term governmental initiatives that can benefit the country, the community, the migrants and their families. For this, it is essential for the government to recognize the characteristics of Colombian migrants and their low level of involvement in collective actions shaped by their lack of confidence towards institutions and other Colombians.

Therefore, transnational activities carried out by Colombian migrants living in the US have the potential to become important means that can support the socioeconomic development of the nation, the community and the household, as long as the right structures are in place, increasing migrants confidence and community sense. While most the impacts studied support the socioeconomic development of households, for communities and the nations the impact is much more varied and depends on the specific socioeconomic and political structures in place. Therefore, some transnational activities are directed towards the reduction of the imbalance between north-south relations (US-Colombia), but others exacerbate this disparity. However, so far their impacts have been limited, creating the need for local and national authorities to develop the right policies and local atmosphere to enhance those possible positive outcomes and reduce their drawbacks, leading to national wellbeing.

## **6.2 Contributions to Knowledge**

The present research has provided valuable empirical findings, as discussed in the previous section, but it has also contributed theoretically to migration and development studies and knowledge in several fields. In particular, this study has confirmed the complexity of migration studies where diverse theories attempt to provide explanation for migration phenomena at different points of analysis. In this research, insights from NELM and transnationalism have been drawn upon with elements of neoclassical, world systems, cumulative causation and network theories, as well as ‘pull’ and ‘push’ frameworks that also address migration and transnationalism behaviours.

The density, multiplicity and multi-layered characteristics of migration make it difficult to build one all- inclusive theory of migration, as observed by Arango (2000) and De Haas (2007a). Rather, elements of diverse theories and frameworks, even at times contradictory, can be applied in studying migration. This has been visible in this research. NELM and transnationalism have proved to be valuable theories that should be considered when studying migrants’ transnational activities and their impact on the country of origin at the micro, meso and macro level. Using both approaches has allowed for including considerations of agency and structure within the study (Bailey, 2001; De Haas, 2010, 2011), while taking into account a wide range of actions in which migrants could engage, as members of a family and a community, affecting the levels of

analysis under consideration (De Haas, 2011). Furthermore, adopting a transnational lens broadens the range of activities under analysis, including monetary remittances but also other economic, social and political pursuits in which migrants might engage as part of their livelihood strategies (Glick Schiller, Basch and Szanton Blanc, 1995; Portes, 2001). Additionally, combining NELM and transnationalism approaches has allowed for providing a new lens for building an understanding of migration and its impacts. The research has enriched the conceptual scope and application of NELM theory through including in it the study of diverse transnational activities, not only monetary remittances, but also in-kind remittances, tourism and travel, philanthropy, trade, political participation, and other activities which can become part of the family strategy to overcome local constraints, to reduce risks and to leverage their income while improving their livelihoods. Moreover, the findings of this research draw attention to the need for studying more comprehensively migrant groups and the specific socio-political circumstances which affect migrants' behaviours and impacts at home. Such studies are necessary in order to further advance theories such as NELM and transnationalism.

This research has also allowed to incorporate in the analysis diverse types of migrants; not only labour migrants, as depicted by most economics-oriented migration theories such as NELM, but also other types of migrants such as refugees, family reunion migrants and students. In particular, this research has demonstrated how different types of migrants get involved in transnational activities with the purpose of enhancing their family welfare, although at varied levels and intensity, depending on the structures that surround them and their own agency. Therefore, although the original focus of NELM theory was on labour migrants, its propositions can also be applied to other migrant groups. Consequently, combining NELM and transnationalism allows for offering a more comprehensive perspective for studying the impact of migration in the country of origin of the migrant, especially in developing economies, where migration can become an option and a strategy for families to engage in diverse transnational activities to improve their livelihoods and welfare (De Haas, 2012).

Not only has this research drawn upon two theoretical approaches to migration (NELM and Transnationalism), but it has also embedded in the analysis the concepts of agency and structure. Additionally, it has considered the impact of the diverse transnational



activities at three levels, contributing to the field of migration studies through using a new conceptual framework to analyse the impacts of migration in the country of origin of the migrant. Specifically, the approach used – combining NELM and transnationalism to discuss the impacts of migrants’ transnational activities on the socioeconomic development of the country of origin at three levels of analysis: micro, meso and macro, with attention paid to the way in which migrants’ decisions and actions are influenced both by their own wish to exercise agency and by the enabling and restraining socioeconomic and political structures in the countries of origin and destination – adds a new perspective on the migration-development nexus debate. The key theoretical argument stemming from this research is that migration can be simultaneously beneficial and less positive or even detrimental for socioeconomic development, depending on the level of analysis studied, the activities of the migrants exercising their agency, and the structures that surround them. Using and integrating NELM, transnationalism, structure and agency approaches and the three levels of analysis proposed in this research has therefore proved to be a framework that allows for a nuanced analysis of the impacts of migration and transnationalism in the country of origin of the migrant.

The analysis presented in this thesis has demonstrated the importance of including in research addressing the impact of transnational activities on the socioeconomic development of the country of origin factors such as the specific conditions in the country of origin and the place of destination that underpin migration, as well as the characteristics and circumstances of the migrants and their families. Throughout the analysis it has been shown how the interplay between the conditions in both locations and the characteristics and circumstances of the migrants and their families shape migrants’ engagement in transnational activities at different levels and frequency. This study has also demonstrated how these activities, in turn, generate specific impacts upon and, as such, to differing extents shape the context of migrants’ origin.

Moreover, through analysing both the empirical material gathered by interviewing migrants and governmental policies developed in relation to Colombian migrants in the US, this research has pointed to the role government plays, and could play, in possibly reducing the negative impacts migration can generate for the sending country, while enhancing the positive outcomes of migration and transnationalism for local socioeconomic development. This study has demonstrated how, while migrants and

their transnational activities can support socioeconomic development in some cases, they cannot change the structures that frame and constrain their decisions and activities, since they are not responsible for governmental strategies and actions. Without appropriate governmental policies and actions, migrants' activities, such as those discussed in this research, will continue to contribute to perpetuation of the unequal relations of economic dependency between the global north and south.

Through paying attention to the specific, unique characteristics of both the migrants and the socioeconomic and political structures – including governmental policies and programmes – within which migration and transnational activities occur, this study has highlighted that the findings of research on migration and transnational activities of one migrant group cannot be generalized over other migrant groups, not even with regard to countries considered to have similar cultures and backgrounds. As the Colombian case indicates, the profile of the migrant population in combination with the underlying structures results in decisions and activities that are unique to a particular geographical context at a given point in time.

As such, this research has also contributed to building knowledge about different migrant groups, in this case Colombians, who have shown to behave differently from migrants from other regions in Latin America and the world. Specifically, this study has provided insights into the predominantly individual- and family- oriented nature of transnational activities carried out by Colombian migrants. Through the rich empirical material collected throughout the research process, this study has contributed to a greater understanding of Colombian migrants and their transnationalism, shedding light on the motivations behind, types and outcomes of transnational activities that Colombian migrants engage in.

As argued by Levitt, Dewind and Vertovec (2003), there is still a lot to be studied regarding transnationalism. This research has explored the benefits and drawbacks associated with transnational migration and living viewed from a particular perspective, i.e. from the point of view of socioeconomic development outcomes for households, communities and the whole nation. The findings of this research support the argument put forward by Guarnizo (2003) that transnationalism can develop along different paths, and that its economic and social effects are diverse. The involvement of migrants in transnational activities impacts not only the migrants and their families, communities

and the broader society, but it also influences different spheres of international business, such as international financial markets, international telecommunications, international travel and tourism industry, international relations and politics, international trade and production and international investment. Although the impact of migrants' activities on business might not be as high as is the case with multinationals companies, the overall volume of migrants' activities is still significant when all migrants and their activities are added up. Therefore, in the future, more studies of the impact of transnational activities of specific migrants group, analysed at different levels, are needed.

### **6.3 Limitations of the research**

Following the discussion of the main findings and contributions made by this research, this section addresses the limitations of this study. One of the limitations encountered in the research process was the lack of reliable statistical data available about remittances and other transnational activities. This was due to the lack of a uniform definition of activities such as remittances, and the difficulty posed by the challenge to collect the relevant data, since national and international institutions have only recently developed an interest in gaining a better understanding of transnationalism and its impacts in the country of origin.

Also, the lack of available data about the outcomes of the programmes promoted by the Colombian government to link its migrants with national projects has potentially limited the results of this research, making it impossible to offer a comparison of the material obtained from the interviewees with government data.

Another limitation is connected to the choice of the study's participants. While the researcher has interviewed migrant families, several Colombian government representatives and migrations researchers, it would have also been valuable to include the perspectives of non-migrant families living in those communities where there is a high propensity to migrate. This would have enabled the development of a more inclusive understanding of the impacts of transnationalism at the community and national level, and would have broadened the current understanding of migration and transnationalism.

Similarly, Colombian migrants living in other countries could have also been studied with the purpose of comparing results, determining if Colombian migrants' characteristics and experiences differ according to the place of destination, and if their involvement in transnational activities changes according to their personal characteristics and circumstances and the structure of the place of destination, bearing in mind that they come from the same country of origin.

#### **6.4 Implications for future research**

As indicated above, future studies of Colombian migrants and the impacts of their transnational activities in the home country should include migrants living in other countries in order to enhance the understanding of migration and transnationalism for the Colombian case. This inclusion will allow for identifying possible patterns and divergences which in turn might have different impacts at the household, community and national level.

Likewise, the findings of this research could be compared to studies of migrant populations from other countries, focusing on the same three levels of analysis (micro, meso, macro) to add to the scholarly debate on the link between migration and socioeconomic development.

Additional research could also make valuable contributions to critical international business research, adding to the mainstream literature the important role that individuals play in this field of study thanks to their transnational activities.

The present study has also highlighted the need for more in depth, qualitative analysis of migration-development studies. The case studies used have provided valuable insights into how migration experience can contribute to local socioeconomic development. Such insights would not have been possible to generate if quantitative research methods had been used. This study has demonstrated that it is important to use qualitative methods of research to better understand migration phenomena and their impacts in diverse settings.

Finally, future research could address the role of destination countries in transnational activities, deepening the understanding of the effects that the structural conditions of the destination could have on the involvement of migrants in transnational activities, and by extension, on the socioeconomic development of the country of origin of the migrant.

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## Appendix A. Typology of Remittances/Migrant Earnings

Types of Remittances			
	Family-Individual	Collective	Investment
Sender(s):	Individuals/people	Organized group of migrants: families, partners, home-town clubs associations	Individuals or business partners
Recipient(s)/ Beneficiary(es):	Recipients: kin, fictive kin Beneficiaries: recipients and transfer companies	Recipients=community or target group with community Beneficiaries= community, target group, or productive project partners	Recipients= senders or business venture Beneficiaries= investors; in theory, “employees” also benefit.
Mediating actors / institutions	Families, households, social networks. Money transfer companies (formal and informal) Private sector	Community social networks, migrant organizations. Often: Local, state and federal governments. NGOs. Public sector.	Possibly: local, state and federal government. Private sector. Public-Private Partnerships
Importance of locality of origin in geographic destination of remittance	Usually close relationship. Remittance goes to kin in place of origin (may also go from place of origin to other locations with kin)	Close relationship between identity, place of origin, and place where collective remittances are sent	Close relationship is possible, but not at all necessary. Market logic (returns) may be more important in directing remittance
Balance between: Income/savings /investments	Major share of remittances=Income Small share of remittances=savings	Remittances= savings (donation, not investment)	Remittances=Investment
Control or management of funds; conflict	Beneficiaries or close relatives of senders. Possible conflicts between senders and recipients over use	U.S.-based club; Mexico-based committee; municipal / state/ federal authorities; various government bodies. Possible conflict between senders and mediating actors and institutions	Investors. Possible role for government authorities.
Logic/regulatory framework	Kinship logic: norms, ideologies, and processes related to identity,	Logic of philanthropy. Formal statues and informal norms of	Market logic. International investment and trade regulations.

	kinship, gender, community, etc. money transfer companies and cost may set some parameters	organizations; formal agreements with governments or organizations. Operation guidelines for state programs (e.g. cost sharing)	Possible state and federal regulations
Uses/functions:	Social reproduction (food, clothing, housing), education, health, social services. Less than 20% on capitalization (tools, machinery), credit or “business” (water fees, wages, etc.). Improving well-being.	Community public works infrastructure (roads, water, electrification), leisure infrastructure (sports fields), gendered projects (rodeo rings), social services (school equipment, old-aged homes, ambulance, clinic equipment). Employment generation through construction projects. Providing social citizenship benefits/goods/services	Short or long term profit, tax write-off; perhaps employment generation, economic development Profit generation (may have some element of giving back to one’s community or region)
Regulatory framework	Kinship norms	Formal or informal statutes, formal accords with state and local government, usually group-initiated	Market, some municipal and state support
Profit expectations/Public vs. public good	Individual or family benefit, perhaps profit for family business or agricultural activities. Private good.	Non-profit donation, for community or target group benefit. Public good.	Profit. Private good.
Problems, sanctions	Not sending money may lead to social exclusion; not using it properly gender/generational conflict. Labour market problems in host country may reduce income	Miss-handling money leads to group dissolution; perception of personal gain does as well. Transparency, trust, communication are important to good management. Negotiations over management of money with authorities may be conflictual	Lack of profit or red-tape/difficulties may limit future/other investment
Social meaning and leverage	Individual and family social and economic	Community amenities, community status,	Personal social and economic status, link to

	status; livelihoods, conspicuous consumption. Potential to polarize incomes and wealth	gendered status of leaders, link to political clout. Potential for social capital and political learning	political clout
Political leverage	Limited (more at aggregate level with migrants as heroes, and through organizations). May form basis for broader substantive citizenship claims making	Strong possibility for groups with organizational continuity. Political status for leaders and organizations. May influence opinion (voters). Leaders may use organizations to achieve higher positions (political trampoline). Clear avenue for making membership claims, or substantive citizenship.	Possible political clout for individuals, but highly variable outcomes (successful entrepreneur turned politician; e.g. Jerez)
Interventions	<u>Increasing disposable income</u> : reducing transfer costs, more and better alternative for transferring funds, better financial instruments <u>Reducing vulnerability</u> by enhancing social welfare services and financial services: improving access to and terms credit, social security, medical services, employment levels, pro-rural development	Developing mechanisms for participatory, democratic, and inclusive planning. Increasing participation of local representatives, women, indigenous groups, and others with history of limited access to power. Consultative process important to developing such planning processes. Organizational learning takes time: quick results should not be expected. Include NGOs and other actors	Improve basic infrastructure and communications to improve “investment climate” or structural conditions in more regions. Improve marketing networks.

*Data Source:* GOLDRING, L., 2003

## Appendix B. Interview Protocol

To start the interview, the researcher must explain to each interviewee the purposes, objectives, and uses of the actual research. Confidentiality and validation issues should also be discussed. The following questions are a guideline for the interviewer, not the interviewee.

During the interview, it would be necessary to identify the characteristics of the household to be interviewed. For this purpose, some questions and direct observation will be used. Questions that will have to be addressed are:

- Name of each family's member, their age range (under 15, 16-20, 21-25, 26-35, 36-45, 46-60, more than 60), their gender, education level (non high school diploma, high school diploma, unfinished bachelor degree, bachelor degree, unfinished graduate studies, graduate degree).
- Family's composition (who are member of this family?)
- Marital status of the head of the family (single, married, divorced, widowed, other),
- Place of residence, and economic status (quintile)

Who was affected by remittances (nuclear or extended family members).

Questions to be addressed to households:

- a. To break the ice and allow the interviewees feel more comfortable, the first question will be conducted to ask the family to tell us the migration experience.

Variable to be studied: Migration.

- Could you please tell describe me how was the migration experience in your family?
  - o Sub questions:
    - Which family member(s) migrated (Father-head or not of the family-, mother-head or not of the family-, grandmother, grandfather, daughter, uncle, aunt, all, etc).
    - Which reasons motivated the person(s) to migrate? (The objective of this question is to determine the reasons that motivated him/her to migrate, and relate those reasons with the possible reasons to remit and return)

- What was the migrant(s) main activity before migration?  
(Student, employee, employer, self-employed, unemployed, worker with salary in a family owned business, other-which one?)
  - Where did the person go and why? To determine if: the country of destination allowed the person to migrate freely or not, the main characteristics of the destination country versus the country of origin, the possibilities to motivate a future return and the possibilities to send remittances.
  - Could you please describe me how was your social, familiar, economic and cultural life before migration? During migration? After migration? (This question will allow us to study how migration has changed their lives, and if they consider their lives to be better or worst thanks to the migration experience. Also, this question can help us to determine if migration is a family pattern for them, or of it is circular , and the possible difficulties they had to face during the migration process)
  - How do you think the migration experience have changed your lives? (To analyses potential benefits and/or drawbacks the household associate with the migration experience)
  - Which effects do you think migration has had in your lives? (positives and/or negatives) Why? How? (To study potential non-monetary remittances and transnational activities obtained through the migration experience)
- b. Could you please explain me the migrant(s) sends or brings with him/her money, gifts, savings, or other things, and how do you think those have impacted your family?

This question will allow studying the reasons to remit, and the positive/negative aspects associated with those remittances. Moreover, an estimated of the average amount received, and the frequency of reception may be obtained. This information will allow us to compare the interview results with actual theories, and previous empirical research done. In addition, this will provide an idea of whom and how many are the beneficiaries of those remittances. Variable under study: Remittances

- Sub questions:
  - Could you please tell me what do constitute those remittances/deliveries and how often do you get them? (This questions will help to know the kind of remittances received, their frequency and the amount)
  - Could you please tell me how where those remittances/deliveries used? (The idea to compare the actual use given to remittances versus the uses reported by other empirical studies. Additionally, determining why the remittances are being used in specific components, will allow the researcher to understand which expenses can be considered as investments for the migrant -e.g. education, real state ownership, business activities, etc.)
  - Does the interviewees think remittances have changed their lives or not and why? (To determine the perception the household have over remittances)
  - Does the interviewees think remittances are good or bad and why? (control question)
  - Is there something else, other than money, which the migrant(s) have gained and used for the family development thanks to the migration experience? (To study potential non-monetary remittances and transnational activities obtained through the migration experience)
  - What does the household think would have happened to them if the migrant does not send remittances? (Although this is a very subjective question, this will give us an idea of what does the family think is the contribution of the migrant for the family (other family's members left behind).
  - What does the migrant think happened to those who received the remittances? What do they do with those? Did they lives changed with those remittances? Why; How? (Control question)
  - Did the migrant (s) learned new skills, abilities or jobs during migration? If so, do you use them in Colombia? (To study knowledge transfer as a non-monetary remittance)

- Did the migrant(s) participate in associations of Colombians? Why? (to determine if the migrant(s) used this form of national affiliation)
- Did the migrant(s) participated in political parties, reunions, or voting activities for Colombian government? Why? If so, which impact do you think it had in your and your family life? (to evaluate the migrant political participation as a non-monetary remittance)
- During migration, did you promoted or participated in social programmes to support Colombia or Colombian people or projects? If so, how? Why? (To analyse community cooperation as a non-monetary remittance)
- Transnational activities:
  - Company creation-entrepreneurship
  - Knowledge-technology transfers
  - Tourism-travelling
  - International calls-telecommunications
  - Buy-use-imported Colombian products-services
  - Returning is a definitive decision, why?

c. What are the future plans of the household?

This inquiry will evaluate the desire to return and invest in their country of origin. Variable under study: Remittances impact in family's projection

○ Sub questions:

- Is (are) the migrant(s) living in Colombia or outside? If outside, do they plan to return? Why?
- Are able and willing to migrate again? (to evaluate possible circular migration, and legal status)
- Do you consider yourself to be settled in Colombia or do you consider yourself as a person who lives in two or more countries? IF so, why? )To study potential transnational living strategies)
- What are the main activities of the family members today? (Study, employee, employer, self-employed, unemployed, worker with salary in a family owned business, other-which one?)



- Does the family think that remittance/deliveries have changed or affected their future plans? Why? (Control question)
- How does the family think that the uses given to those remittances/deliveries have changed or not their future plans?
- Have you invested in the country? Which reasons have motivated you to invest? If so, in which type of investments? (This enquiry lets us determine if and how migrants are investing in Colombia, what they consider an investment, and the reasons to do so. The possible answers can also help us to delineate policies to motivate further investment from migrants).
- Has the migration experience affected your decision to invest in Colombia? If so, how? (To determine potential transnational activities)
- If they have invested, it would be interesting to ask: have your migration experience affected your investments? If so, how? Is your actual investment related with something obtained from your migration experience? If so, with which part of factor of it? (To analyse the potential transnational ties and activities)
- Would you recommend other migrants to invest in Colombia? If so, why? (Control question)

d. Is there anything else the interviewees would like to add?

To include any personal perception or additional data the household wants to add to the study.

e. Wrap up question: who should I turn to in order to understand better your case or similar cases in Colombia?

## Appendix C. Letter of Presentation

(City, date)

(Title)

(Name)

(Company/Institution/Address)

(City)

### Ref: Request for interview

Dear (name),

The increased amount of remittances and transnational activities in the country has raised a renewed interest in research around this topic. As a Doctorate in Business Administration (DBA) student, I wish to conduct a Multiple Case Study to determine if remittances and transnational activities in Colombia are impacting the economic development of the country.

By means of interviews and the use of other existing literature, the researcher aims to determine how those activities can be used to improve the economic development and living standards of Colombian's households.

I would greatly appreciate if you and your family were willing to support this study by giving an interview. As one of the contributors of this research, I will like to share the findings, visions and knowledge in this interview. This meeting would take approximately two hours. Naturally, you would be able to revise and authorize the conclusions. Confidential information will not be made public.

I will personally contact you soon in regard of this request. If you need further information, please do not hesitate in contacting me. I hope you are able to participate in this research, and I look forward for your response.

Best regards,

**Sandra M. Santamaría A.**

**Doctorate in Business Administration (DBA) Candidate**

[ssantam2@eafit.edu.co](mailto:ssantam2@eafit.edu.co)

**Tel.: (4) 261 95 00 ext. 9323-9840**

(Ciudad, fecha)

(Título)

(Nombre)

(Compañía/Institución/Dirección)

(Ciudad)

**Ref: Solicitud de entrevista**

Cordial saludo,

El incremento en la cantidad de remesas y de las actividades transnacionales en el país en los últimos años, ha motivado un creciente interés de investigación en este tema. Como candidata al título de Doctora en Administración de Negocios, deseo realizar un Estudio de Caso Múltiple para determinar si las estas actividades están impactando el desarrollo económico del país.

Por medio de entrevistas y el uso de literatura existente, pretendo determinar cómo pueden ser usadas estas actividades para mejorar el desarrollo económico y las condiciones de vida de los hogares colombianos.

Por este motivo, me complacería poder contar con su apoyo y el de su familia por medio de su participación en una entrevista. Como uno de los contribuyentes a este proyecto investigativo, podrá tener acceso a los resultados, visiones y conocimientos que del tema se desarrollen por medio de este múltiple caso de estudio. Esta entrevista durará aproximadamente dos horas. Naturalmente, usted podrá revisar y autorizar las conclusiones obtenidas de esta reunión. La información confidencial no será publicada.

Próximamente lo contactare personalmente para hablar del tema. Si necesita información adicional, por favor no dude en contactarme. Espero poder contar con su valiosa presencia en este estudio. Quedo atenta a su respuesta.

Cordialmente,

**Sandra M. Santamaría A.**

**Candidata Doctora en Administración de Negocios (DBA)**

[ssantam2@eafit.edu.co](mailto:ssantam2@eafit.edu.co)

**Tel.: (4) 261 95 00 ext. 9323-9840**

## Appendix D. Pilot Interview Protocol

Before each interview, the researcher might send a formal letter to invite the households to be part of the study and establish a date for the meeting to take place (Letter of introduction, See Annex 2).

To start the interview, the researcher must explain to each interviewee the purposes, objectives, and uses of the actual research. Confidentiality and validation issues should also be discussed.

The following questions are a guideline for the interviewer, not the interviewee.

During the interview, it would be necessary to identify the characteristics of the household to be interviewed. For this purpose, some questions and direct observation will be used. Questions that will have to be addressed are:

- Name of each family's member, their age range (under 15, 16-20, 21-25, 26-35, 36-45, 46-60, more than 60), their gender, education level (non high school diploma, high school diploma, unfinished bachelor degree, bachelor degree, unfinished graduate studies, graduate degree).
- Family's composition (who are member of this family?)
- Marital status of the head of the family (single, married, divorced, widowed, other),
- Place of residence, and economic status (quintile)

Those previous questions will provide data to classify the profile of the interviewed family, and should be addressed at the end of the interview, with the purpose of avoiding misleading data. At the end of the conversation, the interviews will know the data they have provided us, and they can feel more comfortable answering those questions.

Questions to be addressed to households:

- f. To break the ice and allow the interviewees feel more comfortable, the first question will be conducted to ask the family to tell us the migration experience. Variable to be studied: Migration.
  - Could you please tell describe me how was the whole migration process and experience in your family?
    - o Sub questions:

- Which family member(s) migrated (Father-head or not of the family-, mother-head or not of the family-, grandmother, grandfather, daughter, uncle, aunt, all, etc).
  - Which reasons motivated the person(s) to migrate? (The objective of this question is to determine the reasons that motivated him/her to migrate, and relate those reasons with the possible reasons to remit and return)
  - What was the migrant(s) main activity before migration? (Student, employee, employer, self-employed, unemployed, worker with salary in a family owned business, other-which one?)
  - Where did the person go and why? To determine if: the country of destination allowed the person to migrate freely or not, the main characteristics of the destination country versus the country of origin, the possibilities to motivate a future return and the possibilities to send remittances.
  - Could you please describe me how was your social, familiar, economic and cultural life before migration? During migration? After migration? (This question will allow us to study how migration has changed their lives, and if they consider their lives to be better or worst thanks to the migration experience. Also, this question can help us to determine if migration is a family pattern for them, or of it is circular , and the possible difficulties they had to face during the migration process)
  - How do you think the migration experience have changed your lives? (To analyses potential benefits and/or drawbacks the household associate with the migration experience)
  - Which effects do you think migration has had in your lives? (positives and/or negatives) Why? How? (To study potential non-monetary remittances and transnational activities obtained through the migration experience)
- g. Could you please explain me the migrant(s) sends or brings with him/her money, gifts, savings, or other things, and how do you think those have impacted your family well-being?

This question will allow studying the reasons to remit, and the positive/negative aspects associated with those remittances. Moreover, an estimated of the average amount received, and the frequency of reception may be obtained. This information will allow us to compare the interview results with actual theories, and previous empirical research done. In addition, this will provide an idea of whom and how many are the beneficiaries of those remittances. Variable under study: Remittances

○ Sub questions:

- Could you please tell me what do constitute those remittances/deliveries and how often do you get them? (This questions will help to know the kind of remittances received, their frequency and the amount)
- Could you please tell me how where those remittances/deliveries used? (The idea to compare the actual use given to remittances versus the uses reported by other empirical studies. Additionally, determining why the remittances are being used in specific components, will allow the researcher to understand which expenses can be considered as investments for the migrant -e.g. education, real state ownership, business activities, etc.)
- Does the interviewees think remittances have changed their lives or not and why? (To determine the perception the household have over remittances)
- Does the interviewees think remittances are good or bad and why? (control question)
- Is there something else, other than money, which the migrant(s) have gained and used for the family development thanks to the migration experience? (To study potential non-monetary remittances and transnational activities obtained through the migration experience)
- What does the household think would have happened to them if the migrant does not send remittances? (Although this is a very subjective question, this will give us an idea of what does the family think is the contribution of the migrant for the family (other family's members left behind).

h. What are the future plans of the household?

This inquiry will evaluate the desire to return and invest in their country of origin. Variable under study: Remittances impact in family's projection

○ Sub questions:

- Is (are) the migrant(s) living in Colombia or outside? If outside, do they plan to return? Why?
- What are the main activities of the family members today? (Study, employee, employer, self-employed, unemployed, worker with salary in a family owned business, other-which one?)
- Does the family think that remittance/deliveries have changed or affected their future plans? Why? (Control question)
- How does the family think that the uses given to those remittances/deliveries have changed or not their future plans?
- Have you invested in the country? Which reasons have motivated you to invest? If so, in which type of investments? (This enquiry lets us determine if and how migrants are investing in Colombia, what they consider an investment, and the reasons to do so. The possible answers can also help us to delineate policies to motivate further investment from migrants).

i. Is there anything else the interviewees would like to add?

To include any personal perception or additional data the household wants to add to the study.

j. Wrap up question: who should I turn to in order to understand better your case or similar cases in Colombia?

## Appendix E. Code Book

Code		Sub-code		Meaning	Source ID	Quote
R	Remittances	RM	Monetary	Money sent from the US to others in Colombia	Carmen	"I send money to my parents for them to use the way they want to, and to my sister for a medical treatment"
		RMq	Quantity	Amount of money sent (Average)	Yolima	"Around \$200 every month..."
		NRM	No monetary remittances	Does not send money to Colombia	Cristina	"No, I don't send remittances... I don't really have family there, so no"
		MRM	Mean RM	Main method used to send remittances	Jean	"I have different ways of doing it. I have some stock investments there [Colombia] so when I make transactions instead of buying stocks I tell them to deposit some money to my mother, or I have some relatives that have banking accounts here and there so they make me a deposit there and my mom can make a withdrawal directly there"
		RNM	Non-monetary	Tangible or in-kind objects sent from the US	Lina	"I send some things also, especially for my nephews, things like clothes, or toys, a Xbox or a Kinetic, or games, tennis... things like that..."
		NRN	No Non-monetary	Does not send non-monetary remittances	Nora	"No, I only send money"
		RNMf	Non-monetary-flight	Tangible or in-kind gifts from the US carried when travelling to Colombia	Camilo	"...when I go I carry with me some gifts and some things for my nephews, but meaningless things, but I am the kind of person who doesn't agree with carry things on bringing things, I don't like it, I have never liked it."
		RNf	Non-monetary frequency	Frequency used to send non-monetary remittances	Darla	"...In December, it is like a tradition I have adopted since I live here, I send to my husband's family, because back there are some nephews and a brother of my husband, we send to all of them their Christmas gifts, at Christmas"
		Rf	Remittances frequency	Frequency used to send remittances	Jean	"...monthly..."
TC	Telecommunication	TC	Telecommunication	Calling or talking to others in Colombia	Gabriel	"We call every day, every day...and twice a day!"
		NTC	No telecommunication	NA	NA	NA
		TCf	Telecommunication frequency	Frequency of calls	Yolima	"I call every day, many times in a day...around four or five times in a day"(



		<b>TCM</b>	Telecommunication-method	Method used to communicate with others outside the US	Cristina	"Basically... We communicate with my cousins and uncles with Facebook. And my nanny, she is in Colombia...when I went there I visited her, well she is a lady who lived with me for 30 years, so we communicate with them through internet, basically"
<b>T R</b>	Travel	<b>NTR</b>	No travelling to Colombia	People who have not traveled to Colombia since migration took place	Fabiola	"No, no [we haven't travelled to Colombia]. As political asylums migrants we have always had that very clear. If we are here and this government accepted us gently, gave us security, so we never even thought about going to Colombia as long as the permission to go was not granted"
		<b>TRf</b>	Frequency of travelling	Frequency at which they use to travel to Colombia	Lorena	"I go every three months... It is sacred because I have a transplant and I got the transplant in Medellin, and because of medical and health issues. Then it would be every six months, and then every year. But I go anyway, sometimes because of health issues, or sometimes to visit my parents."
		<b>TR</b>	Travelling to Colombia	Travelling to Colombia	Andres	"I travel almost every two months, for business, but I try to mix it with family visits, too."
<b>T O</b>	Tourism	<b>NTO</b>	No tourism	People who doesn't do tourism in Colombia	Rafael	"...we prefer to spend our money in a place we don't know yet"
		<b>TO</b>	Tourism in Colombia	Engage in touristic activities in Colombia	Camilo	"I go and sometimes I make some tourism, sure, sometimes I go to the coffee producing zone to show it to my family; my wife is Puerto Rican, so mi daughter would be a Colombia-Rican... and we go... I have gone...we also move a lot, well in Bogota where mi family lives, but we also go a lot to Llanos where one of my brothers live after marrying a person from that region, and we also go to Fusagasuga where another brother has a farm"
<b>C O</b>	Consumption	<b>COP</b>	Purchase	Consumption of Colombian goods purchased in the US	Clarisa	"Look, I go around twice a month to the... it is a Mexican supermarket where Colombian products are sold..."
		<b>COR</b>	Received	Consumption of Colombian goods received from Colombia	Fabiola	"Well, when somebody comes, when they all come, they come... I have a sister that comes with a bag full of chips and stuff. They ask her: Madam... and she says but please those are... mi mother sends all that, those are for her grandchildren that she hasn't seen in a while, please..."

		<b>COV</b>	Visit to Colombian places	Visit Colombian places in the US (Bakeries, restaurants, etc.)	Nina	"Yes, we do. We have gone a lot to Colombian restaurants. And usually to the 20th of July too, sometimes...we used to... Before, not lately, but before we used to go to the parties they usually made here in parks and other things they do"
<b>P O</b>	Politics	<b>PCV</b>	Voting in Colombian elections	Voting in Colombian elections from abroad	Paula	"I think... because lack of knowledge, because I... I mean, I can say publicly I have voted for Uribe, for Santos, but I don't even know to which political party they belong, I don't know anything about politics, I don't"
		<b>PCP</b>	Participating in Colombian political parties	Participating in Colombian political parties from abroad	Sebastian	"I have voted but I don't belong to any political party; I have disconnected myself a little in that regard, when there were elections I did registered myself, I went to the Consulate and I voted, but I have never made campaigns for any party... politics is something that I'm not really interested in"
		<b>PCO</b>	Other political participation in Colombia	Other political participation in Colombia from abroad	Cristina	"What I did was... we did a march of No to the FARC, three or four years ago, that was the first one, the big one where a lot of people attended, we organized that with some friends... to make fee the voice of the individuals..."
		<b>PON</b>	No political participation in Colombia	Not participating in politics in Colombia	Isabel	"If somebody mentions politics to me I get bored, and the associations I don't even know them and to tell you the true I'm not interested on those"
		<b>PUV</b>	Voting in US elections	Voting in US elections from abroad	Camilo	"I have voted in the elections here, in the US only"
		<b>PUP</b>	Participating in US political parties	Participating in US political parties	Juana	"When you become a citizen they ask you if you want to affiliate yourself to a political party and I affiliated myself immediately to one of them, but no, I have not been in campaign. I just voted"
		<b>NUP</b>	NO political participation in the US	Not participating in politics in the US	Clarisa	"No, I haven't... I can't either... No, I'm just starting to do the process to become a citizen, but to tell you the truth, I don't like politics"
		<b>PUO</b>	Other political participation in the US	Other political participation in the US	Ricardo	"No. Rafael has been more active at least in the political mentality of listening, donating money for Obama campaign for which he sends money and all..."

SE	Social events	SEG	Government	Participation in events organized by the Colombian government	Helen	"Yes, we have looked for those events, sure, I even registered myself to the Consulate distribution list on internet, to their e-mail and they never... or they send you a couple of messages and then they don't send you anything, they don't do a good work to reach out the citizens"
		NSE G	No-government	Not participation in events organized by the Colombian government	Helen	"No, I haven't... no because the Consulate has a system... I mean, there is not communication with the consulate, it is inexistent"
		PGC	Poor governmental contact	People referring to have poor contact with the Colombian government	Rafael	Well, we don't have that relation with...the Colombian people we know are not so... our friends are not involved... we don't know anything about it"
		NSE A	No-other	Not participating in social events of any kind	Andres	"No, no..."
		SEA	Other	Participation in Colombian events no organized by the Colombian government	Darla	"We only go [To Colombian events] when there is a concert of someone I love. So we have gone to Juanes concert, it seems like we are going to go to Carlos Vives concert in two or three months... and if Fonseca comes, I will go too"
PH	Philanthropy	PHO	Through NGO	Participation in philanthropic projects in Colombia through NGOs	Clarisa	"Yes... in Operación Sonrisa; the director's daughter lives here and she is a very close friend of me, and she is very active in the organization, so she makes... since two or three years ago she is organizing sports events, so a run, or fair cake, to collect money...but it is not periodic, is sporadic"
		PHI	Individually	Participation in philanthropic projects in Colombia through personal contacts or initiatives	Lorena	"In Colombia... well in Colombia... we have a friend who has a foundation called the Flor Foundation, and we, all of us, we all help her to do garage sales, to raise money, and all that money, and clothes because we collect clothes, baby's articles, bags, all the things women don't want anymore, and we send all of that to Colombia, and we go to Barranquilla, Bogota, Medellin, and we give them to people in jail, to elderly people, we go to the suburbs..."
		PHO	Other	Participation in philanthropic projects in Colombia through other means	Adriana	"I mean, what we do is to collaborate with the Red Cross when there is a disaster, but not from here to Colombia, no, just like that."

		<b>NPH</b>	No philanthropy	Participation in philanthropic projects in Colombia through other means	Darla	“I don’t know them, and I have not looked for them, either. Which is something amazing, even if you don’t have time for anything here, you get by e-mail a lot of ... the Association against Cancer; you get all those kinds of... hey! Remembered there is an NGO that helps for this, there is a... so you say ok, let’s help them and you send a check. But you don’t have to find them. They get to you, and they tell you to remember there are many kids in need, please help! From Colombia no, I have never received anything.”
<b>AS</b>	Association	<b>NAS</b>	NO Colombian association	Does not belong or has never belonged to a Colombian association	Jean	No.. maybe because lack of time...and also because we have not...or at least I haven't found something that motivates me to do it"
		<b>AS</b>	Colombian association	Belonging to a Colombian Association while abroad	Isabel	“No, I don’t belong to any association or anything like that... I don’t even know them and to tell you the truth, I am not interested in those”
<b>IN</b>	Investment	<b>INB</b>	Business in Colombia	Investments made in Colombia from abroad in business	Luis	“I think that going to the US opened me the doors for what... to what I’m doing today, to get to know other markets. Actually, I travel a lot between both countries to make business contacts, so... Life is odd, right? Do you remember how I used to go to the restaurant where you worked, and there was a bathroom there where I used to sell my watches?... And now I’m working on something really similar.”
		<b>INR</b>	Real estate in Colombia	Investments made in Colombia from abroad in real estate	Bernardo	“Being here... ok, I bought real estate in Colombia like a farm and an apartment in the beach in Santa Marta, and I also bought an apartment in Medellin”
		<b>INO</b>	Other in Colombia	Other investments made in Colombia from abroad	Jean	“We have invested in stocks. Well, the thing is that I already had some stock investments before I came here, so I just kept them”
		<b>IUB</b>	Business in the US	Investments made in the US in business	Andres	“I receive profits from my business... for the business here...”
		<b>IUR</b>	Real estate in the US	Investments made in the US in real estate	Ricardo	“I think the main reason is that I consider my future to be here, so I want to invest here. When we bought our house, then this apartment... I feel my future is here, and my savings, and mi retirement, is here”

<b>TH</b>	Technology	<b>TH</b>	Technology transfer	Technological transfers made while abroad	Darla	"Yes... well basically with my husband's company we have helped a lot his uncle's company. This is because they were...let's say that the technological aspect of the company was old dated and thanks to the knowledge about technology my husband has acquired here, we have been able to transfer all that knowledge and technological advancement to his uncle's company"
		<b>THc</b>	Intra-company transfer only	Transfers made through the company to its subsidiaries or affiliates in Colombia	Jean	In Colombia... inside the company, yes, in the company that Kimberly has in Colombia...
		<b>NTH</b>	No technology transfer	No tech transfer from abroad	Helen	"I can imagine we can do it, but I have no idea about it, because I don't know how do they work in Colombia anymore, I have been here for a long time already...no, lack of opportunity, maybe, I have never really thought about it"
<b>K</b>	Knowledge	<b>K</b>	Knowledge transfer	Knowledge transfers made from abroad	Sebastian	"...yes, I think that when I finished my masters' and I started to work in consultancy on international business we somehow attended some conferences in Colombia, or meetings or interviews, were we were explaining to other Colombians how to do this...in those meetings and in those interviews, those were like the first occasions on which I began to inform some Colombians about how to do those kind of businesses...and now that I have visited Medellin I gave a seminar about how the Hispanic market works, which is like my area of expertise..."
		<b>NK</b>	No knowledge transfer	No knowledge transfer made from abroad	Marcela	"I can imagine I can do it [transfer knowledge], I can imagine I could help a lot, but I don't know who, or how, nor that I have looked for it either, and I don't think I would because I cannot leave the things I have to do here"
<b>C</b>	Culture	<b>CI</b>	Identity	Engagement in activities that reinforce Colombian identity	Mateo	"You can find Colombian bread, restaurants, Colombian products are being sold in supermarkets like Publix and Windixie, you can find there Postobón soda, Aguila beer, arepas from everywhere (Colombian, Venezuelan, Guatemalan, and others), empanadas...this makes you feel closer to Colombia, and helps a lot.

						There is also Caracol and RCN, you can watch Colombian news, Sábados Felices, my children enjoy a lot watching Sábados Felices, También Caerás... all those things help them to feel affiliation as Colombians, because they don't feel so far away from home"
		<b>CF</b>	Food	Engagement in activities that reinforce Colombian culture through food	Nora	"Every weekend we eat Colombian products"
		<b>CT</b>	Traditions	Engagement in activities that reinforce Colombian traditions	Lorena	"...we also have a cumbia, called La Sabrosura and it is form by Colombians, but we dance for charity here in the US..."
		<b>CR</b>	Relations	Relationship with other Colombians in the US	Ana	"We don't like the disorder, it is more like distrust, like... it is boring how disorganized some of our people can be... you cannot generalize...but... being noisy, getting drunk..."
		<b>CO</b>	Other	Engagement in other activities that reinforce Colombian culture	Cecilia	"Another network of the portal <a href="http://www.redescolumbia.org">http://www.redescolumbia.org</a> is the Culture Network, in which the aim is to facilitate communication channels, exchange, socialization and cooperation among the actors interested in the preservation and production of Colombian culture
<b>I</b>	Impact	<b>IP</b>	Positive	Perception of negative impact of migration for Colombia	Diego	"...there are various benefits... the most expedite one... I think in a good portion migration is a social protection measure, international migration is like a safety net, people can go to the estate, can ask for help on the streets or can migrate and search some help abroad. In that sense, the money sent by somebody who migrated looking for better luck is mainly used to satisfy basic needs..."
		<b>IN</b>	Negative	Perception of positive impact of migration for Colombia	Ariana	"There are things like the T-shirts... that I said, well, I know I'm hurting Colombia's economy, but I needed the money... if, when I say that... because when you send those things the first thing they ask you is: are you going to send them commercial or as gifts? And obviously you send them as gifts, you remove all the tags and you send them as gifts."
<b>R U</b>	Return	<b>R</b>	Return	Desire to return in the future	Sebastian	"Yes... as I was telling you... moreover, when I left Colombia I have always thought about returning

						and not even to Bogotá, but to Medellín..."
		<b>NR</b>	No return	Have not thought about returning or doesn't desire to return in the future	Nestor	"No, I don't think so... maybe to go for some holidays, dividing the time between both places, but not to live there, no"
<b>M</b>	Reason to migrate	<b>MST</b>	Study	Study abroad	Esteban	"I didn't work in Colombia after my graduation, but the idea was to finish my undergraduate program and then make a postgraduate programme in the US, so practically six months before finishing my undergraduate programme I started all the process."
		<b>MT</b>	Work	Company transfer or business creation	Marcela	"I came here... it is the third time I come to live to the US and it all has been because company's transfers"
		<b>MR</b>	Reunification	Family reunification or marriage	Ariane	"I came here because I got married; I had a boyfriend in high school who came to live here in the US and I married him..."
		<b>MO</b>	Opportunity	Look for new opportunities	Luis	"... and in 85 because of... chance, opportunity, because things that happen in life, like when somebody gives you candy, I don't know..."
		<b>MS</b>	Security	Internal security reasons motivated migration	Fabiola	"Ok, the reason for us to come here was because some threats we received in Colombia"
		<b>ME</b>	Economic	Search for economic improvement	Jose	"I left because economically I was in trouble... when I left I had a lot of debts and if I would have stayed I would have not been able to pay all that money... I left because of the work and the economic situation..."
<b>F</b>	Feeling	<b>FT</b>	Perception of trust	Confidence towards other Colombians	Yolima	"No, we met [Colombians] and if they don't like us, they are not our friends and that's it, but we are open to meet people from everywhere"
		<b>FNT</b>	Perception of no-trust	No confidence towards other Colombians	Lina	"Well, I thought I wouldn't want to be close to Colombians, because I was afraid. You know, I associated Miami with drug trafficking, and Colombians have a bad name here... that's frightening."
		<b>FNI</b>	Lack of trust towards institutions	No confidence towards Colombian institutions	Andres	"Lack of interest... no, because... I don't have faith in that kind of organizations... I think they are disconnected from the reality many times..."
		<b>FC</b>	Perception of corruption	Lack of transparency in institutions/corruption	Luis	"And people ask... well, for example, where is the money from the lotteries that are supposed to support the health system? Aren't they closing hospitals?"

		<b>FO</b>	Comfort around Colombians	Feeling comfortable around other Colombians	Claudia	"...so... I have always had a better relation with Colombians."
		<b>FON</b>	No comfort around Colombians	Not feeling comfortable around other Colombians	Juana	"Te voy a decir que otra cosa impacta: que nosotros tenemos... es que suena mal y hasta chocante podría ser, pero, pero el nivel de educación a veces con los colombianos que nos hemos relacionados, no encajamos. Teníamos una vecina, pero ellos son... no, éramos amigos, pero éramos muy distintos"
		<b>FF</b>	Perception of fragmentation	Division and lack of cohesiveness among Colombians	Carlos	"... so we are not a strong force, a unity, we are not a strong force in the US, so the same political parties don't see us as influential, we are a potency because we are a lot but we are not a defined force"
<b>TD</b>	Trade	<b>TD</b>	Promotion of trade	Activity that promotes international trade	Valentina	"I go to the market where Latin products are sold, about once a month; we buy arepas, chorizos, morcillas, Postobón soda, arequipe, yes
<b>ET</b>	Entrepreneurship	<b>ET</b>	Promotion of entrepreneurship	Activity that promotes business creation	Luis	"I always wanted to have my own business. I have had different businesses, but now I am with this trading thing."