Gender, Remittances and Development

Factsheet

- According to estimates, about 175 million people, that is, 2.3% of the world population lives outside of their country of origin. This figure includes displaced persons and refugees, but does not reflect irregular migration.

- Remittances constitute the second largest capital flow to developing countries. The total amount of money received by these countries in 2003 was around US$116 billion. After an estimated increase of 8% for 2004, the amount increases to some US$126 billion.

- Latin America and the Caribbean is the region that receives the greatest amount of remittances, 31% of the flows in 2002. Countries in South Asia received 20%; while 18% was received in North Africa and the Middle East; 14% in Eastern Asia and the Pacific; 13% in Europe and Central Asia, and 5% in Southern Africa.

- A recent series of studies on remittances sent from the United States to Latin America show that 42% of adult migrants from Latin America regularly send remittances to their families in their countries of origin. Of these 70% utilized remittance transfer companies to send the money, 11% used banks and 17% used informal means. The same study also reports that most of the people receiving remittances in Latin America are women; although no sex-disaggregated data is presented on remittance senders.

Women migrants

- In 2000, women represented 51% of the total number of migrants in developed countries and 46% in developing countries.

- The presence of women in migration flows is not new. Before they were either invisible or were perceived only as wives or as children of a male migrant. What is new is the fact that women are migrating more and more on their own as the main providers for their families or as heads of households.

- Through remittances, women migrants make significant contributions to the development of their communities of origin. In Sri Lanka, women contributed more than 62% of the total amount of one billion dollars in private remittances in 1999. In the Philippines they contributed considerably to the 6.2 billion dollars received in 2001.

- Until the 1970s, most studies on international migration focused only on male migrants (perceived as workers). These suppositions were based in statistical data since, both then and now, most of the data on international migration is not disaggregated by sex. The first set of sex-disaggregated data containing estimates for the period 1965-1990, was prepared by the United Nations Population Fund in 1998. The data was later extended until the year 2000 by the United Nations in 2002. As a result, the evolution of the number of women migrants can now be traced throughout the period 1960 - 2000.

- One of the few studies that analyze the sending of remittances from a gender perspective reached the conclusion that women migrants from the Dominican Republic send more remittances to their families than their male counterparts. In fact 55.1% of the remittances received by the sample population of the study were sent by women, while 44.9% had been sent by men.

http://www.un-instraw.org
In 2005, INSTRAW conducted a case study on the gender dimensions of remittances sent by women migrants in Spain to the community of Vicente Noble in the Dominican Republic. The study revealed that...

- Dominican migration to Spain is heavily feminized (62% of the Dominicans with work permits in 2005 were women). Of these, a high proportion (65%) was heads of households.

- The insertion of Dominican women into the labour market in Spain is concentrated in domestic services and rarely seen in other sectors.

- In 90% of the cases in which a Dominican woman migrates to Spain, another woman (mother, sister) is left in charge of the household. In 80% of the cases, the woman migrant sent remittances to another woman whom she trusted to use the money to pay for household needs.

- There was confirmation of the idea that remittance income in the hands of women tends to be channeled mostly towards family welfare. In addition to the consumption of basic goods and home improvement, an important part of remittances was invested in health and education.

- Both productive and reproductive activities continue to be women’s work since the males left behind are not integrated into reproductive tasks, not even when they were left in charge of the household.

- Deriving from their new status as main providers, the women migrants gain autonomy and increased negotiating power within the household. As a result, they play a greater role in deciding on the use to be given to the money received from the migration.

- Only a small percentage of the remittance-receiving families (about 5%) have used remittances to generate some type of productive activity. These activities are restricted to opening up small grocery shops, beauty salons, or small communication centres. In 54% of the cases, these businesses belong to women while 9% belong to a couple. Another interesting fact is that of the women who have returned, 100% have established their own business.

- The productive use of remittances is marginal and it has minimal multiplying effects on local development given the nature of small family businesses. Those who do benefit from the impacts of migration and the flow of remittances are the wholesale businessmen and entrepreneurs in the region who have seen an opportunity to create business or expand previously existing businesses in the demand for construction materials, furniture, appliances, cars, etc.

- The remittance transfer companies are the method most used for sending remittances. Their exclusive offer is home delivery; no other type of options destined towards savings or investment is available. The financial systems are barely present in the area from which the migrants originate.

- There are no nearby circuits of financial intermediation that would allow the mobilization of savings from the remittances. The absence of the savings and loan financial infrastructure diminishes the impact of the remittances.

- In the preparation of local development budgets, particularly with regards to employment, there is no consideration by local and state organizations of the fact that migration to Spain is essentially a feminine migration, or of the impact that this might have on the communities of origin and the differential needs of men and women who remain in the community of origin.

Remittances are an essential element of development since in addition to promoting economic growth they can also promote gender equality and the empowerment of women.