Economic Insecurity & Irregular Migration *from* El Salvador

Manuel Orozco and Mariellen Jewers

Center for Migration and Economic Stabilization

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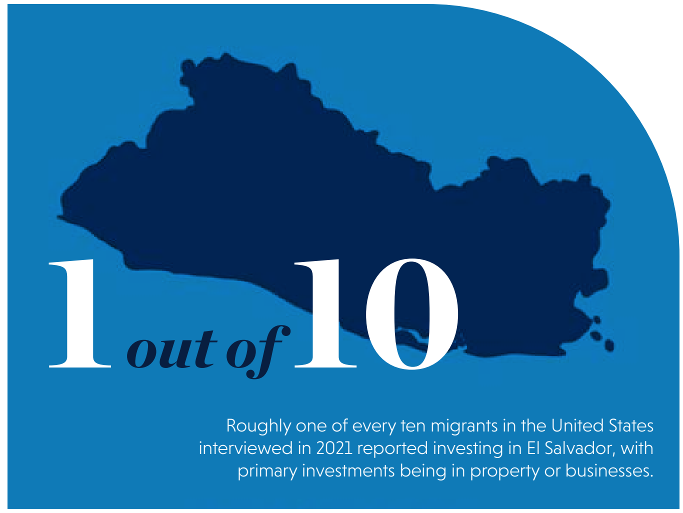
Nearly one-fifth of Salvadorans interviewed in 2020 who intended to migrate were unemployed.

Introduction

Creative's work in El Salvador is part of our ongoing advocacy of a first mile approach—one that addresses the specific factors that trigger someone to leave their home—to mitigate irregular migration from the Northern Triangle.

Building on Creative's comprehensive work in the Northern Triangle on the intentions to migrate in 2019, this paper connects results from our follow-up survey of Salvadorans' migration intentions with broader trends and analysis about migration from El Salvador. Conducted in collaboration with CREA El Salvador, results are based on responses from 718 Salvadorans across the country who participated via the phone. The survey questions covered migration, economic perspectives, socioeconomic background of the respondents and remittance receipts.

Our 2020 survey in El Salvador confirmed that economic insecurity remains a major driver of migration.[1] Among Salvadorans with intentions to migrate, lack of economic opportunities coupled with exposure to crimes that exacerbate economic insecurity were among the most common reasons for migrating. Specifically, unemployment persists as a primary force for migration from El Salvador, with a substantial share of emigration originating from San Salvador and San Miguel. Based on this knowledge, strategies to combat migration, particularly irregular migration, from El Salvador should be localized and focus on building economic opportunity and personal assets. »



Roughly one of every ten migrants in the United States interviewed in 2021 reported investing in El Salvador, with primary investments being in property or businesses.

Similar to 2019, unemployment plays an even stronger role in high outmigration municipalities.

Country Context

Migration has long been an integral part of many Salvadorans' lives, with Salvadorans having strong transnational ties. El Salvador has experienced net outmigration for decades.[2] Our 2020 survey of intention to migrate revealed that roughly one out of every three Salvadorans intended to migrate the following year. That said, outmigration varies across El Salvador's departments. For example, our study found that San Salvador alone accounted for 18 percent of total emigration from the country in 2019. Analysis of 2020 data aligns with this, with 25 percent of returnees from border apprehensions coming from San Salvador and San Miguel.[3]

The share of Salvadorans living outside of El Salvador has steadily increased since 2000, with the vast majority residing in the United States.[4] In our 2020 survey of intention to migrate, 71 percent of Salvadorans had a relative living abroad. In tandem with so many transnational Salvadoran families, remittances account for nearly a quarter of El Salvador's GDP.[5] The average remittance recipient receives 175 USD per transaction roughly nine times per year. These funds allow households to meet current needs and facilitate investment in education, housing, and nutrition, which improve individuals' earning capacity over a lifetime.[6] Remittances are crucial for households in times of crisis, as research shows that remittances increase or remain consistent in economic downturn.[7] Remittances are also a long-term source of income; those interviewed in 2020 reported having received remittances for an average of 6.75 years. Beyond sending remittances, many Salvadoran migrants in the United States have investments in El Salvador. Roughly one of every ten migrants in the United States that we interviewed in 2021 reported investing in El Salvador, with primary investments being in property or businesses.[8]

Salvadorans' entry into the United States using work visas have remained largely unchanged for the past ten years and represent a small fraction of overall migration from El Salvador to the United States.[9] While irregular migration from El Salvador is lower than other Northern Triangle countries, the composition of migration from El Salvador to the United States is undergoing changes. Irregular migration among adult Salvadorans, which is largely considered to be economically driven, increased dramatically in 2021 relative to the previous five years (graph on page 4). Irregular migration varied across departments in El Salvador, but 25 percent of all apprehensions in January and December of 2021 were from San Miguel and San Salvador.[10]

Drivers of El Salvador's Migration

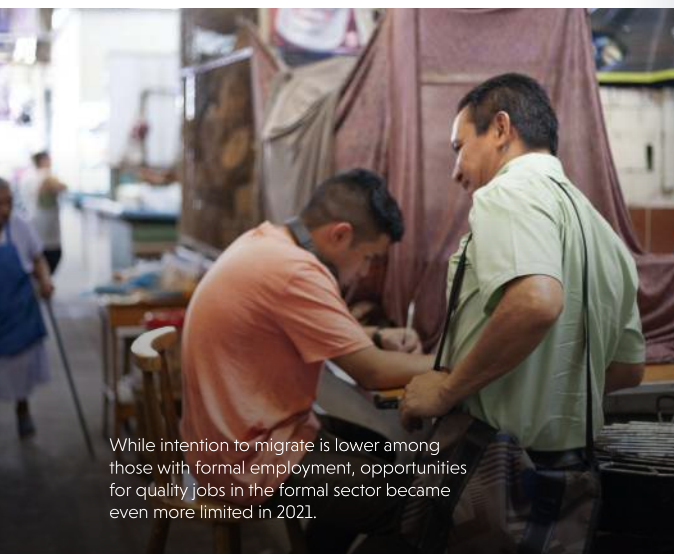
Creative's ongoing research of Salvadorans' motivation for migration suggests that poor economic conditions persist as the largest "push factors" in Salvadorans' decisions to migrate. Creative's comprehensive survey in 2019 revealed that economic insecurity, coupled with crimes that further damage people's economic well-being were significant drivers of intention to migrate. Our follow-up survey in 2020 reiterated their importance. Among Salvadorans with intentions to migrate in 2021, lack of economic opportunities coupled with exposure to crimes that exacerbate economic insecurity were among the most common reasons for migrating.

In 2019, half of those intending to migrate were doing so because of economic insecurity. Among Salvadorans interviewed in 2020, pessimistic feelings about their personal economic future were more common among those who intended to migrate versus those who did not. Nearly one-fifth (18%) of Salvadorans who intended to migrate in 2020 reported being unemployed. Similar to 2019, unemployment plays an even stronger role in high outmigration municipalities. In San Miguel, nearly a quarter of those intending to migrate in 2019 cited unemployment as their primary motivation for seeking to leave El Salvador. In addition, crimes that cause significant economic harm, such as extortion, persisted in their prevalence among those intending to migrate. Nearly a quarter of those who considered migrating in 2019 had been extorted. Those who intended to migrate in 2021 were statistically significantly more likely to have experienced crimes that cause economic harm (e.g. robbery and extortion).

Whereas asset ownership, specifically owning property, decreased the intention to migrate from El Salvador in 2021, having savings outside a financial institution has the opposite effect. Migration is most likely to occur among those with some disposable income, but who do not have savings in financial institutions.[11] Many people deplete savings that are held in cash in pursuing irregular migration to the United States. The Center estimates that at least two thirds of those people apprehended at the US border will be returned within a year, and the

Irregular migration varied across departments in El Salvador, but 25 percent of all apprehensions in January and December of 2021 were from San Miguel and San Salvador (pictured).[2]

Authors' elaboration based on data from U.S. Department of State, Department of Homeland Security and Customs and Border Protection



While intention to migrate is lower among those with formal employment, opportunities for quality jobs in the formal sector became even more limited in 2021.

loss of investment is a significant drain to the local economies, leaving people with little economic options locally. In this way, irregular migration traps people in a vicious economic cycle.

Impact of the Pandemic

El Salvador's economic contraction from 2020 to 2021 has been accompanied with an increase in intention to migrate among Salvadorans. Our surveys of Salvadorans in high outmigration municipalities showed the share of individuals intending to migrate rose from 24 percent to 36 percent amidst the pandemic.[12] El Salvador had the most dramatic economic contraction among Central American countries due to shutdown orders to halt the spread of COVID-19 in 2020.

Salvadorans at highest risk for migration have suffered the most during the country's shutdown. Within the business landscape, microenterprises, which are often informal, were the hardest hit during the pandemic.[13] In 2018, workers in three of every five households in El Salvador reported being underemployed or having insecure employment; this rate spiked in El Salvador in the wake of the pandemic.[14] While intention to migrate is lower among those with formal employment, opportunities for quality jobs in the formal sector became even more limited in 2021.[15] Formal employment opportunities have decreased dramatically in the wake of the pandemic. As of October 2021, El Salvador experienced the largest gap between formal employment opportunities available for new job seekers in decades.[16] The gap in available employment for youth seeking jobs is particularly troublesome in El Salvador, given that unemployment is a substantial driver for youth to migrate.[17]

Conclusions

Moving forward, strategies to combat migration, particularly irregular migration, from El Salvador should be localized and focus on building economic opportunity and assets. Given that migration, particularly irregular migration, is concentrated in San Salvador and San Miguel, an effective and efficient strategy for reduction should focus on those municipalities. Economic insecurity remains at the heart of people's decision to migrate from El Salvador, making interventions that promote economic opportunity and well-being paramount for reducing migration. Increasing people's savings in formal institutions, as opposed to holding money in cash, changes people's decision-making frame away from putting resources toward irregular migration and toward wealth-building activities, such as property ownership. In light of the lower intention to migrate among those with formal employment, efforts to promote high quality employment opportunities in El Salvador should also be a priority to mitigate irregular economic migration.

Endnotes

1 Unless otherwise cited, statistics are based on our survey of Salvadorans, which was conducted by CREA El Salvador at the direction of Dr. Manuel Orozco, Director of the Center, between March and June 2020. Participation was voluntary and participants did not receive compensation for their participation. Respondents were contacted via telephone. A total of 718 persons participated in the survey.

2 Velásquez, A. R. (2021, May). The Relationship Between Migration and Development in El Salvador. Retrieved from 17: https://www.cgdev.org/blog/relationship-between-migration-and-development-el-salvador

3 Velásquez, A. R. (2021, May). *The Relationship Between Migration and Development in El Salvador.* Retrieved from 17: https://www.cgdev.org/blog/relationship-between-migration-and-development-el-salvador

4 Authors' estimates based on Table 1. Total migrant stock at mid-year by origin and by major area, region, country or area of destination, 1990-2019. United Nations, Department of Economic and Social Affairs, Population Division. https://www.un.org/en/development/desa/population/migration/data/estimates2/estimates19.asp

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6 Orozco, M. and Jewers, M. (2019). The impact of migrants' remittances and investments on rural youth. *Rural Development Report, 56(Research Series)*. IFAD. Retrieved from https://www.ifad.org/documents/38714170/41187395/16_Orozco+and+Jewers_2019_RDR+BACKGROUND+PAPER.pdf/42c88c86-2955-198f-0432-454333ce4a99

7 Orozco, M. and Jewers, M. (2014). *Economic status and remittance behavior among Latin American and Caribbean Migrants in the Post-Recession Period.* Washington DC: Multilateral Investment Fund, Member of the Inter-American Development Bank Group.

8 Creative Associates International Inc.'s survey of Salvadoran migrants in the United States conducted by Crea El Salvador at the direction of Dr. Mariellen Jewers, Technical Advisor to the Center, during August 2021. Participation was voluntary and participants did not receive compensation for their participation; respondents were contacted via telephone. A total of 207 persons participated.

9 Authors' estimates based on analysis of Department of State, Visa Issuances for Non-Immigrant and Immigrant Visas. https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics.html

10 Velásquez, A. R. (2021, May). *The Relationship Between Migration and Development in El Salvador.* Retrieved from 17: https://www.cgdev.org/blog/relationship-between-migration-and-development-el-salvador

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12 Creative Associates International. (2019). *Saliendo Adelante: Why Migrants Risk it All.* Washington DC: Creative Associates International Inc.

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14 López Marcela, A. (2020). *Impacto de COVID-19 en la Pobreza en el Salvador.* FUSADES. Retrieved from https://fusades.org/publicaciones/NPP7_ImpactoCOVID.pdf

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Creative Associates International

4445 Willard Avenue
Suite 400
Chevy Chase, Maryland 20815

+ 202.966.5804

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Creative Associates International works with underserved communities by sharing expertise and experience in education, elections, economic growth, citizen security, governance and transitions from conflict to peace.

Based in Washington, D.C., Creative has active projects in nearly 30 countries. Since 1977, it has worked in nearly 90 countries and on almost every continent. Recognized for its ability to work rapidly, flexibly and effectively in conflict-affected environments, Creative is committed to generating long-term sustainable solutions to complex development problems.

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Communications@CreativeDC.com
CreativeAssociatesInternational.com