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**A STUDY CASE OF ECUADORIAN MIGRATION IN
UNITED STATES AND EUROPE**

Proyecto de investigación

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RESUMEN

La población de ecuatorianos en el exterior ha influenciado significativamente a las economías y sociedades de tanto su país natal como de sus países de residencia. Es por esta razón que es muy importante estudiar los comportamientos y decisiones que han caracterizado a este grupo demográfico. Nuestro artículo busca encontrar las razones que desencadenaron la iniciativa de una muestra de Ecuatorianos entrevistados y su decisión a migrar a los Estados Unidos, y comparar los resultados con análisis previos. Contribuimos a la literatura examinando los motivos que han incentivado a los ecuatorianos a repatriarse. Especial atención fue dirigida al impacto del Plan Retorno, una iniciativa gubernamental dedicada a ayudar en el proceso de reinserción a migrantes retornados. Resolvimos estas problemáticas estudiando previas investigaciones y aplicando sus contribuciones a una encuesta tomada a una pequeña muestra de Ecuatorianos emigrantes. Los resultados de la encuesta fueron después analizados con estadísticas descriptivas y con modelos econométricos de decisión binaria. En general, observamos que los ecuatorianos con mayor nivel de ingresos y gastos optaron por restablecerse en los Estados Unidos porque dicho país ofrecía mejores salarios y más oportunidades de trabajo. Igualmente, encontramos asociaciones las cuales nos indica que, en el corto plazo, la mayoría de la población expatriada no está interesada en volver al Ecuador. Y a pesar de que el Plan Retorno beneficia a ecuatorianos retornados, no incentiva significativamente la decisión de regresar para nuestra muestra.

Palabras clave: Migración Ecuatoriana, políticas de migración, datos individuales, ganancias, migración de regreso, Plan Retorno, regresión logística.

ABSTRACT

The Ecuadorian expatriate population has significantly influenced the economies and societies of both, their home country and their countries of residency. Thus, it is extremely important to study the behavior and decisions that have always characterized this demographic group. Our paper focuses on the reasons that triggered the choice of emigrating to the United States and the motives that have recently incentivized Ecuadorians to repatriate. Special attention was given to the impact of Plan Retorno, a government initiative ambioned to aid migrants in their process of coming back. In doing so, we develop a narrative analysis and apply a survey to a small sample of Ecuadorians living abroad. Descriptive statistics and logit models provide different findings about these research questions. Overall, we observe that Ecuadorians with higher level of incomes and higher level of expenses opted to resettled in the United States because the country offered better wages and more job opportunities. All the same, we also find associations that indicate that in the short term, the majority of the expatriate population is not interested in coming back. Despite of Plan Retorno benefiting returning Ecuadorians, it does not incentivize significantly the choice of coming back for our sample.

Key Words: Ecuadorian migration, immigration Policies, individual data, earnings, integration, returning migration, Plan Retorno, logistic regression.

TABLA DE CONTENIDO

1. Introduction.....	10
2. Background.....	12
2.1 Migration.....	12
2.2 Ecuadorian crisis and dollarization	14
2.3 Destination Countries.....	15
2.4 Global Crisis.....	16
2.5 Returning Plans and shifting trends	18
3. Methodology.....	19
3.1 Narrative Analysis.....	20
3.2 Survey.....	21
3.3 Econometric strategy.....	22
3.3.1 First Logit Model - United States or Europe	23
3.3.2 Second Logit Model - Return to Ecuador or Stay Abroad	24
4. Narrative Analysis	25
4.1 Migration to the United States or Europe.....	25
4.2 Plan Retorno and Returning wave of migration.....	28
5. Descriptive Statistics.....	29
6. Logistic Regression.....	38
6.1 Decision to move to the U.S. or Spain	38
6.2 Decision to return or not return to Ecuador.....	41
7. Discussions of Econometric Results.....	44
7.1 Migrating to the United States	44
7.2 Return or not Return to Ecuador	45
8. Conclusions	46
9. Bibliography	49
10. Appendix 1: Survey	54
11. Appendix 2: Independent Variables.....	60

ÍNDICE DE TABLAS

Table 1: Average of surveyed satisfaction.....	35
Table 2: Logistic Models for Decision to move to US or Spain.....	39
Table 3: Logistic Regression for Returning to Ecuador	41
Table 4: Variables with binary outcomes for Logistic Regression: US or Europe.....	60
Table 5: Variables with escalating outcomes for Logistic Regression: US or Europe.....	60
Table 6: Variables with binary outcomes for Logistic Regression: Return or not Return	61
Table 7: Variables with escalating outcomes for Logistic Regression: Return or not Return.....	62

ÍNDICE DE FIGURAS

Figure 1: Migrant's reasons for leaving Ecuador	30
Figure 2: Migrant's reasons for choosing their countries of destinations.....	30
Figure 3: Time frame for achieving permanent residency.....	31
Figure 4: Education before migrating to the US.....	32
Figure 5: Education before migrating to Spain.....	32
Figure 6: Education after migrating to US.....	33
Figure 7: Education after migrating Spain.....	33
Figure 8: Marriage Status before and after migrating.....	34
Figure 9: Household Head before and after migrating.	34
Figure 10: Household Income before and after migrating.....	35
Figure 11: Reasons to return to Ecuador.....	37

1. INTRODUCTION

Ecuadorian expatriates represent an important group of the Ecuador's society. It is estimated that 1.131.427 million citizens (6.74% of the population) are currently residing in foreign states. Women account for the majority of the emigrant population with 595.882 expatriates (52.66%) while men reach the remaining 534.545 people (47.33%) (Datos Macro, 2017) . The remittances sent by the emigrant population are the fourth highest gross income in the Ecuadorian economy (Banco Central, 2018). Also, these transfers benefit directly to more than one million citizens living in the country (Acosta & Serrano, 2009). In 2018, Ecuador received \$3,030.50 million dollars in remittances alone (6.7% more than in 2017) (BCE, 2018). The main countries that house Ecuadorian migrants are United States (41.60%) and Spain (37.18%), followed in much lower degree by Italy with 7.95%. (Datos Macro, 2017).

The expatriate's population suffered major changes at the beginning of the 2000s. "In the aftermath of a severe economic crisis in the 1990s, Ecuador experiences an unprecedented wave of emigration" (Bertoli, Fernandez, Ortega, 2010). Larger numbers of women left the country after years of representing only 33% of the expatriate community; meanwhile the proportion of urban emigrants grew abruptly (León, 2001). According to the survey of the National Institute of Statistics and Census -INEC- of 2000, 40% of the emigrants came from households where the heads of families had secondary or higher education. This means that the previous emigrant community, which was a medium size, predominantly rural, male and non-educated population, turned into a massive demographic with people from every segment of the society.

The present paper seeks to analyze the Ecuadorian expatriate population considering their relevant position in our economy and society. There exist different studies and data concerning the Ecuadorian mobilization to Spain. But in the United States, Ecuadorian statistics are merged with the rest of the Hispanic groups and therefore it is rare to find studies focused on American Ecuadorian (Jokisch, 2014). Therefore, we focus on the U.S. community taking in consideration that their expatriate population has not been profoundly studied.

The study has two main research questions. First we aim to explain why Ecuadorians in the 2000s exodus migrated to the United States and not to Spain or Italy (which by the time these countries had less strict migration laws and better chances of achieving legal residency). The narrative analysis and descriptive statistics showed that although the US was more expensive and required visa for entry, emigrants received higher level of wages, had more flexible jobs and had better opportunities for highly skilled jobs. According to our data, these labor benefits incentivized Ecuadorians with higher levels of education to choose US over Europe.

Our second question attempts to describe the preferences and incentives that push migrants to repatriate. The net emigration decreased as the Ecuadorian economy recovered. After dollarization Ecuador experienced low rates of inflation, GDP growth and the credibility in the banking system recovered (Anderson, 2019). Ecuador's exports increased significantly due to the 2000s commodities boom and the economy enjoyed a period of economic growth (World Bank, 2018). Conversely, the two major destination countries (US and Spain) faced the Global Recession in 2007, which led to higher unemployment rates and a presumed banking panic. In order to face the international crisis, the government in power at that moment incentivized expatriates to return with the implementation of the migration program "Plan Retorno". This program provided lower taxes payments and lower interest loans to migrators (Cancillería, 2011). By analyzing the impact of Plan Retorno on their decision on returning to Ecuador, we observe the impact of this migration policy. After considering the literature and the survey conducted, we concluded that Plan Retorno is not a significant incentive for migrants to return. All the same, we inferred that while many Ecuadorians have returned, most expatriates prefer to remain in their foreign residence because their destination countries provide them with more stability, better wages and a better quality of life.

2. BACKGROUND

2.1 Migration

Migration has increased significantly since the industrial revolution. During the 20th century, and especially after WWII, developed economies looked for viable alternatives to increase their levels of production and reduce costs. For instance, western economies applied policies to receive more immigrants from developing countries and improve national production (Salazar, 2018). Conversely, people from developing nations look for better chances of improving their salaries and their quality of life.

Currently, there are many economic theories that study migration. Some notable examples are: the Renstein's model of repulsion-attraction; the conceptions of migration within the globalization; the Theory of Dependence; Amin's element of the disparity of development; and the Neoclassical Theory (which combines the micro conception of individual decision-making with the macro-structural counterpart) (Gubhagu, De Jong, 2009). Each has a different interpretation but agree on the direct relationship migration has on poor economic conditions of the countries of origin.

These poor conditions translate into lack of job opportunities, difficulties in accessing living wages, situations of poverty and social exclusion. The same is seen in the region as "Latin Americans migrate massively to Europe and the United States, where numerous contingents of Asians and Africans also arrive, with the hope of achieving higher living standards and better opportunities. (Bertoli, Fernandez, & Ortega, 2010).

In the U.S., the South American born population accounts for 19 million permanent residents. Most of them live under illegal status as Latin American make up for over three-fourths

of undocumented residents in the U.S. (Tienda, Sanchez, 2013). Most of the region's wave of immigration occurred in Central America accounting for the fourth biggest Hispanic communities in the U.S: Mexico (61.3%), El Salvador (6.3%), Cuba (5.8%) and Guatemala (4.3%). In the other hand, "Colombia, Ecuador and Peru are the major immigrant sending nations from South America. Although their initial levels of immigration differ, all three countries witnessed gradual increases from the 1970s." (Tienda, Sanchez, 2013). The principal origin countries have coincidentally triggered their influx to the U.S. in times of "civil wars and political instability." Colombia during the War against the drugs, Ecuadorian during the economic crisis and El Salvador and Guatemala during their civil wars. The Venezuelan humanitarian crisis has not increased dramatically migration flows to North America due to stronger American enforcements to illegal migration during Trump administration. (Tienda, Sanchez, 2013).

Valero- Matas, Coca and Miranda-Castañeda (2010) explain the course of migration in Spain. Historically, Spain has not been an immigrant objective as the U.S. It was only after joining the European Union in 1986 that Spain became a country of massive immigration flows. Nowadays, it has become a main destination for Latin Americans. Initially immigrants from this region fled for political reasons. Countries under dictatorships such as Cuba, Chile, Uruguay and Argentina represented the biggest migrants communities. By 2000s however Dominicans and Peruvians represented the bigger groups who characterized for being predominantly female working in domestic services. Ecuadorians inflow triggered in the 2000s after the economic crisis and soon displaced the rest of nationalities becoming the biggest Latin American group. Colombians inflow also increased in the same period during the escalating conflict with Las FARC and today are the second biggest group (274 832) (Valero-Matas, Coca and Miranda-Castañeda, 2010). After the Colombian economy recovered, the government triggered "Ley

Retorno”, a law which incentivized expatriates return offering transport, tax exempts and job opportunities (Cancillería Colombia, 2015).

2.2 Ecuadorian crisis and dollarization

The country suffered an economic collapse that caused "the most rapid impoverishment in the history of Latin America, with the exception of the Argentine case of 2001" (ILDIS, 2002). Ecuador experienced a long period of de facto dollarization where the national currency, Sucre, devalued at rapid pace increasing the inflation rates. The currency weakness magnified Ecuador's vulnerability to external shocks. In 1998, the international price of oil (which represented the main source of income) sunk and the government faced major reparation expenses due to the "El Nino" (Bertoli, Fernandez, & Ortega, 2010). The crisis affected most of the society increasing the levels of poverty. In 1999, the total unemployment was 14% (the 2018 rate is 4.80%) and 45% of the population could not access to all basic services such as clean water and electricity (the rate in 2017 is of 18.72%) (INEC, 2017).

In 2000, the situation deepened and in a desperate move to avoid economic collapse, Jamil Mahuad, then president, adopted the American Dollar as national currency in a process called "Dolarización". Initially, Dollarization did not stop inflation as the Sucre was exchanged at a highly depreciated value and the central bank did not count with enough foreign exchange holdings to buy back the monetary base (Beckerman, Cortés Douglas, 2002).

Ecuadorians started migrating as an effect of the poverty, unemployment and uncertainty that characterized the ongoing crisis and the hurried dollarization. From 1997 to 2000 the permanent outflows reached more than 100,000 exits per year and by 2000, after dollarization, more than 560,000 Ecuadorians left the country (Acosta & Serrano, 2009). This amount

represented 4% of the national population, of which 107,000 citizens did not return (INEC, 2017). This wave provoked not only a massive exits but also a shifting of the expatriate's demographic. Larger numbers of women left the country (58% of the Ecuadorians in 1999) and entered Spain. Additionally, the urban population went to represent the main share of emigrants after decades of rural predominance. This came as a contradiction over the approach of international mobility which states that: "Migrants usually come from social sectors that have been excluded from the productive system (usually peasants or citizens of villages) in their countries of origin." (Velázquez, 2000). In the case of Ecuador, it proved the opposite. In 2001 the annual increase reached an average of 79% in Guayaquil and 85% in Quito, compared to the average of 50% in the country (Acosta, 2006).

2.3 Destination Countries

Academic research shows that wage differentials between countries determine whether and where to migrate (Bertoli, Fernandez, & Ortega, 2010). Non-wage factors also influencing international migration flows are cultural and linguistic proximity between countries and immigration policies established by the country of destination (Bertoli, Fernandez, & Ortega, 2013).

Census statistics show that the majority of Ecuadorians emigrated to countries with highly developed economies. In contrast to waves of migration in Latin America, like the current Venezuelan humanitarian crisis, Ecuadorians did not rely on moving to neighboring countries like Peru, Colombia or Venezuela. This mainly because Colombia and Peru were also in weak positions that triggered their own waves of migration. Colombia was in escalating conflict with many uprising factions during the War on Drugs and Peru's economic instability had made their migrants

among the biggest South American expatriate communities abroad (Valero-Matas, Coca and Miranda-Castañeda, 2010). Thus, Spain and United States (both developed economies) became the two states with the biggest concentration of Ecuadorians. Approximately 49.70% of migrants moved to Spain and 26.70% to the United States (BCE, 2000). The remaining population settled in other European countries such as Italy (9.90%) or in other American states (6.70%) (FLASCO 2003).

Ecuadorians did not require visa to enter Spain until 2003, and the cultural similarities between countries made Spain an important destination for this migrant population. The only conditions to enter Spain was the nicknamed “*la bolsa*.” This meant carrying \$2,000 dollars for expenses, a credit card, a detailed touristic plan (hotels, flights) and a proper justification for the visit (Jokisch and Pribilsky, 2002). Between 1999 and 2005, the total net flow of Ecuadorians in the US grew to 114,000 individuals, while in Spain grew to over 384,000 (Acosta, 2006).

In Spain, the Ecuadorian community accounts for the third largest immigrant population and the biggest from the Americas. According to US census data, approximately 700,000 Ecuadorians and descendants live in the United States (Census Bureau, 2015). Ecuadorians represent the ninth largest Latin American group in the US and more than 80% of the population have accessed to permanent residency by familiar and couple sponsorship. Spanish and American expatriates communities account for 85%- 90% of the Ecuadorian expatriate population.

2.4 Global Crisis

Starting from 2004, Ecuadorian levels of migration decreased drastically. The US Ecuadorian community as other minority groups faced tighter immigration policies in the midst of 9/11 (Jokisch, 2014). The terrorist attacks were responded with high intervention of the state and

public's repulsion to foreign citizens. The three powers: executive, congress and judicial passed laws that targeted to decline illegal immigration. Two examples were the Congress USA PATRIOT ACT of 2001, which authorized federal officers to imprison non-citizens without legal review and the Supreme Court 2002 decision, which professed non responsibility between the employer and the illegal workers that work for him (Laque, 2010).

The U.S. economy then entered a period of turmoil as it engaged on the War on Terror (2001- present) and succumbed to economic crisis with the Global Recession in 2008. An ongoing housing bubble brought financial collapse to several private companies and the government had to make a quick intervention by delivering a historic bailout of \$700 billion (Amadeo, 2018). The immediate effect was the increase in the unemployment rate. Labor Statistics displaced 1.2 million jobs were lost and there was an 8% increase in the Hispanic unemployment rate (the highest in 10 years) (Laque, 2010). The most affected sectors were the manufacturing, construction and services industry (United Census Bureau, 2008). Given that the two former sectors were the main migrant source of employment, Hispanic groups were seriously affected with the average household income fell by 7.3% in 2007 (BRLS, 2008).

In 2003, entry visa became mandatory for every Ecuadorian citizen. After Spain repealed the visa waiver, the inflow of Ecuadorians halted almost immediately (Bertolli, Fernandez, Ortega, 2010). This decrease continued at the midst of the Spanish Financial Crisis (2008-2014). After years of trade deficits and housing bubbles, banks went to default and Spain became involved in the European Sovereign debt crisis applying for bailout of 100 billion euros (Carrillo, Herrera and Torres, 2005). The labor market received the biggest hit recording the worst levels of unemployment ever recorded (36% in 2008) (Ortega and Peñalosa, 2012). Fifty five percent of the migrant population reduced their income and Ecuadorian unemployment increased as 79,871

Ecuadorians demanded jobs in 2008. (Padron, 2015). Even though the economy has stabilized, Spain has not been able to return to the levels pre-crisis while the institutions have been subject of plenty political, religious and monarchic scandals (Ortega and Peñalosa, 2012).

2.5 Returning Plans and shifting trends

Contrary to the decaying situations of the destination countries, Ecuador entered a period of growth and stability in the mid 2000s. Inflation shrunk from 91% in 2000 to 1.9% in 2004 and unemployment decreased to 15%. (BCE, 2018). The price of oil (petroleum is the principal source of income) increased after the dramatic fall to \$ 7.40 per barrel in 1999 to a record price of \$ 120 at the end of 2007. The building of new heavy oil pipelines carried out by private companies boosted the economy creating the largest foreign investment since 1970 (Bertolli, Hernandez, Ortega, 2010). The exchange rate allowed favorable prices for exports and the real exchange rate reached an unprecedented level, doubling its value to that of 1994. During the presidency of Rafael Correa, migration policies attempts to facilitate the return of the expatriate population. The government implemented the plan “*Bienvenid@ A Casa: Por un regreso voluntario, digno y sostenible*” in 2008, which includes different benefits to Ecuadorians seeking to come back.

Ecuadorian migrants could repatriate their belonging duty free and are subject to tax cuts in purchases of houses, cars and equipment. This program also focuses on supplying social services and introduced job programs for people who were interested in teaching, agriculture, manufacture, etc. Other offerings are targeted especially to vulnerable segments such as people with disability and underage. In 2007, the National Secretary for Migrants developed the National Plan of Human Development for Migration (2007-2010) (Padrón, 2015). To cope with the cultural shock, social foundations and organizations were engaged in ensuring the wellbeing and good

networking of former migrants. The best examples is the “*Red Nacional de Migrantes Retornados al Ecuador*” which aims to provide support and guidance to anyone who request it.

The migration program “Plan Retorno and the crisis proved to indeed shift the wave of Ecuadorian emigration. The level of returning migration increased at the beginning of the 2010s. The National Census of 2010 recorded that 63,888 expatriates had recently resettle in Ecuador. Half were Spaniards and a quarter was American. In 2014, Spain recorded 56,466 fewer Ecuadorians which included those who had acquired Spanish nationality, and in 2013, the Secretaria Nacional del Migrante estimated that 40,000 Ecuadorians were assisted to return since 2008 (Joshick, 2014).

It is difficult to measure the effectiveness of Plan Retorno and how it affects the wave of Ecuadorian returning migration. However, by analyzing the migration flows in the destination countries is easy to infer that the expatriates population has not changed. The net migration of Ecuadorians has not varied in recent years and the US and Spain communities have remained the same (Datos Macro, 20117). Additionally Ecuadorians abroad may repulse the idea of coming back due to Ecuador’s current economic situation. Spain and the United States have recovered since the 2008 world crisis while Ecuador’s economic growth has stalled due to lower oil prices and an unsustainable foreign debt (66% of the GDP) (BCE, 2018).

3. METHODOLOGY

This research uses two approaches to answer our questions of interest: Which are the main determinants of migrating to US or Europe? And Is “Plan Retorno” a significant policy to make immigrants to return to Ecuador? First, we employ a narrative analysis of papers that provide information on the first question. This allows us to understand the main factors of migration

decision to these regions. Second, we collect information of current and former immigrants in Europe and US to compare our figures with these previous migration works and to also answer our second question. Next sections detail these strategies.

3.1 Narrative Analysis

The main sources of this analysis are three papers from the following economists: Simone Bertoli, Jesus Hernandez Huerta, Francesc Ortega and Francesca Marchetta. They are experienced researchers who have made a lot of contributions to migration studies and have profoundly analyzed the Ecuadorian waves of migration. Their papers are: “*Immigration Policies and the Ecuadorian Exodus*” by Simone Bertoli, Jesús Fernández-Huerta and Francesc Ortega; “*Crossing the border: Self-selection, earnings and individual migration decisions*” by Simone Bertoli, Jesús Fernández-Huerta and Francesc Ortega; and “*Migration, remittances and poverty in Ecuador*” by Simone Bertoli and Francesca Marchetta.

Additionally, we employ national data from governmental institutions in Ecuador and the two destination states. In Ecuador, INEC (Instituto Nacional de Estadísticas y Censo) provides periodical bulletins of *rural and urban employment data* (ENEMD, *Encuesta Nacional de Empleo y Desempleo Rural y Urbana*), census of population and housing, and registers of International Entries and Departures. In Spain, we use information from the INE (*Instituto Nacional de Estadística*) and their ENI (*Encuesta Nacional de Inmigrantes*). Finally, the Department of Homeland Security and the ACS (*American Community Survey*) served for information from the United States.

3.2 Survey

We conduct a survey¹ to fifty seven Ecuadorians (former and current migrants) who lived abroad between 1999 and 2008. The questions are based on key information taken from the narrative analysis. The survey was anonymous and posed questions about the conditions in which the expatriates migrated, the elements that affected their choice of destination, their opinion about returning to Ecuador and basic socio-economic information from before and after their mobilization. The observations are expatriates who returned to Ecuador (7) and migrants who are currently residing in the United States (28), and Spain (12). The only requirements were to be an Ecuadorian citizen and had stayed in the destination country for at least three years. This is because immigrant status in the U.S. is only delivered to people who seek to stay in the U.S. after three years (Department of State, 2019).

We also constructed our survey based on the study “A Review of Empirical Surveys of Asylum- Related Migrants” by the European Asylum Support Office (Isernia and Urso, 2018). This report is a collection of several empirical surveys conducted to immigrants and asylum seekers at both national and international level. This report presents a methodological review of surveys conducted in Australia, Europe, New Zealand, and the US from 2000 to the present day. The last section of the report draws main conclusions and provides recommendations” (European Asylum Support Office, 2018). A relevant contribution of this report is to acknowledge the importance of studying not only the socio economic characteristics of this population but also the original cause (motivations to migrate) and the overall level of success they feel now in their destination country. *Review* includes a vast pool of possible questions which our survey is based on (e.g. gender, race, marital status, etc).

¹ The questions and content of the survey are available in Appendix 1: Survey

3.3 Econometric strategy

The research questions are based on key dependent variables that have two possible outcomes. The first one is the decision to have chosen U.S. or Spain to migrate. In this case we have binary outcomes where going to the U.S. is 1 and Spain is 0. The same happens with the second question which regards the decision of returning to Ecuador. In this case the two outcomes are Return (1) or not Return (0).

In order to measure the dependent variables (U.S or Spain/ Return or Not Return) we employ the logistics regression model. The logistic regression is used to predict the probability of binary dependent variable in function of continuous or nominal independent variables. (Wooldridge, 2012). The binomial logistic regression is widely used to understand the reasons behind main events. In a binary response model, main interest lies in the response probability.

$$P(\gamma = 1|\mathbf{x}) = G(\beta_0 + \beta_1x_1 + \dots + \beta_kx_k) = G(\beta_0 + \mathbf{x}\boldsymbol{\beta}) \quad (1)$$

In equation 1 we see the probability that γ (dependent variable) is 1 considering which represent the full set of explanatory variables. The vector \mathbf{x} includes all the variables that may affect the outcome of γ . G is the logistic function which takes values strictly between 0 and 1.

An example explained by Wooldridge is which are the reasons behind the dropout of first-time marathon runners. In this case we study the decision to drop out ($\gamma = 1$) or not ($\gamma = 0$). The outcome can be predicted by the independent factors \mathbf{X} : months of training (continuous), age in year (continuous) or either they ran for charity (yes or no - binomial), etc. Other examples are whether level of education and working area affect the decision to go and vote (yes=1, no=0) or

if the hours of studying affects passing an exam (P=1, F=0). For our investigation the first logit model studies the decision of migrating to US or Spain. The second logit regression studies the potential decision of returning to Ecuador.

3.3.1 First Logit Model - United States or Europe

The model that analyses the migrant's decision of going to the United States or Europe is composed in the following way.

Equation:

$$P(y_1 = 1|\mathbf{x}) = G(\beta_0 + \beta_{Gender}x_{Gender} + \beta_{Mestizo}x_{Mestizo} + \beta_{EducBM}x_{EducBM} + \beta_{CivilBM}x_{CivilBM} + \beta_{HhBM}x_{HhBM} + \beta_{HiBm}x_{HiBm} + \beta_{Years}x_{Years} + \beta_{Legalize}x_{Legalize}) = G(\beta_0 + x\beta) \quad (2)$$

The dependent variable is **Migration to the United States or Europe (y_1)**. The Binary Outcomes for the dependent are Migrating to Europe (Spain) (0) or Migrating to the United States (1). In this case the equation shows the probability to migrate to the United States. The independent variables² used are: gender, mestizo, education before migrating (EducBM), Civil Status before migration (CivilBM), household head before migrating (HhBM), household Income before migrating (HiBm), years living abroad (Years) and years to achieve legal status (Legalize).

² The independent variables and their respective outcomes are described in Appendix 2: Independent Variables,

3.3.2 Second Logit Model - Return to Ecuador or Stay Abroad

The model that analyses the migrant's possible decision to return or not return to Ecuador is composed by the following data:

Equation:

$$\begin{aligned}
 P(y_2 = 1|\mathbf{x}) = G & \left(\beta_0 + \beta_{Gender}x_{Gender} + \beta_{EducAM}x_{EducAM} + \beta_{HhAM}x_{HhAM} + \beta_{HiAM}x_{HiAM} \right. \\
 & + \beta_{Years}x_{Years} + \beta_{Legalize}x_{Legalize} + \beta_{Economy}x_{Economy} + \beta_{Family}x_{Family} \\
 & \left. + \beta_{Plan Retorno}x_{Plan Retorno} \right) = G (\beta_0 + \mathbf{x}\beta) \quad (3)
 \end{aligned}$$

The dependent variable is **Returning to Ecuador or Not returning to Ecuador**. The Binary Outcomes for the dependent variable are Not Returning to Ecuador (0) or Returning to Ecuador (1). The independent variables³ used in the model are: binary variables “Plan Retorno” as a factor to return to Ecuador (our policy variable), better economy, and family reunion. Other variables are: gender, education after migrating (EducAM), household head after migrating (HhBM), household Income after migrating (HiAM), years living abroad (Years) and years to achieve legal status (Legalize).

³ The independent variables and their respective outcomes are described in Appendix 2: Independent Variables,

Table 6 and Table 7

4. NARRATIVE ANALYSIS

4.1 Migration to the United States or Europe

As said before, Ecuadorians did not require entry visa to travel to Spain before 2003. As many other former colonies, Ecuadorians could stay for maximum ninety days only by proving “la bolsa.” Passed the ninety days, one could easily extend the period; the Spanish government also signed three amnesties to help legalize the status of Ecuadorian immigrants (Bertoli, Fernandez, & Ortega, 2010). The approximate cost to arrange the flight and the “*Bolsa*” varied between \$3500 and \$4000 (Rolan, 2002).

Ecuadorians who migrated to United States faced a complete different situation. The price to move was almost three times higher with an estimated range of \$8,500 to \$12,000 per person (Carpio, 2002). Immigration policies were also much harder than the ones in Spain. For instance, a visa has always been required, and deportation is widely enforced as United States faces waves of illegal immigration from virtually all Latin America. From 1999 to 2005, the United States deported 21,605 Ecuadorians in comparison to the 15,149 deported in Spain. This figure is considerable as the US received significantly less emigrants (26%) than Spain (44%). Additionally United States did not sign an armistice, so “Legal migration was restricted almost exclusively to Ecuadorians with immediate relatives already in the country” (Bertoli, Fernandez, & Ortega, 2010). Most emigrants in the US obtained legal status thanks to family based preferences (marriage or personal sponsorship). Information from the Homeland Security revealed that only 12% of the Ecuadorians who obtained legal residency between 1999-2005 did it through employment visas.

The preferences for choosing the US as destination are explained principally studying the wages and education factors. Bertolli, Ortega and Fernandez (2010) show that labor income was higher for both males and females in the United States than in Spain. Between 2005 and 2007, the average individual yearly income in the United States was \$26,896 for males, \$21,314 for females while in Spain was \$15,979 for males and \$10,767 for females. Recall that both aforementioned countries offered incomes significantly greater than the Ecuadorian one, where the average income reaches \$3,880 and \$2,214, for males and females, respectively. The 2008 U.S. National Survey recorded that the average income of an Ecuadorian household in the United States was \$61,411 per year (Jokisch, 2014). Translated into individual income, most Ecuadorians household benefitted from having more than one member actively working. At the same time the employment rate was almost the same for male in both countries (0.9-0.92) but much lower for females (0.63 in the US and 0.81 in Spain). This may explain why in Spain the gender representation was pretty balanced while men predominated in the U.S. community. In Spain, women had the opportunity of getting work permits and labor in the domestic and care sectors (Jokisch, Pribilsky, 2002). Interestingly, the three labor markets (US, Spain and Ecuador) demonstrate that women earned approximately forty percent less than men, implying that gender pay gap was not affected by the place of residence.

Education proved to be another important factor that determined migration to the United States. In their paper, *Crossing Borders*, Bertolli, Ortega and Fernandez (2013) single out that Ecuadorians who migrated to the United States had higher levels of education than the ones who went to Spain. For instance, 14% of males and 22% of females were college graduates in US (In Spain 9% of the male and 15% of the women). Moreover, men with college degrees earned a 80% more than male with less education levels in US. Similarly, graduate women earned 22%

more than their peers with no college degree. This gap, however, is almost non existing in Spain. As showed in Bertolli, Fernandez, Ortega (2010), there are no differences between the income of graduates and non-graduates Ecuadorian workers in Spain. The justification for this phenomenon is that the vastly majority of the Ecuadorian labor force in Spain worked in non-specialized jobs such as construction (men) and domestic care (women); while Ecuadorians in the US worked in a wide range of areas including manufacturing and management (Bertolli, Ortega, Fernández, 2010).

According to the US 2017 American Community Survey 1-Year Estimates, there are more than 735,165 Ecuadorians and Ecuadorians descendants living in the United States. The four states with the biggest population of expatriates are: New York (228,216), New Jersey (100,480), Florida (60,574) and California (35,5700) (United Census Bureau, 2010). We gather information in the Miami Metropolitan Area, which hosts 50,000 Ecuadorians and the New York Metropolitan Area which houses the biggest concentration of Ecuadorians in the country (107,000 only in Queens, NYC). (United Census Bureau, 2010). Most of Ecuadorians in Spain reside in the two biggest cities: Madrid and Barcelona. In both places, Ecuador is the biggest immigrant national community (Morales and Pilati, 2018). According to the Spanish National Statistics Institute, 104,049 Ecuadorians resided in Madrid and over 25,047 in Barcelona, in 2007. They represented the 1.6 and 3.3 percent of the total of the city's population and 8.7% and 18.9% of the foreign population respectively (INEC, 2009). Based on these data, the survey was filled by Ecuadorians who lived in both cities. Finally, we also obtain information of former immigrants in Quito, Ecuador. After 2008 crisis many Ecuadorians, especially from Spain, retrieved and went back to their homeland. "Important flows of migrants subsequently moved back to Ecuador which provides an interesting setting to study reintegration upon return"(Dudley, 2013).

4.2 Plan Retorno and Returning wave of migration

Amidst of the Global Recession, net migration stagnated and Ecuadorians started to return. Spanish Ecuadorians were the first to return to Ecuador . According to the *Secretaría Nacional de Emigración e Inmigración* (2009 and 2013), the number of Ecuadorians living in Spain with a residence card fell by 49%. During the Spanish economic crisis, Ecuadorian return migration was seen as an opportunity to reduce pressure in the Spanish labor market and retrieve human and financial capital to Ecuador (Padrón, 2015).

The Spanish government started the *Plan de Retorno Voluntario de Inmigrantes* which offered financial aid to migrants who returned to the country of origin. The aid included flight expenses and assured a six month pension to the migrant who departed. People who applied for this program were unable to return to Spain for at least three years. Rafael Correa put into action the Plan “*Bienvenid@ A Casa: Por un regreso voluntario, digno y sostenible.*” Also, the National Migrant Secretary offered help with logistics and the government introduced start-up grants for selected migrants who ran microenterprises. An example was the Cucayo Fund in which returning migrants could present their business plan and receive up to \$15,000 in funding (Carpio, 2002). Other financial facilities was the Migrants Bank funded by the Spanish who borrowed up to \$20,000 with a payment period of four years and an annual interest of 11 to 14 percent. Despite of heavy campaign and propaganda targeted to these plans, these projects were not applied to the majority of the return migrant population. Between 2005 and 2010, 64,000 Ecuadorians returned coming from any part of the world (SENAMI, 2015). From that group, only 8,870 expatriates had accessed to the benefits of the government options.

The wave of return migration has slowed in recent years. In 2017 the net migration rate was 0%, which means that the quantity of people who entered was the same to the people who

left. Reasons to explain this sudden detente in the migration level is the current economic situation in Ecuador. Spain and the United States have recovered from the crisis while Ecuador growth has stopped due to negative shocks. Lower international oil prices, appreciation of the American dollar and major external and public debts affected the economy and increased unemployment rates (6% in 2016) (Dudley, 2013). After assuming his presidency, Lenin Moreno has applied austerity measures to cope with these effects. His main fiscal policies were targeted to decreasing the size of the state and cut funds to major organisms including the Migration Secretary (Dudley, 2013). This ongoing period of slow growth maybe the reason why expatriates have not returned in the quantity expected and why the Comeback plans have not prevailed in the long term.

5. DESCRIPTIVE STATISTICS

Our data (57 observations) provides the following results. Regardless of the destination, we identify many similarities between who moved to the US and to Spain; the 90's Ecuadorian crisis made both groups to seek foreign lands to improve their situation. For instance, all fifty seven arrived to their destination by plane and everyone sent remittances to Ecuador. More than 70% of the migrants characterized themselves as white or mestizos while less than 5% filled as afro descendants. Our sample was mainly from big cities: Quito (50%), Guayaquil (22%), and Cuenca (25%). This is in accord with the Southern Ecuadorians wave to North America explained in. No one from the sample left their country of destination in the first three years and 78% of the sample are still residing abroad. The remaining have returned within a period of three to twelve years since their first departure.

In Figures 1 and 2, we observe that both US and Spanish communities chose the same reasons to migrate and resettle. Figure 1 points out that unemployment and economic crisis were the principal reasons to leave Ecuador. Criminality was also another factor to leave Ecuador.

Figure 1: Migrant's reasons for leaving Ecuador. Sources (Authors)

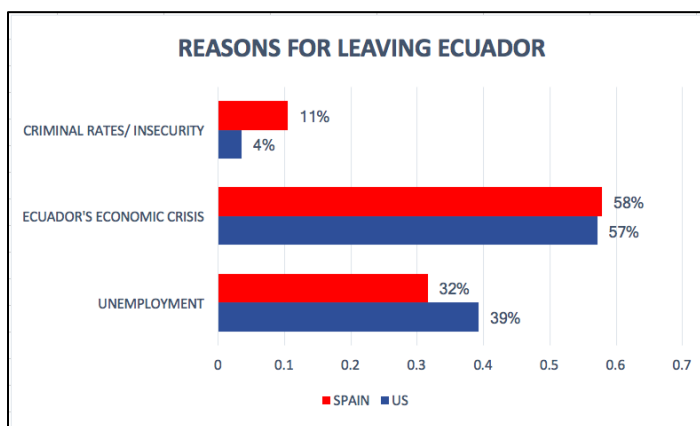


Figure 2: Migrant's reasons for choosing their countries of destinations. Sources (Authors)

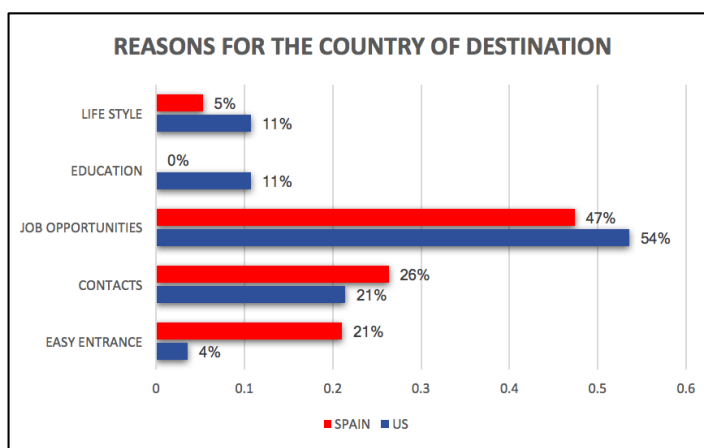
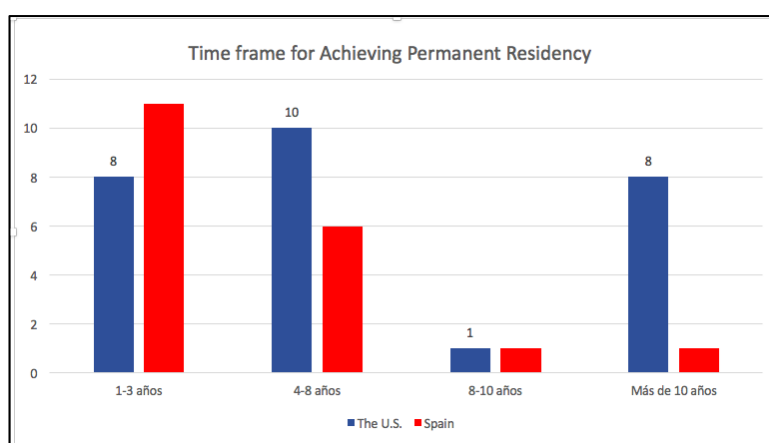


Figure 2 shows that our sampled individuals mentioned job opportunities and contacts (family or friends in the destination state) as the main reasons to move to US and Spain. An interesting discovery is that only the U.S. observations vote for education as a reason to choose

their destination. However, the Spanish group responded easy entrance as a relevant factor to relocate in Spain; recall that visa was not a requirement in Spain.

(Bertoli, Fernandez, Ortega, 2013) highlighted that the United States immigration policies were harder and better enforced than the ones in Spain (see Narrative Analysis). Visa for entry was required and achieving legal residence status was hard as many immigrant visas are subject to yearly bailouts and quotas. For example “the Family Preferences Immigrating Visas have yearly limits, which means that processing time might vary from 1 year to in some rare cases 10 years” (Consular Affairs, 2019). Figure 3 shows that the majority of Ecuadorians obtained residency approval in the first eight years in US or Spain but a significant share of the American Ecuadorian community in our sample obtained it after a decade.

Figure 3: Time frame for achieving permanent residency. Source (Authors)



People with higher levels of education opted to migrate to the United States rather than to Spain. The narrative analysis proved that graduate employees achieved substantially higher wages than non-college workers. Figures 4 and 5 show levels of education before migrating. We observe that high school graduates represented more than half our sample that migrate initially. . United States received people with higher levels of education. Before migration, 32% of our observations

attained a bachelor's degree and United States hosted more people with Master's degree (18%) than Spain (5%).

Figure 4: Education before migrating to the US. Sources (Authors)

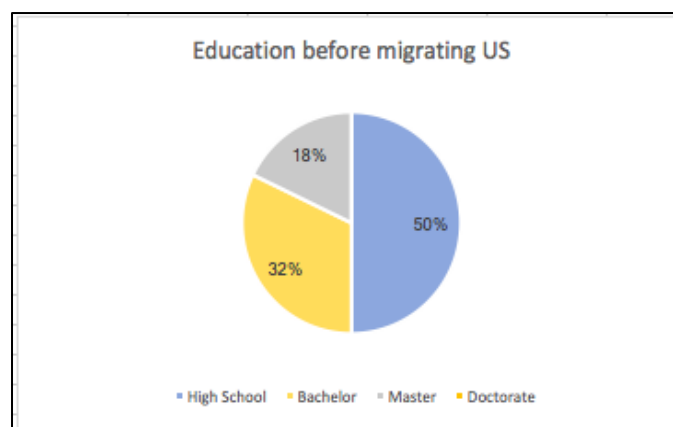


Figure 5: Education before migrating to Spain. Sources (Authors)

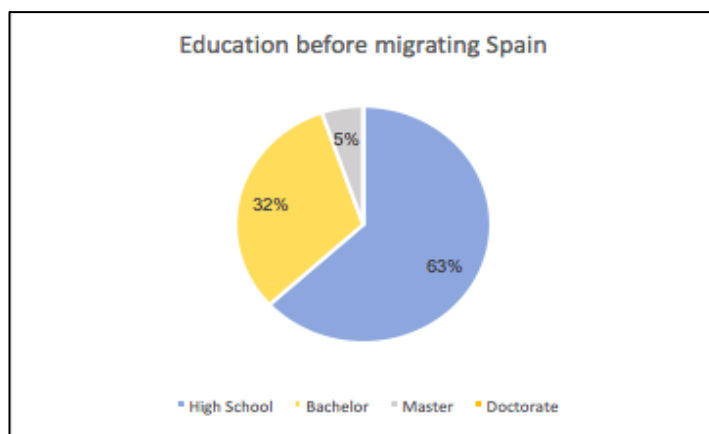


Figure 6 and Figure 7 show education attainment that migrants achieved in the country of destination. People with Master's and bachelor's degrees increased to more than 80% of the sample. Spanish Ecuadorians are predominantly more educated people. This can possibly be related to the cheaper and more flexible education system. "The average annual public tuition fee

for universities in the U.S. is around \$8,000 and the Spanish average annual public tuition fee is about \$2,000.” (Valero-Matas, Coca and Miranda-Castañeda, 2010).

Figure 6: Education after migrating to US. Sources (Authors)

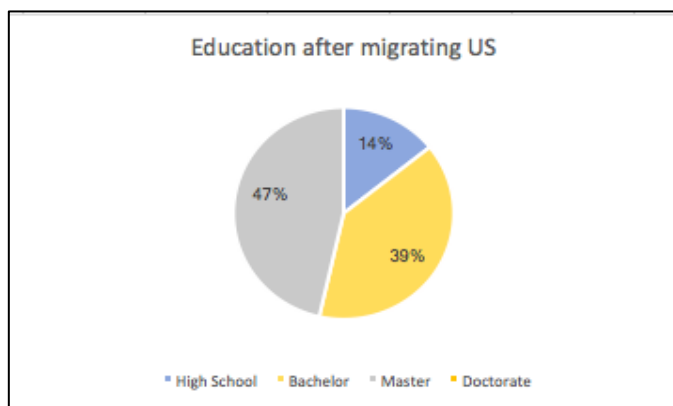
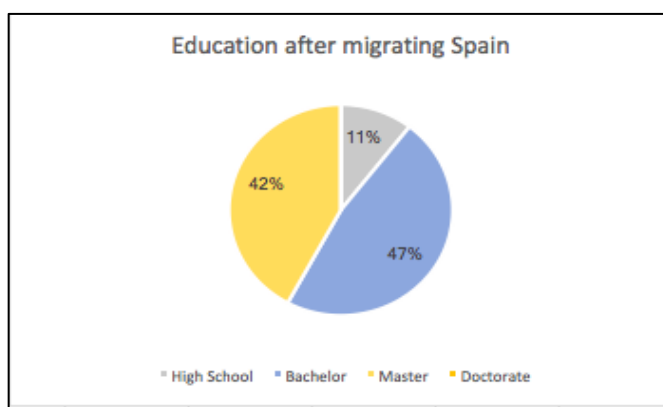


Figure 7: Education after migrating Spain. Sources (Authors)



Figures 8 and 9 display changes in marital status and household headship respectively, before and after migration in our study countries. In both cases, married individuals significantly increased from 40% to more than 70% (see Figure 8). Additionally, some of the migrants became household heads after migrating; they are now responsible for their household expenses and family (an increase of 20% during the time lapse)

Figure 8: Marriage Status before and after migrating. Sources (Authors)

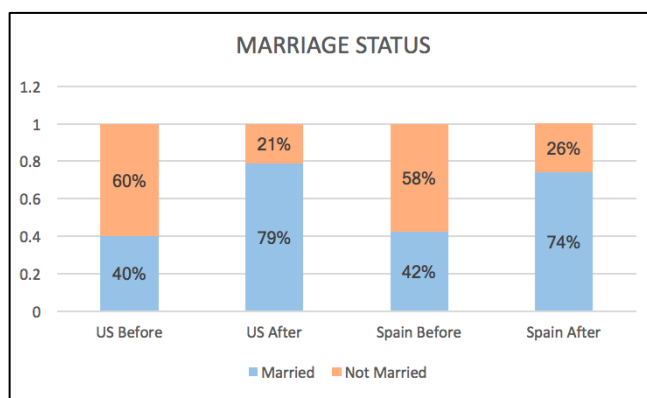


Figure 9: Household Head before and after migrating. Sources (Authors)

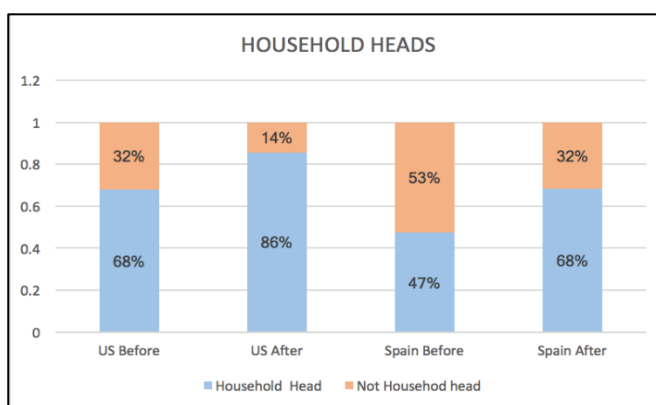
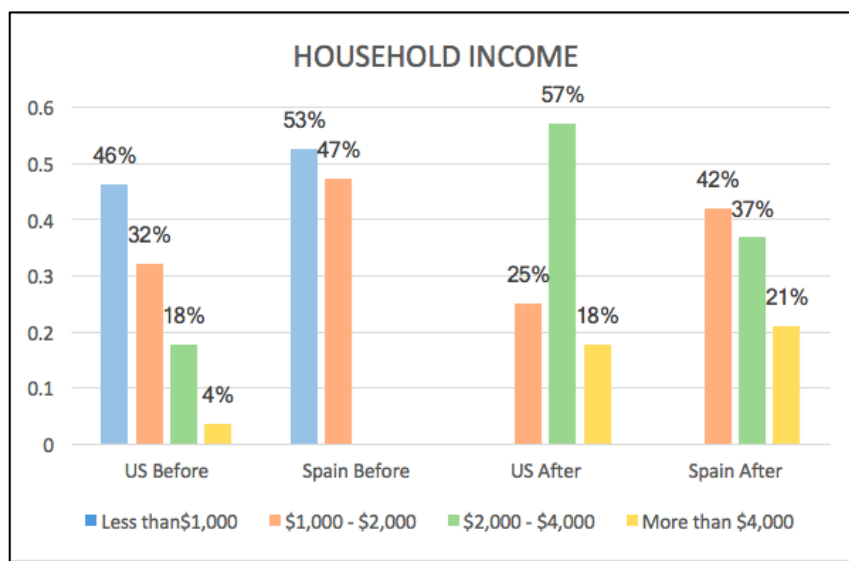


Figure 10 is a relevant for our investigation. It shows the monthly household income evolution during pre and post migration period. Before migrating, 50% of our sample earned less than US\$1,000 per month. In contrast, after migrating more than 50% of the surveyed earned more than US\$2,000 per month. More Spanish Ecuadorians make more than \$4,000 of income (21%) than the US group. However, American Ecuadorians earned more as 75% declared incomes higher to the \$2,000 in comparison to the 58% of Spanish Ecuadorians.

Figure 10: Household Income before and after migrating. Sources (Authors)



In the second part of the survey, people were asked to rate (from 1 to 5) the level of satisfaction of many factors that characterized their resettlement (e.g. destination, the Ecuadorian community, labor market and their adaptability). The average of 4.32/5 proved that the Ecuadorian migrants are satisfied with their decision to migrate and consider their choice to have been beneficial for them and their families.

Table 1: Average of surveyed Satisfaction. Sources (Authors)

SURVEYED SATISFACTION			
SATISFACTION OF:	UNITED STATES	SPAIN	MAJORITY
<i>Place of Destination</i>	4.79	4.75	US

<i>Decision of Migrating</i>	4.79	4.67	US
<i>Achieving Legal Status</i>	3.00	4.25	SPAIN
<i>Ecuadorian Contacts</i>	4.61	4.92	SPAIN
<i>Accessible Labor Market</i>	3.84	2.67	US
<i>Adaptability</i>	4.18	3.58	US
TOTAL	4.32	4.23	US

Table 1 shows how the U.S. group responded better to four over six categories, especially Adaptability (4.18-3.58) and most importantly Accessible Labor Market (3.84 - 2.67). The Spanish sample demonstrates higher satisfaction rates in the key area of Achieving Legal Status (4.25 against U.S. 3.0) and Ecuadorian Contacts (4.92 to 4.61). The first category links with Figure 1: Time to Achieve Legal Status. Most Ecuadorians in Spain legalized under a lapse of five years while U.S. immigrants took as much as a decade. The fast process to obtain permanent residency is due to the Spanish-Ecuadorian agreement described before.

One variable of interest is the idea of returning to Ecuador and the main reasons for it. In general, the results show that most of the current migrants are not willing to return to Ecuador (78%). Our sample also has some individuals that already came back (19%) but around 77% of them expressed interest in migrating back to their former residency.

Figure 11: Reasons to return to Ecuador. Sources (Authors)

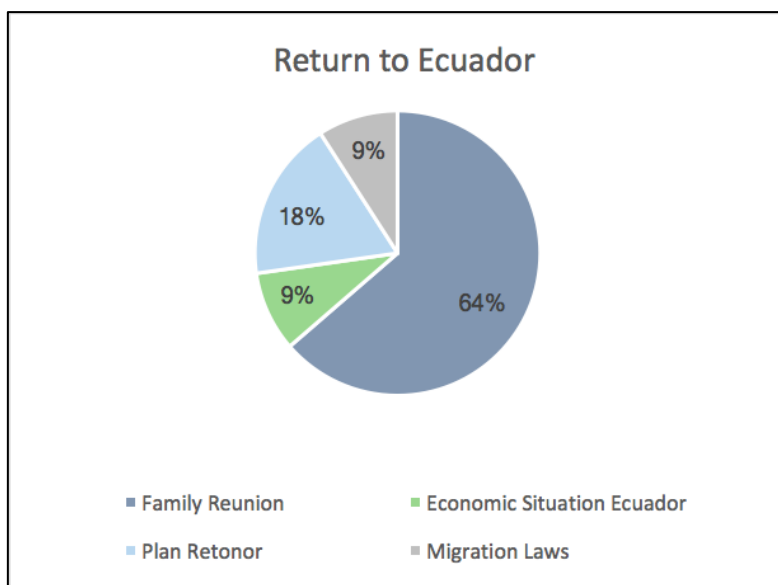


Figure 11 shows the reasons for which migrants would choose to come back. The majority recognized family reunions as the main factor. The wave of migration caused major family divisions as household heads were forced to travel without their dependents. “Seven of the ten women emigrants were mothers with at least one child at the time of migration. With respect to the migrant mothers, five left their children and just two took them away.” (Dudley, 2013). Thus, this information provides evidence why some expatriates were willing to return, as coming back meant reuniting with their family.

The second most voted option was the Ecuadorian economy (18%). The background section described how the Ecuadorian economy rebounded after dollarization. These stability and growth may have attracted expatriates who saw how Ecuador improved while their migration areas struggled during the global recession. Plan Retorno is also an incentive for returning, but only a 9% of sampled individuals mentioned it. The remaining reason was immigration laws (the surveyed that answered this option lived in the U.S.) Taking into account the enforcement laws in

the States, we have a strong intuition that these people could have been deported or denied legal status.

6. LOGISTIC REGRESSION

As said it before, our sample size does not allow us to have a representative result of the migration phenomenon. However, we attempt to observe potential correlations between the decision of migrating and the decision of returning and some key characteristics of these Ecuadorian migrants. The small sample size is also very restrictive to observe variability and to make inference. Therefore, our different models show many insignificant independent variables. For p-value smaller than 0.05 and 0.10, “we reject the null hypothesis so the impact of each covariate is null” (Wooldridge, 2012). Considering this, for each decision problem we develop three logistic models mixing different independent variables which are based on the previous literature contributions. The models showed the marginal impact of each independent variable.

6.1 Decision to move to the U.S. or Spain

For the decision to move to U.S. or Spain (y), our model utilized eight independent variables. The narrative analysis and the descriptive statistics showed that U.S. was a destination targeted by people, mainly men, with higher levels of education, more living costs (being household head or married) and were accustomed to higher incomes. Therefore: gender, education, household head, marital status and income before migration are considered. At the same time, achieving residency takes more time in the U.S. so the variables of years living abroad and years to achieve legal status were also included. Keep in mind that both variables are different as people

can reside abroad for almost a decade and could have legalized their status in just three years. Lastly, mestizos is incorporated following our narrative analysis.

Table 2: Logistic Models for Decision to move to US or Spain. Sources (Authors)

VARIABLES	FIRST MODEL		SECOND MODEL		THIRD MODEL	
	(1)	(2)	(3)	(4)	(5)	(6)
	Coef	Marginal Effect	Coef	Marginal Effect	Coef	Marginal Effect
Gender	-0.179 (0.711)	-0.0301 (0.119)	-0.199 (0.619)	-0.0413 (0.128)		
Education before migrating	0.649 (0.621)	0.109 (0.101)	-0.373 (0.475)	0.0771 (0.0962)	0.668 (0.619)	-0.113 (0.1)
Mestizo	-0.873 (0.808)	-0.147 (0.129)	-0.781 (0.729)	-0.162 (0.145)	-0.866 (0.804)	-0.146 (0.129)
Single before migrating	-1.342 (0.906)	-0.225 (0.141)	-0.11 (0.652)	-0.0228 (0.135)	-1.373 (0.902)	-0.231* (0.14)
Household head before migrating	1.197 (0.744)	0.201* (0.112)	1.397** (0.637)	0.289*** (0.108)	1.176 (0.737)	0.198* (0.112)
Household income before migrating	0.949 (0.603)	0.159* (0.0927)	0.929* (0.521)	0.192** (0.0965)	0.953 (0.607)	0.160* (0.0936)
Years Living abroad	0.871* (0.46)	0.146** (0.0678)			0.872* (0.461)	0.147** (0.0681)
Years for legal status	0.938** (0.438)	0.158** (0.0612)			0.940** (0.439)	0.158*** (0.0614)

Constant	-2.632		0.961		-2.705	
	(1.972)		(0.982)		(1.962)	
Observations	51	51	53	53	51	51
Prob > chi2	0.119		0.01358**		0.0066***	

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

We can see that none of the models cover the sample of 57 surveyed. The reason is that a few people did not answer questions regarding their socio economic data despite having to fill the document anonymously. Leaving blanks in the questions regarding the independent variables would immediately eliminate them from the model as Stata would not be able to retrieve the values to measure the final result.

The first model includes all the variables mentioned. Both household income and household head stand as significant. People who were household heads before migrating had 0.201 more possibilities to migrate to the United States. Alike people with higher level of household income had 0.159 more probabilities of choosing the U.S. rather than Spain as destination. The two other notable variables are years living abroad and years for legal status. In both cases people who lived more time as expatriates and took more time to legalize their status are likely to come from the U.S. Other variables significant at are gender and single status. We can see that women and single people were less likely to move to the U.S. as their marginal effects are negative.

The second and third models proved to be significant as their *Prob > chi2* are lower than 0.10. The second especially needs to be highlighted as it is significant at 5% (*Prob > chi2* :0 .013). This regression included all variables except years abroad and years for achieving legal status. All the same household head and household income remained significant. As the first model, household heads and higher earnings increased the probability of migrating to U.S. The third

model ignores gender and includes years of living abroad and years for legal status. Surprisingly, this was the only model with. This makes this regression significant and therefore, the most relevant of the results.

As the first model: headship, household income, years abroad and years for legal status are significant and contribute to choosing the U.S. as destination because their marginal effects are positive. In the three models we see that in spite of mixing the independent variables, the significance and effects of each independent variable is overall the same.

6.2 Decision to return or not return to Ecuador

For the decision whether to Return or not to Ecuador, our model utilized twelve independent variables. We included after migrating data of education, marital status, headship and household income. As the previous models, we also consider years living abroad and years for legal status. Ultimately, we create dummy variables for the three most voted reasons to come back to Ecuador and use them in the models: better Ecuadorian economy, Plan Retorno and Family reunion. Our main interest is to observe the impact of “Plan Retorno” on the probability of returning.

Table 3: Logistic Regression for Returning to Ecuador. Sources (Authors)

VARIABLES	FIRST MODEL		SECOND MODEL		THIRD MODEL	
	(1)	(2)	(1)	(2)	(1)	(2)
	Coef	Marginal Effect	Coef	Marginal Effect	Coef	Marginal Effect
Plan Retorno	-1.328	-0.164	-1.113	-0.168	0.0323	0.00612
	(1.972)	(0.237)	(1.362)	(0.198)	(1.204)	(0.228)

Gender	-5.234*	-0.645***	-4.273**	-0.645***		
	(2.802)	(0.237)	(1.955)	(0.181)		
Education after Migrating	-0.438	-0.054	0.164	0.0248	-1.648*	-0.312**
	(1.483)	(0.182)	(0.822)	(0.124)	(0.98)	(0.144)
Household Head after Migrating	-1.889	-0.233	-1.639	-0.247	0.255	0.0483
	(2.107)	(0.246)	(1.624)	(0.228)	(1.118)	(0.21)
Household Income after Migrating	1.546	0.191	0.62	0.0935		
	(1.404)	(0.161)	(0.775)	(0.111)		
Ecuadorian Economy	4.123	0.508**	2.453	0.370**	0.0431	0.00815
	(2.627)	(0.253)	(1.504)	(0.188)	(1.139)	(0.216)
Family Reunion	0.025	0.00309	0.0908	0.0137	-0.767	-0.145
	(1.756)	(0.217)	(1.263)	(0.19)	(1.377)	(0.255)
	-1.464	-0.181			-0.889	-0.168*
	(1.121)	(0.118)			(0.622)	(0.0997)
Years Living Abroad	-0.52	-0.0641			0.371	0.0702
	(1.159)	(0.14)			(0.503)	(0.0911)
	7.844		1.326		6.161	
	(6.797)		(2.39)		(3.932)	
Constant						
Observations	24	24	26	26	24	24
Prob > chi2	0.068*		0.066*		0.134	

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

This regression was characterized by a surprising shrink of the sample. Less than a half of the surveyed answered all the questions that were relevant for modelling the decision of returning

or not returning to Ecuador. This was specially notorious in the reasons to come back. As only 46 of the 57 answered been interested in coming back, most of them did not even fill the options that motivate them to return. All the same two of the three models have Prob > chi2 lower that 0.10 which makes them statistically significant. In both cases the only reason to come back that proof significance is Ecuadorian economy.

Our policy variable “Plan Retorno” has a negative effect on this probability but it is insignificant for all three models. We discuss this result in the next section. Variables with significant marginal effects are gender and the perception of recovered economy. Women are 0.645 less likely to return. Whereas a good Ecuadorian economy provokes an increase in this probability in 0.508. The other two reasons to return are not significant with family reunion improving chances by only 0.003 and We can also identify that all socio economic characteristics but household income reject the decision of returning to Ecuador.

The second model omits years abroad and time for legal status. Ecuadorian economy and gender are again significant with similar marginal effects. This regressions shows that women are less likely to come to Ecuador (-0.645) and the Ecuadorian economy incentivizes returning by 0.370. The final model in the table randomly excluded three variables (gender, household income after migrating) and visa requirements. The results show two new significant values for education after migrating and years abroad. People with higher levels of education are reluctant to come back (-0.312) while people who live more time abroad are also incentivized to stay in their destination (-0.168).

7. DISCUSSIONS OF ECONOMETRICS RESULTS

7.1 Migrating to the United States

For the first question: migrate to the U.S. or Spain; four variables predominate as they maintain their significance and their effect for the three models: household income and headship. In all cases being the household head and having better levels of income increased the probabilities of choosing the U.S. as destination. Our result follows the ones of *previous research* where regardless of gender or education Ecuadorians earned 88% more in the U.S. than in Spain. (Bertoli, Ortega, Fernandez, 2010). This would definitely trigger householders decision to choose North America as their place to live. Let's remember that household heads had dependents and maintained their families. Consequentially they were always looking to maximize their wages. This same explanation applies for why people with higher household incomes rejected migrating to Europe. As they were accustomed to earn better in Ecuador, they probably looked for options where they could maintain a good quality of life and accordingly chose the country with best wages. In addition, higher income before migrating meant they could afford the higher costs that required migrating to the U.S. Spanish migration up to 2003 required only \$4,000 dollars for the flight and proof of liquidity while migration to the U.S. could even get to \$12,000 dollars. (Carpio, 2002).

Years for living abroad and years for legalizing status are also significant. People who chose the U.S. tended to reside for more time and legalize later. This is easily explained as getting permanent residency in the U.S. is more difficult than Spain and thus people in America need to reside more time to normalize. The Ecuadorian and Spanish governments signed an armistice in 2005 and many Ecuadorian immigrants got the chance to legalize their status after only three years

of residing in the country. In the United States, migration control tighten after 9-11 and the level of deportation vastly increased. The survey also reflected this problem as 89% of the Spanish Ecuadorians achieve legal residency after five years while 34% of Ecuadorians in the U.S. only got it after a decade. Another point to take in consideration is that stronger mobility laws make successful American migration more valuable than Spanish migration. On that account, Ecuadorians in the U.S. may value more their residency than Ecuadorians in Spain and that is why they tend to stay more time in that destination.

7.2 Return or not Return to Ecuador

Plan Retorno which has been broadly promoted as an incentive to return, does not have a significant effect for our sample. An intuition on this result is that for many immigrants reinserting in Ecuador could be challenging. (Bertolli, Ortega, Fernandez, 2013). It is important to recall that resettling is not an easy feat and it requires a great degree of sacrifice and adaptability from the people who are doing it. We can conclude that expatriates with better wages and stability abroad will not feel tempted to coming back if they truly do not need to. It is only in the case that their stability is threaten that returning would be a solid option.

Through all models, gender always stands as significant and its marginal effect is always negative. Thus, women are not probable to return to Ecuador. According to Dudley (2013), women suffered a remarkable socioeconomic change after migrating. “They gained greater authority and autonomy within the household. They had more responsibilities, became employees and achieve greater independence.” (Dudley, 2013). Our intuition is that for our sampled women returning might mean sacrificing all the freedom and power they have gotten after migrating.

The Ecuadorian economy is the most important reason in the econometric model as its

effect turns to be significant in two models. This came as a surprise because Plan Retorno and Family Reunion were the most voted in the survey. However, we observe that the people who chose both options also responded not being interested in coming back. Whereas, the Ecuadorians who have returned or seek to do it mostly chose the Ecuadorian economy. It is important to recall that many expatriates who returned did it because their situation abroad widely worsened. Returned migrants left Spain because the unemployment rate exploded and migrants found themselves unemployed, drowning in debt, and unable to support themselves or send remittances to their families back home in Ecuador. (Dudley, 2013). This would mean that for necessity, it was the stable economy in Ecuador which made them come back.

8. CONCLUSIONS

To sum up, our article studies the Ecuadorian expatriate population and two decisions that mark their current situation. Why most of them opted to migrate to the United States?, and Do they consider returning to Ecuador? We aimed to respond both questions by studying everything related to their choice of migrating: the financial crisis, their socio-economic data, the immigration laws of their destination, their wages, the global crisis and the domestic programs targeted to bring them back. The investigation collects information from research that profoundly analyzed the Ecuadorian exodus. We apply this to expatriates who migrated in the 2000s and we asked them about their decisions, their outcomes and their idea of returning. Finally with the data extracted we applied descriptive statistics and two logistic regressions in order to compare our findings with the literature contributions.

The results show that migration to the United States include Ecuadorians with higher levels of income and people who could finance the more expensive mobilization costs. This group had

sought to maximize their wages as they had more responsibilities and were predominantly household heads and married citizens. Contrary to this finding, Spain was a target for migrants with lesser expenses (single and not household heads) and with less money and conditions to migrate. Law enforcements were tighter in the U.S. so immigration and successful settlement was more expensive and more difficult (Jokisch, 2014).

Ecuadorians were paid 88% better in the U.S. than Spain but women had a higher level of unemployment (0.61 vs 0.84) (Bertolli, Fernandez, Ortega, 2013). That is another reason why women often preferred to move to Europe rather than North America. The survey show relatable results as the U.S. sample earned considerably more than the Spanish sample but 30% of the U.S. group got Permanent Residency after 10 years in comparison to the 10% of the Spanish sample.

The second question proved to be more elusive as Ecuadorian returning migration is a much recent event. Above all; Dusley (2013), Padrón (2015) and Bertolli (2010 and 2013) concluded that the Ecuadorian expatriates are not really interested in returning to Ecuador. Crisis in the origin countries (specially Spain) has forced Ecuadorians to come back. “While many are returning to their countries of origin by the lack of work others do not return for fear of failure.” (Valero-Matas, Miranda-Castañeda, 2010). The Ecuadorian government has implemented the project Plan Bienvenido a Casa (also known as Plan Retorno) which attempts to improve the process of migrants returning to Ecuador. While the project is said to have helped thousands, the only available information comes from the government and no other academic institutions. The survey and descriptive statistics proved that most expatriates are indeed not looking for returning. Only 19% of the sample responded planning to coming back. The factors which incentivize coming back is the Ecuadorian economy situation (which has vastly improved since dollarization), family reunion and tighten immigration laws in the destination countries. Plan Retorno while being

known by the expatriate population is still not a confident motive to return. We suggest that Plan Retorno should be endorsed showing real cases of people who have returned with the help of this program. This way the expatriate community can witness the real application of Plan and feel more comfortable using it.

Economically and socially, Ecuador depends on the wellbeing of the expatriate community. Their remittances account for the fourth biggest source of income and they represent almost 10% of their population (BCE, 2018). For this and more, they should never be put aside. Economists tend to work on the statistics and forget the motives and incentives of their subject of study. Our investigation aimed to show how important is to relate literature contributions with the people who represent the studied population. Even though, our sample was not representative, we successfully identified trends and relations between real life stories and academic hypothesis. Fusing both answers we can conclude that Ecuadorians have predominantly considered high levels of income and financial prosperity as the main motives to migrate. They have generally succeeded as their decision of migrating, regardless of where, has benefited themselves and their families. As a matter of fact, they have done so well in their destination countries that the option of returning is nowadays overwhelmingly rejected.

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10. APPENDIX 1: SURVEY

TYPE:

EEUU

SPAIN

ECUADOR

A. SOCIOECONOMIC DATA

1. Age:

2. Gender:

3. Ethnicity:

White	Mestizo	Indigenous	Montubio	Black	Other
-------	---------	------------	----------	-------	-------

4. City of birth:

5. Education before migrating:

Elementary	Middle	Senior	Bachelor	Master	Doctorate	None
------------	--------	--------	----------	--------	-----------	------

6. Education after migrating:

Elementary	Middle	Senior	Bachelor	Master	Doctorate	None
------------	--------	--------	----------	--------	-----------	------

7. On average how much you worked before migrating? Per week

Less than 10 hours	10-20 hours	21- 39 hours	40 hours	More than 40 hours
-----------------------	----------------	-----------------	----------	-----------------------

8. On average how much you worked after migrating? Per week

Less than 10 hours	10-20 hours	21- 39 hours	40 hours	More than 40 hours
-----------------------	----------------	-----------------	----------	-----------------------

9. Are you the Household head?

Yes	No
-----	----

B. Migrating Information

1. Did you emigrate from Ecuador to work in another country during the lapse of 2000 to 2003?

Yes	No
-----	----

If it was not during that lapse, please write down when:

2. What country was your first destination? (Not scale, the final destination that you first targeted)

UNITED STATES	SPAIN	ITALY
---------------	-------	-------

Other: _____

3. How many years you stayed in this country?

Less than three years	3-5 years	6-10 years	10-12 years	I still reside in the country
-----------------------	-----------	------------	-------------	----------------------------------

4. Did you move to other country after settling in the first foreign state?

-
-
-
5. Enumerate from 1 (being the least important) to 7 (the most important) the principal reasons that made you choose that country as your destination.

Language
Migration laws
Facility to enter
Contacts
Job opportunities
Education prospects
Better life style

Others:

-
-
-
6. Enumerate from 1 (being the least important) to 5 (the most important) the principal reasons that made you decide leaving Ecuador.

Education
Unemployment
Economic situation of the country
Insecurity
Debts, credits

Others:

-
-
-
7. What was the type of transportation you used to travel?

PLANE	SHIP	LAND
-------	------	------

8. Did you enter directly to the country of destination?

Yes	No
-----	----

If not, which were the backstops you used during your trip?

9. Did you apply for a visa to enter the country?

Yes	No
-----	----

10. Did you hire the service of an agency to book your trip?

Yes	No
-----	----

11. How much time it takes to regularize the residence status in the foreign country?

Less than a year	1 year	2-5 years	6-8 years	8-10 years	More than 10 years
------------------	--------	-----------	-----------	------------	--------------------

12. If you still reside in the foreign country, do you plan on returning to Ecuador? In how many years?

Yes	No
-----	----

Less than 5 years	5-10 years	11-20 years	More than 20 years	Indefinitely
-------------------	------------	-------------	--------------------	--------------

13. If you were to return to Ecuador, underline the main reasons that would have triggered your decision to come back?

Reuniting with your family
Crisis in the country of residence
Unemployment
Racism or xenophobia
Better and stable situation back in Ecuador
Ecuadorian government
Plan Retorno Ecuador

14. If you returned to Ecuador, do you plan on returning to the country where you emigrated?

Yes	No
-----	----

C. Please rate the following criteria on a scale of 1 to 5, with 1 being “strongly disagree” and 5 being “strongly agree”.

The process of adaptation was easy and I received help to get used to the culture and society

1	2	3	4	5
---	---	---	---	---

The job market was accessible and I soon got employed with a proper salary

1	2	3	4	5
---	---	---	---	---

The place of destination was characterized by a strong presence of Ecuadorians

1	2	3	4	5
---	---	---	---	---

I got easily in contact with Ecuadorian in the city where I lived

1	2	3	4	5
---	---	---	---	---

The paperwork to reach permanent residence was easy and I did not have any delay or problem

1	2	3	4	5
---	---	---	---	---

I helped other people from Ecuador to successfully migrate to the place where I resided

1	2	3	4	5
---	---	---	---	---

I believe migrating was the right decision and turned beneficial for me and my family

1	2	3	4	5
---	---	---	---	---

I believe the country I chose was the best option to migrate and I would have never gone to other place.

1	2	3	4	5
---	---	---	---	---

11. APPENDIX 2: INDEPENDENT VARIABLES

First logistic regression: Migrate to Europe (0) or the United States (1)

Table 4: Variables with binary outcomes for Logistic Regression: US or Europe. Sources (Authors)

Variable	0	1
Gender	Men	Woman
Mestizo	Other race	Mestizo
Civil Status before migrating (CivilBM)	Married	Single
Household Head before migrating (HhBM)	Independent	Household head

Table 5: Variables with escalating outcomes for Logistic Regression: US or Europe. Sources (Authors)

Variable	0	1	2	3	4
Education before migrating (EducBM)	Elementary	High School	Bachelor	Master	Doctorate

Household income before migrating (<i>HiBM</i>)	Less than a US\$1,000	US\$1,000 to US\$2,000	US\$2,000 to US\$4,000	More than US\$4,000	-
Years living Abroad (<i>Years</i>)	1- 3 years	3 -5 years	6 – 10 years	10 -12 years	Still residing abroad
Years for achieving legal status (<i>Legalize</i>)	Less than a year	1-3 years	4-8 years	8 – 10 years	More than 10 years

1. Second logistic regression: Return (1) or not Return (0)

Table 6: Variables with binary outcomes for Logistic Regression: Return or not Return. Sources (Authors)

Variable	0	1
Gender	Men	Woman
Household Head after migrating (HhAM)	Independent	Household
Ecuadorian Economy (Economy)	No	Yes
Family Reunion	No	Yes
Plan Retorno	No	Yes

Table 7: Variables with escalating outcomes for Logistic Regression: Return or not Return.
Source (Authors)

Variable	0	1	2	3	4
Education after migrating (<i>EducAM</i>)	Elementary	High School	Bachelor	Master	Doctorate
Household income after migrating (<i>HiAM</i>)	Less than a US\$1,000	US\$1,000 to US\$2,000	US\$2,000 to US\$4,000	More than US\$4,000	-
Years living Abroad (<i>Years</i>)	1- 3 years	3 -5 years	6 – 10 years	10 -12 years	Still residing abroad
Years for achieving legal status (<i>Legalize</i>)	Less than a year	1-3 years	4-8 years	8 – 10 years	More than 10 years