International Migration and Community Development: Comparisons of Emigration to the U.S. and Europe from Adjacent Origins in Rural China

Introduction

International migration from China has experienced a rapid growth for the past few decades. By the mid 2000s, the population of overseas Chinese reached over 45 million, representing the largest diaspora in the world (Chen 2007). Among the major emigrant sending areas in China, Fujian Province has become the top one largest immigrant-sending province. The data employed by this study captures the two major emigration trends of Fujian Province – the Fuzhou area which sends large numbers of emigrants to the U.S., especially to New York City (Liang et al. 2008), and Mingxi area, a nearby town which is the origin for a large proportion of Europe immigrants from China.

This study will put the two communities in comparative perspective, and investigate the differentiated social processes that determine emigrants' willingness to remit, the amount to remit and spending patterns of the remittances in the home country. Previous literature on international migration and community development has mostly focused on the impact of emigration for single specific origin communities. The growing volume of comparative literature on this area, at the same time, either takes a macro approach, linking Gini coefficient with community emigration prevalence ratio, or overwhelmingly concentrate on the studies of Mexican communities sending emigrants to the U.S.Little attention has been paid to what is happening on the ground at the micro-level, such as migrants' remitting decisions and remittance usage by individual households in other social contexts. Eventually, at the micro-level, we are

able to examine the similarities and differences in the social processes at migration origins that generate disparate remittance outcomes in the context of emigration from China.

From Fuzhou to the U.S. vs. fromMingxi to Europe

Given the tightened control over emigration from the local political authorities in Fuzhou and America's strict immigration policy, the US bound emigrants are usually clandestine in nature. The illegality combined with prolonged trips and the risksassociated with both have made the US bound immigrants from Fujian more selective and more reliant on migration networks (Lu et al. forthcoming). By contrast, prospective immigrants to European countries from Mingxi are encouraged by local political authority. The flexible migration policies of some major migrant receiving European countries, together with a relatively established rite of passage from China to Europe have made Europe a favorable destination for the Mingxi people who are able to immigrate to these countries with less hassle. In general, more cost and benefit calculation and various resources are needed for the Fuzhou people to emigrate (Lu et al. forthcoming).

Data and Measure

The survey followed the ethnosurvey design for the Mexican Migration Project (MMP), and Latin America Migration Project (LAMP). Between 2002 and early 2003, the survey was carried out in several areas in the town of Fuzhou, Mingxi and other areas (Liang et al. 2008). Using multilevel regressions, incorporating both household level and village level variables, I am able to perform an examination of the factors affecting the remittance decisions (including whether the emigrant repatriate the year prior to the survey and amount of remittances) and the usage of remittances, with a special focus on those spent on local education and public projects – an direct way for emigrants to engage in influencing the welfare of the locality. These

investigations are carried out for the overall emigrants, the US bound emigrants and Europe bound migrantsrespectively.

Major Results and Discussion

Table 3 and Table 4 indicate that compared with their European counterparts, the US bound emigrants are more likely to repatriate and if they do they also send significantly more migradollars back home. This fact is probably conditioned by the high expectation of monetary return from the US related households, following the calculation to jump over the legal line, in debt with smuggling fees and eventually with at last one household member being able to step on the risky trip to the land of U.S. On the contrary, albeit itchy household needs or desires such as supporting the family remains the top usage of remittances for the both the US bound and Europe bound emigrants(Table 2.1 and Table 2.2), in the case of Mingxi, emigration advocated by the local government may motivated a number of potential emigrants who were going after personal advancement rather than the immediate family needs, resulting in a lower volume of migradollars.

 "Village emigration prevalence ratio" is conventionally used to measure migration networks and social capital emigrants enjoyed. Conventional wisdom suggests that high social capital obtained by migrants is able to aid migrants on their settling down, financial stability and etc, and thus stimulate migrants to send remittances and in larger amount than thoselacking sufficient social networksand in social and financial instability. Such a congruence has been implied by most empirical studies both in the field of international migration and internal migration.

What is fascinating in the finding is that both similarities and differences of the roles of "village emigration prevalence ratio" have played are revealed in the decision to repatriate and the amount they remit in these two communities.On the one hand, Table 3 shows that higher emigration ratio of a village inspires an emigrant to make the decision to remit for both destinations.On the other hand, emigrating from a high prevalence village has disparate indications for emigrants of different destinations on the *amount* they sent. Specifically, for the US bound emigrants, emigrating from a village of high migration prevalence deters them to remit more back home. In sharp contrast, a positive trend is observed for the Europe bound emigrants, though not statistically significant.

Such irregularity of the remittance patterns for US bound emigrants, as I suggest, may imply a different path to understand village emigration prevalence ratio. That is, other factors, such as local sociopolitical contexts heavily influence the volume of emigrants, which is able to be demonstrated by village emigration prevalence ratio. The results might suggest that maybe it is not the wealth of social network or resource per se, but the differentiated degree of political pressure toward illegal emigration within the Fuzhou area – given the flexibility of the lowest level of political authority to manipulate their power within a certain extent,that makes the calculation to send an emigrant a harder question for the households in some villages within Fuzhou, and thus gives the emigrants of harsher political environment (ie. lower emigration prevalence village)stronger motivation to remit more.

On another note, a growing literature has made the connection between migration prevalence ratio and change of economic inequality. They argue that emigration prevalence have equalized the society as shown by the changing Gini coefficient.The results here demonstrates what is really happening on the ground for the US bound emigrants in the local context,

suggesting that albeit communities of high emigrant prevalence will probably benefit more than their lower counterparts, the individual households in those high emigration villages may not necessarily benefit more financially than the individual emigration households in a community of low popularity.

Finally, Table 5 provides a profile of the "ideal" emigrant who intends to contribute to local public project – a US bound migrant from Fuzhou, who has a relatively high education, at least one more household member being migrated out, higher income himself but with his family members back home maintaining relatively low income.

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Table1. Descriptive Statistics for the Key Variables

	Emigration to the US		Emigration to Europe	
	Remitted	Not remitted	Remitted	Not remitted
Age	38.44	36.19	37.01	37.12
Years of education	7.77	8.11	7.93	8.50
Number of emigrants in HH	2.22	1.88	1.72	1.56
Duration of stay	6.85	6.35	4.90	4.17
Emigration cost	3857.14	1300.00	15048.80	14656.25
Dependency ratio	0.23	0.17	0.32	0.19
Income after emigration	26046.13	19575.52	38619.07	38235.63
HH income in 2001 (excl. remittance)	1677.23	1571.35	1293.04	2777.58
Village emigration prevalence ratio	0.65	0.57	0.44	0.36
	1194	66	218	27

Table2.1: Spending Patterns of Overseas Remittances by Duration of Stay Overseas for US Bound Emigrants

			Duration of Stay			
Remittances were spent on:	Overall	<1 year	1-2 years	3-5 years	6-9 years	10+years
Paying for family's living	84.94	60.42	72.43	84.32	89.98	90.83
Paying off emigration cost	45.24	68.09	72.43	56.89	34.57	21.33
Supporting the elderly	37.90	21.28	24.04	33.84	43.60	46.51
Building or purchasing housing	27.46	10.42	10.38	20.24	34.78	41.78
Helping to raise children born overseas but sent back to China	20.66	17.02	7.65	21.75	26.42	18.40
Supporting local education and other public projects	11.54	6.38	6.56	9.09	12.97	17.84
Other purposes	4.18	6.25	1.61	3.83	5.30	3.64
Building ancestry grave	3.66	4.26	2.19	1.22	4.18	7.58
Doing business	2.36	2.13	3.83	1.22	1.98	3.79
Total number of cases	1228	47	183	329	455	211

Note: percent is used.

Table2.2: Spending Patterns of Overseas Remittances by Duration of Stay Overseas for Europe Bound Emigrants

Duration of Stay

Remittances were spent on:	Overall	<1 year	1-2 years	3-5 years	6-9 years	10+years
Paying for family's living	75.97	61.11	70.27	79.52	79.17	100.00
Paying off emigration cost	70.56	83.33	78.08	75.90	55.32	20.00
Supporting the elderly	43.72	27.78	37.50	36.14	68.75	60.00
Building or purchasing housing	15.22	5.56	1.39	15.66	42.55	0
Helping to raise children born overseas but sent back to China	36.96	27.78	33.33	38.55	46.81	20.00
Supporting local education and other public projects	3.04	0	0	2.41	8.51	10.00
Other purposes	3.43	11.11	2.70	2.41	2.08	10.00
Building ancestry grave	1.74	0	0	1.20	2.13	20.00
Doing business	4.35	5.56	0	6.02	8.51	0
Total number of cases	230	18	72	83	47	10

Note: percent is used.

Table 3. Multilevel Regressions Predicting if Emigrants Sent Remittances Last Year (Sent=1)

	Overall		S.E.	US		S.E.	Europe		S.E.
Age	0.0206		0.0228	0.05164	+	0.0275	-0.0713		0.0440
Years of education	-0.0829		0.0651	-0.0449		0.0796	-0.23852	+	0.1254
Number of emigrants in HH	0.0849		0.1114	0.1189		0.1271	0.0008		0.2748
Duration of stay	-0.0157		0.0385	-0.0500		0.0395	0.0710		0.0920
Emigration cost	2.01E-06		1.33E-05	-1E-05		1.55E-05	2.78E-05		2.53E-05
Dependency ratio	0.75644		0.4744	0.5381		0.5749	1.3416		1.3219
Income after emigration	8.55E-06		5.22E-06	3.92E-05	**	0.00001	3.93E-07		5.59E-06
HH income in 2001	-6.92E-07		6.48E-06	-5.29E-07		8.60E-06	-5.39E-05		5.63E-05
Emigrant destination (US=1)	0.6062	*	0.2895	--		--	--		--
Village emigration prevalence ratio	4.5043	**	1.5020	4.5810	*	1.9668	5.3921	+	2.9654
Constant	0.15499		1.1289	-0.9548		1.4410	4.1979	+	2.1138
Log Likelihood	-314.36			-228.51			-75.22		
Number of cases	1423			1188			235		

p<.1 +   p<.05 *   p<.01 **   p<.001 ***

Table 4. Multilevel Regressions Predicting Logged Amount Emigrants Sent Last Year

	Overall		S.E.	US		S.E.	Europe		S.E.
Age	-0.0269		0.0051	-0.0230	***	0.0054	-0.0474	**	0.0145
Years of education	-0.0029	***	0.0002	0.0060		0.0160	-0.0324		0.0424
Number of emigrants in HH	0.0378		0.0224	0.0282		0.0229	0.1417	+	0.0832
Duration of stay	-0.0013	+	0.0097	-0.0042		0.0101	0.0082		0.0309
Emigration cost	5.59E-06		3.11E-06	1.11E-05	**	3.35E-06	-2.30E-05	**	8.02E-06
Dependency ratio	-0.01549	+	0.09632	0.0043		0.1056	0.1716		0.2414
Income after emigration	2.25E-06		9.88E-07	2.87E-06	*	1.21E-06	2.30E-06		1.83E-06
HH income in 2001	-1.56E-06	*	1.44E-06	-1.48E-06		1.41E-06	1.65E-05		2.98E-05
Emigrant destination (US=1)	0.4492		0.0943	--		--	--		--
Village emigration prevalence ratio	-0.6539	*** **	0.1880	-0.9284	***	0.1385	0.2409		0.4688
Constant	9.3583		0.2711	9.7549	***	0.2703	10.0098	***	0.6888
Wald Chi2	79.60	***		117.05					18.57
Number of cases	1334			1126			208		

p<.1 +   p<.05 *   p<.01 **   p<.001 ***

Table 5. Multilevel Regressions Predicting Remittances Spent on Local Public Project

	Overall		S.E.	US		S.E.	Europe		S.E.
Age	0.0215		0.0179	0.0262		0.0185	-0.0169		0.0762
Years of education	0.1337	*	0.0544	0.1385	*	0.0570	0.0960		0.1920
Number of emigrants in HH	0.2211	**	0.0670	0.1993	**	0.0690	0.6047		0.3912
Duration of stay	0.0519	+	0.0278	0.0456		0.0289	0.1151		0.1192
Emigration cost	-3.6E-05	**	1.24E-05	-2.4E-05	+	0.00001	-0.0002	*	7.81E-05
Dependency ratio	-0.7255	+	0.401707	-0.80654	+	0.4216	0.1678		1.399297
Income after emigration	7.99E-06	**	2.72E-06	1.15E-05	**	3.31E-06	-3.22E-06		8.45E-06
HH income in 2001	-9.2E-05	+	5.53E-05	-0.0002	*	7.27E-05	6.57E-05		6.58E-05
Emigrant destination (US=1)	0.7555	+	0.3958	--		--	--		--
Village emigration prevalence ratio	-0.2145		1.5197	-1.0350		1.4490	1.1375		4.6700
Constant	-5.2692	***	1.0572	-4.3910	***	1.0530	-4.0942		3.4294
Log Likelihood	-430.96			-390.982			-28.7406		
Number of cases	1424			1183			241		

p<.1 +   p<.05 *   p<.01 **   p<.001 ***