The Impact of Section 287(g) on Migrants' Remitting Behavior

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In Latin America and the Caribbean, remittances play an important role in the economy of the region, totaling over 69.2 billion dollars in 2008, with about 75% originating from the United States (Maldonado *et. al*, 2010). This total represents more than the sum of foreign direct investment and official development assistance to the region combined. However, in 2010 they had dropped to $57.6 billion as a result of many factors –most notably, the recent economic downturn (IADB 2011). In this paper, we investigate the potential role played by another factor –namely increased immigration enforcement at the local level via the 287(g) agreements, may have played on the remitting behavior of Latin American and Caribbean migrants in the United States.

Along with the economic downturn, the impact of increased border and interior immigration enforcement might have made the United States less attractive to potential migrants from Latin America and the Caribbean. According to the Pew Hispanic Center analysis of Mexican government data, the number of new immigrant arrivals from Mexico has been falling from one million in 2006 to 404,000 in 2010, with recent net migration being close to zero (Passel and Cohn 2012). In line with those figures, the U.S. Office of Immigration Statistics showed that border patrol apprehensions in 2010 were at their lowest level since 1972 as fewer people were trying to cross the south border. In addition to curtailing immigrant inflows, increased immigration enforcement may have disrupted the cyclical pattern of much Latin American and Caribbean migration. Migrants are now more likely to stay in the U.S. for longer periods of time –a practice that weakens their ties with the home community, reinforces the development of other ties and responsibilities in the United States, and may ultimately lower remittance outflows. Moreover, undocumented migrants might move further into the shadow, having a harder time finding a decent paying job, therefore, reduce their ability to remit. Yet, there is also evidence that tougher immigration policies may actually induce migrants to remit more (Varsanyi 2010). In fear that their time in the United States may be cut short, migrants may remit more money back home as a self-insurance mechanism (Amuedo-Dorantes and Pozo 2006).

In this study, we assess how the section 287(g) program may have impacted, if at all, the remittance behavior of migrants from Latin American and Caribbean countries in the United States. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) added Section 287(g) on the performance of immigration officer functions by state officers and employees to the Immigration and Nationality Act. The new section allows a state and local law enforcement entity to enter into a partnership with the U.S. Immigration and Customs Enforcement (ICE) in order to receive delegated authority for immigration enforcement within their jurisdiction. Currently, ICE has 287(g) agreements

with 64 law enforcement agencies in 24 states. Since January 2006, the 287(g) program is credited with identifying more than 304,678 potentially removable migrants.
For the analysis, we will combine two sources of data. Data on the remitting patterns of migrants, as well as other crucial socioeconomic characteristics –such as their legal status, will be drawn from the Mexican Migrant Project (MMP) and Latin American Migration Project (LAMP) databases. Using the detailed information on the county and state of residence available in the MMP and LAMP, we will merge information on the 287(g) agreements signed between local law enforcement agencies and ICE. Subsequently, we will explore how the aforementioned agreements have impacted the remitting patterns of Latin American and Caribbean immigrants residing in those U.S. localities using a quasi-experimental approach. Our dependent variables will include the likelihood of remitting, the amount sent monthly, as well as the various purposes for which the money is sent. After all, a higher risk of apprehension following the locality participation in the 287(g) program is likely to impact both the volume and purpose for which the remittances are being sent. Our approach will then compare the remitting patterns of Latin American and Caribbean immigrants in the United States in *treated* vs. *control* localities, *before* and *after* participation in the 287(g) program, where *treated* localities are those participating in the program and *control* localities are those that are not. Because the 287(g) agreements are targeted towards the apprehension of undocumented immigrants, the analysis will rely on triple differences to address the differential remitting patterns of undocumented immigrants in localities participating in the program as opposed to those of similar counterparts in control localities.

We believe the analysis is of great policy interest for various reasons, including: (a) the magnitude of remittance flows to the Latin America and Caribbean region, (b) the reliance of these economies in such funds for poverty alleviation, and (c) the multiplier effect of said monetary flows on economic development and economic growth in the region. Therefore, gaining a better understanding of how immigration policy in the United States may impact these remittance flows can prove crucial in the proposal of viable economic development policies.

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