ABSTRACT WORKING PAPER 3.11

REMITTANCES, EDUCATION AND RETURN MIGRATION. EVIDENCE FOR IMMIGRANTS IN SPAIN

April 2013

We analyze the relationship between intentions to return, remittances and human capital for immigrants in Spain. We use microdata from the 2007 Encuesta Nacional de Inmigrantes -provided by the Spanish Institute of Statistics- to analyze whether more educated migrants are more or less likely to remit (the extensive margin) and, in the case they do remit, whether they send more or less remittances than less educated migrants (the intensive margin). We find out a negative association between education and remittances at the extensive margin, and a strong positive relationship at the intensive margin. Combining both the extensive and intensive margins reveals that, in general, more educated migrants do remit significantly more. However, the evidence is mixed once we take into account their different origins and their intentions to return. Our results show a different behaviour of immigrants depending on their region of origin that could be related to cultural and institutional differences.