

Bargaining Power and Emigration: Evidence on Migration-Related Decision Making in Mexico

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Over the last few decades, new data sources collected in sending regions of migration flows have provided social science research considerable leverage to develop and test models characterizing the factors that motivate migration. A prevailing model in empirical research on lower and middle income countries depicts migration as a decision made by a risk-diversifying household – one in which household members share a coherent set of preferences with respect to the decision to send one or more members to work in a separate labor market. While ethnographic evidence raised questions about the universal applicability of this model several years ago, the unitary household model continues to be both emphasized in migration research and theoretical debates about its relevance are recent (e.g., King 2007; Sana and Massey 2005). The crux of these debates concerns 1) the underlying gender-based social hierarchies in sending regions and 2) the extent to which family members differentially bear the costs of migration; these discussions question whether a single coherent set of preferences is an accurate characterization in such settings. Nevertheless, an empirical test assessing how migration decisions are organized within a complicated set of family relationships remains elusive.

In this study, I build upon the rich ethnographic literature on gender and emigration by testing the applicability of these household decision-making models using nationally-representative data from Mexico, a country with a long history of both internal and international labor migration. To do so, I rely heavily on the previous social science research about intra-household bargaining that calls into question the same family of household models described above, but does so to measure decision making with respect to other outcomes of interest. In the present study, I use information on social background, household decision-making, and individual control of assets to assess the relative bargaining power of Mexican women and men in partnerships and to consider whether variation on these measures is predictive of subsequent migration behavior.¹ The outcome of such an analysis is telling; if members of couples in which women have higher levels of bargaining power are less likely to emigrate, all else equal, it suggests that women and men do not have coherent preferences with respect to migration and provides population-level evidence calling into question prevailing models of migration behavior.

The ability to undertake this examination hinges on the presence of longitudinal data on a diverse array of individual and household characteristics in sending contexts of major migration streams; in this study I use two waves of the newly released Mexican Family Life Survey (MxFLS). Understanding how households make these kinds of decisions has a number of important implications. In addition to revealing how gendered hierarchies play out in household behavior, such evidence also sheds light on how, and at whom, policy aimed at shaping migration flows may be best targeted.

Background: Migration and the Unitary Model of Household Decision Making

Early migration theory relied on a cost-benefit framework to understand migration behavior from the perspective of individuals; while calculations considered many types of costs and benefits, much of this research emphasized wage differentials between sending and receiving regions as the driving force behind migration. A major theoretical development rethought the migration decision as one not made by a lone individual, but one that is made instead by a family or by a

¹ Parrado, Flippen, and McQuiston (2005) test a related but distinct relationship: whether migration *produces* gains in marital power for women who migrate to the United States. The present study attempts to understand how gender and marital dynamics influence the migration decision from the perspective of sending households.

household maximizing the utility of the unit (Mincer 1978; Stark and Levhari 1982). Within this unit, resource allocation, including risk, can be diversified. In less developed locales, insurance markets for crop risk and unemployment may be weak or unavailable entirely. The act of diversification occurs, then, as an insurance strategy. Having one family member sending remittances from a wage-job in another region may provide a steady source of income should, for example, an agricultural season at home be particularly low yielding.

Indeed, some evidence supports this model of migration behavior. Specifically, access to formalized credit appears to be a strong deterrent to emigration, even net of pre-migration levels of household resources (Arenas, Conroy and Nobles 2008). Additionally, remittances from migrants appear to be more substantial in contexts characterized by family structures that are better positioned to enforce the implicit contract between the sending family and the migrant (Sana and Massey 2005). Along these lines, several studies have demonstrated that migrants pool resources with sending households in such a way to overcome negative economic events in sending regions (Hamoudi 2008; Rosenzweig and Stark 1989).

The heavily contested component of this theory is the notion that household members a) have cohesive preferences with respect to migration and b) that household decisions are made in a cooperative bargaining arrangement. The vast majority of research on this subject has arisen from ethnographic studies of families engaged in various types of migration. In several settings – most marked by high-level of patriarchal norms about household roles – women and men have reported to researchers that migration decisions have been made by individuals with only marginal input from others in the household (e.g., Hondagneu-Sotelo 1994).

Qualitative research in this area has underscored the critical issue of potential gender disparities in the decision making process and in the potential implications of this process. The difficulty that arises when asking individuals to describe decision-making from their perspective, nonetheless, is that household bargaining arrangements may have many underlying dynamic progressions – some of which are explicit and some of which are implicit. For example, a wife may be taking into account her perception of her husband's preferences whether or not she asks him to discuss them. In other words, to add to previous research, we may also want to assess whether *revealed* dynamics of household decision making fall in line with prevailing theories.

To this end, there are at least two means by which one might draw inference about the nature of household decisions. One approach involves measuring the returns to different household members that accrue from the migration process and making assumptions about the types of choices individuals would make if they behaved rationally. If wives, for example, do not stand to gain utility from the migration process, and also differentially bear its costs, it calls into question the reasoning behind their support of a family decision to send a husband to migrate (e.g., King 2007). Nevertheless, making this inference is quite difficult, because the returns anticipated by a household member may be expected over a very long time horizon (e.g., providing tertiary schooling opportunities for children) or simply very difficult to measure (e.g., the utility of being separated from a verbally abusive spouse).

Another approach draws on the large body of literature in social science that focuses on power within relationships, bargaining, and intra-household resource allocation. This line of research has directly challenged the applicability of unitary household models, or the idea of perfect resource pooling, and instead argues that household decisions and the allocation of household resources are a function of power within relationships and the preferences of the individuals who ultimately have the most decision-making authority (e.g., Blumberg 1988; Lundberg and Pollack 1996). Power differentials within marriages are thought to arise from several sources, including the amount of economic and social resources individuals bring to the household, and in the case of marriage, alternative options if one is to leave.

Studies in this literature have modeled the power differentials in relationships using a series of indicators capturing control over resources, family background, and outside options, and have demonstrated how differences between husbands' and wives' relative bargaining power are predictive of population variation in how household resources are allocated and the types of

behaviors in which couples engage. For example, Rangel (2006) writes about children's education and women's labor force participation in Brazil; Thomas (1990, 1994) measures children's health in multiple settings; Beegle et al. (2001) examine women's use of prenatal care in Indonesia.

In this study, I take a similar approach by using a new dataset to model bargaining power within couples and assessing how it relates to emigration from sending communities. The key advantages of this approach are that I can observe indicators of relative bargaining power for couples within all households (as opposed to only observing them within migrant households) and I can observe these dynamics prior to the migration behavior itself. I build on the existing rich ethnographic work by considering these revealed dynamics in a nationally-representative data set.

The setting for this study is Mexico. Before turning to a discussion of methodology, I consider a few important features of migration, gender, and family relationships in this context.

The Mexican Context

Labor movement, both within Mexico and to the United States, has a long and well-established history. Though studies about the Mexican case form a central line of labor migration research, movement within and beyond the borders of Mexico is a somewhat unusual case when considered from a familial perspective (Sana and Massey 2005). Mexican migrants are traditionally young men, but many have spouses and children who remain in their sending homes, with whom they maintain important financial and emotional connections. Although an increasing number of women migrate internally in Mexico as well as to the United States, female migration typically happens before entering a union or later in the life course, when children are grown (Cerruti and Massey 2001; De Vos 1987; Kanaiaupuni 2000a). While some families are separated for shorter periods of a few months, many husbands leave home for several years at a time (Frank and Wildsmith 2005; Kanaiaupuni 2000a, 2000b).

Sociological literature has documented the central role that women play in actively maintaining these types of flows. Kanaiaupuni (2000b) uses life history data from 33 interviews in central Mexico to argue that Mexico - U.S. migration could not exist in its current incarnation without the considerable role that nonmigrant women undertake to maintain homes and finances, while raising children and working to keep the family emotionally connected across national borders. It is crucial to note that managing households, finances, disciplining children, and arranging for their education are heavily gendered responsibilities in Mexico (Garcia and de Oliveira 2005); women in two parent homes rarely oversee these tasks. For spouses of migrants, taking on a traditionally male household role may come at a social cost, particularly if these women live in communities without many others like themselves (Kanaiaupuni 2000b).

The gendered division of household labor accompanies a more broad gendered hierarchy within relationships and communities in Mexico. Men hold more assets than women do and more frequently make decisions about the allocation of household resources and whether or not women can be employed (Parrado, Flippen and McQuiston 2005). Importantly, Oropesa (1997) notes that considerable variation exists in the degree to which women play a secondary role in household decision-making and concludes that "husband dominance is neither universal nor insurmountable" (1291). The goal of this study is to measure this variation and assess whether it is predictive of migration behavior, thereby shedding light on how migration-related decisions are made.

Methods

The data for this study come from an ongoing nationally-representative household survey in Mexico, the Mexican Family Life Survey. The survey was first fielded in 2002; all members of 8,440 randomly sampled households in 150 randomly sampled localities in Mexico were interviewed. A second wave was fielded three years later, in 2005. Over 90 percent of households were re-interviewed, including over 90 percent of individuals who were living in the United States at the time of the second survey. The dataset includes individual marital, migration, employment, and work histories, as well as data on individual measures of economic status, family background, and

household decision-making (Rubalcava and Teruel 2004).

To examine the relationship between bargaining power and migration, I sample couples who report being in unions and who are both in the household in 2002.² Because the vast majority of migration from Mexico and within its borders occurs during the younger working years of adulthood, I focus this analysis on younger couples – in this case, where both members are under the age of 50 in 2002. The resulting sample includes 3,844 couples.

The outcome measure of interest in this study is household migration between 2002 and 2005. In over 13% of the sampled couples, one of the two partners migrated either domestically or to the United States over the three year period. In eight percent of couples, husbands migrated at least once but wives did not migrate at all; in 3 percent of couples *both* partners moved at some point during the period.³

I model husband's, wives', and joint migration behavior between the two survey waves as a function of 1) several different indicators of relative bargaining status in the marriage and 2) a number of individual, household, and community controls that may influence both the probability of migration and the relative status of men and women in the household.

Measuring Bargaining Status

To capture bargaining power, I follow previous research by using several measures to capture various dimensions over which men and women may bring differential resources to the marriage. I begin by creating an indicator of whether the wife has more years of education than her husband and an indicator of whether a wife's parents have more combined education than her husband's parents. Education characteristics may be somewhat problematic if they reflect earnings potential and if individuals are sorting themselves spatially on predicted earnings. For this reason, I also consider information about existing economic resources. Specifically, previous research has emphasized the value of non-labor income and asset ownership as indicators of relative control over household resources in the present. Here I measure variation in the amount of assets over which a woman has control relative to her husband.

I develop a fourth measure from a household decision-making module in the MxFLS. The survey asks partnered adult household members to list all of the those people in the household who contribute to decisions about a variety of topics. Among these are husband's and wives' employment, two arenas often emphasized in research highlighting gendered power imbalances in Mexico. I use husband's and wives reports about their relative role in decisions related to women's work; I measure whether she reports that she 1) makes decisions about her employment alone, 2) makes them in tandem with her spouse, or 3) does not contribute to employment-related decisions.

Finally, I consider whether the existence and location of extended family members may be a mechanism to provide more options outside of marriage for women, but a marginally smaller role in the provision of alternative options for married men.

Descriptively, a fair amount of variation exists in the relative bargaining power and share of resources held by women and men across this population. For example, while husbands in this sample have on average half a year of additional education than their spouses, wives are more educated than husbands in 29% of couples in this sample. Similarly, with respect to wives' employment, one third of women in this sample report that they make decisions alone, while 40% report making decisions with husbands, and 28% report that their husbands decide alone.

Controls

Other research has demonstrated that these measures of bargaining power are in part a function of variation in the level of resources held by the household (e.g., Thomas 1990). To help

² 6% of adult women and 2% of adult men report being in a union but have partners living outside of the household during the 2002 interview.

³ Over 4 percent of the couples in this sample separated between 2002 and 2005.

address the issue that resources may directly influence both the outcome and covariates of interest, I include controls for total assets at the household level, indicators of the level of completed education for husbands and wives as well as demographic characteristics of individuals and their homes measured in the first wave. Further, it is probable that the regional clustering of migration in Mexico coincides with regional clustering in social norms about gender-based divisions of labor in the household. When estimating the association between bargaining power and migration, I use community fixed-effects to compare couples living within the same social setting.

The extent to which reverse causality may bias these estimations is difficult to assess; whether spousal migration shifts bargaining power within households remains contested in both ethnographic and demographic research (see Parrado et al. 2005 for a review). If previous migration behavior influences marital power, the measures of power in the aforementioned estimations are certainly not exogenous with respect to past migration decisions. However, if 1) a positive relationship exists between past migration experience and current bargaining status and 2) previous migration experience is highly predictive of future migration experience among men in Mexico, as is most often suggested, then a negative association between women's relative bargaining power in 2002 and the odds of subsequent spousal migration by 2005 will be downwardly biased and can be thought of as a lower bound on the true estimate. That said, I also consider the association between relative bargaining power and migration outcomes conditional on past migration decisions.

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