

Who's in, who's out? Return Migration in Times of Crisis

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Abstract

Understanding the determinants of return migration is essential in the shaping relevant migration policies and even more when the destination country is hit by a crisis. While it is already well acknowledged that credit constraints play a crucial role in the emigration decision, in this paper we show that credit constraints also condition return migration. Using a novel survey on both current and return migrants in Spain and Ecuador, we capture the role played by the recent economic crisis in shaping the intentions and perception of the return migration. The specific context of Ecuadorian migration to Spain allows a quasi-experimental analysis of migration dynamics of a single generation of immigrants. Using a binary choice model, we show that the migrants who returned were less affected by the economic crisis. Thus, return migration can be seen as a coping strategy in a crisis context. We also find that the length of time spent in an irregular status decreases the probability to return.

Keywords: International migration, Return migration, Crisis, Ecuador, Spain

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1. Introduction

In this article, we offer a new perspective on return migration and argue that, in a crisis context, return can be seen as a risk-coping strategy and is thus strongly linked to individuals coping capacities. Along the lines of Cassarino (2004) we could see this as ‘preparedness’ which is far from being a vague notion and which puts emphasis on the returnees’ ability to gather tangible and intangible resources when return takes place autonomously. While in the literature on emigration, credit constraints are widely acknowledged as playing a crucial role in the emigration decision and its realisation, in this paper we show that the same is true for return migration – credit constraints condition the return decision. For this purpose, we use the return of Ecuadorian immigrants in the aftermath of the Spanish crisis as a natural experiment and analyse the selectivity into return. The original data we collected, not only allow us to identify the role played by both economic and sociocultural factors in the decision to return but also to provide a new insight on the differences between the profiles of returnees and current migrants.

With the global crisis, debates were stirred about the expected outflows of migrants returning from host countries to their home countries. On the one hand, the significant recession in receiving countries, mainly OECD countries, lowered the wage differential that made migration interesting and also increased the unemployment rates, especially among the migrants. In Spain, for instance, 29.7 per cent of foreigners but only 16.8 per cent of native Spaniards were unemployed in 2009 (Moser et Horn, 2015, Cebrian et al., 2010). On the other hand, the home countries were relatively less impacted by the crisis and some even saw their growth rates remaining positive thus further contributing to the decrease in the wage differential. Within this context, according to both Neoclassical theory and the New

Economics of Labour Migration, migrants should have returned home. However, no massive return was witnessed and it is important to understand the mechanisms outlining the decision to return to one's country, especially in times of crisis. Rendall et al. (2011) find there was a decline in total return migration in the fourth quarter of 2008, immediately after the triggering of the global financial crisis. Their results are consistent with Martin's (2009) findings of no exodus of immigrants in Spain in the 2009 financial crisis.

During the years of the economic boom in Spain (2001-2007), a growth model led by low productivity and high labour intensive sectors boost an extraordinary process of job creation. Around 4.7 million net jobs were created representing 31% of the total EU27 employment generated between 2001 and 2007. This huge increase in labour demand could only be partially covered by the native workforce, thanks to slight increase in the native potential workforce, a slight increase in the rate of the native activity rate and a small rise in the native employment rate. The combination of these three factors meant that there were "only" 2 million native employees to meet the labour demand, so the balance (to cover the 4.7 million jobs created) were filled by immigrants. The total number of economic immigrants living in Spain in 2000 was only around 500,000 people (all nationalities included) but from that year, Spain started to experience one of the most intense voluntary immigration flows ever recorded in Europe. Nearly 4.5 million immigrants entered Spain between 2001 and 2008, with 3.6 million coming from poor countries. A total of 2.7 million immigrants eventually succeeded in finding employment; by early 2009, the number of foreigners residing in Spain had already surpassed 5.5 million; an increase representing 12% of its population in just 8 years.

The severe recession has not brought about the reduction in immigration flows one would have expected [...] which suggests that international migrations currently respond to factors that go beyond the mere demand for labour force (Domínguez-Mujica et al., 2014). In this context, Spain emerges as an ideal case of analysis of international migrations. Indeed, Bastia

(2011) focused his study on migrants' return decision-making in times of economic crises by comparing how migrants from the same country of origin negotiated [...] the economic downturn in Spain. Boccagni et al. (2011) analysed, among other things, the cumulative effect of migrant settlement, i.e. the self-perpetuating potential of migration chain, despite the relative deterioration in immigrants' life conditions overseas.

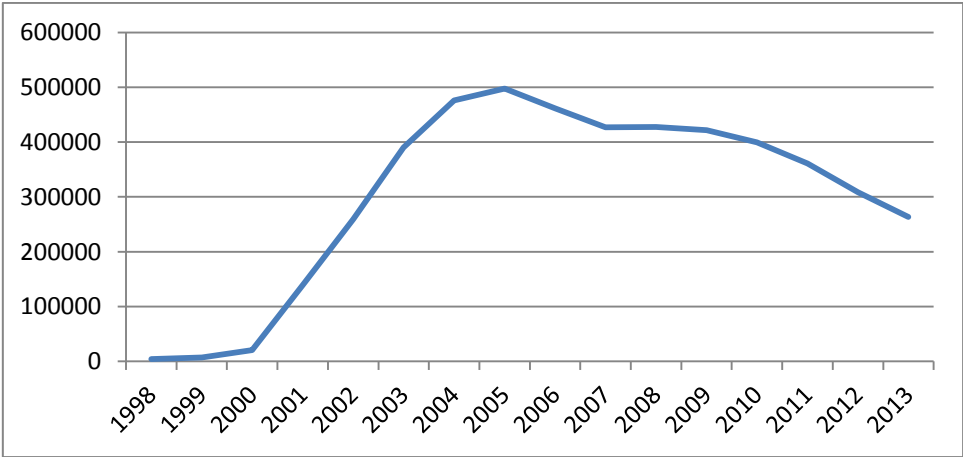
The speed at which the phenomenon of boom-slowdown-drop occurred allows a distinctive study of migration dynamics of a single generation of immigrants. The emigration from the origin country, the arrival in Spain, the stay, and the final return (or its expectations) are still fresh in the minds of the current residents and return migrants. A single generation of immigrants has undergone these various stages in just over a decade allowing a quasi-experimental analysis focused on the migration reasons, the residence context, the return motivations, and the role of an external shock such as the economic crisis in the migratory journey.

On the one hand, Ecuador is one of the main countries of origin of migrants residing in Spain, only surpassed by Romania and Morocco, thus ensuring a sufficiently large group of analysis.

It was estimated that between 1.5 million and 2 million Ecuadorians were living abroad in 2013, representing around 1.5-2% of the total population. The diaspora is mainly the result of two waves of migration: a first one in the early 1980s with migration flows towards the US, and a second one in the late 1990s for which the main destination was Spain. This second wave, often characterized as "mass emigration", was triggered by a severe economic crisis resulting from low oil prices and floods damaging export crops, all this in a context of political instability and financial mismanagement (Jokisch, 2014). The economic crisis translated in a steep increase in unemployment, reaching 15%, an increase in poverty to 56% and a loss of value of the national currency (the Sucre) of more than two-thirds, pushing

between 500 000 and 1 million Ecuadorians to emigrate between 1998 and 2005. The main destination was Spain, where the lack of visa requirements, common language and significant demand of low-skilled informal jobs created a perfect destination. Graph 1 presents the evolution of the number of Ecuadorian nationals residing in Spain between 1998 and 2013 showing a spectacular increase that peaked in 2005 with the regularization law that granted legal status to almost 200.000 Ecuadorians.

Graph 1. Evolution of the number of Ecuadorians living in Spain between 1998 and 2013



Source: Instituto Nacional de Estadística (INE), 2014

On the other hand, in the recent years of the crisis, the population of Ecuadorian origin presents a very strong return dynamism, considerably higher than that of nationals of other countries. For instance, according to data from the General Secretariat for Emigration and Immigration (Secretaría General de Emigración e Inmigración), the number of Ecuadorians living in Spain with a residence card fell by 49% between 2009 and 2013 while the population from other Latin American countries only declined by 21% over the same period, and that from Romania increased by 23%. As such, Ecuador is a significant case for study because its return migration strategy coincides with critical worldwide economic circumstances that are likely to turn immigration into a less desirable option than in the past for both migrants and

the receiving countries (Boccagni, 2011). Various studies suggest that return migration is more related with conditions in the country of return than the country of residence (Boccagni et al., 2010, Rogers, 2009). According to INE figures, between 2012 and 2013, Spain recorded 56 466 less Ecuadorians, including those with double nationality (Jokisch, 2014). Along the same lines, the SENAMI estimated having assisted more than 40 000 Ecuadorian migrant to return between 2008 and 2013.

This paper uses original survey data collected in 2014 in Spain and Ecuador on a twin-sample of current and return migrants.

Starting from the assessment that the vast majority of literature on return migration is mostly based on surveys on only current migrant or only returnees, we designed and constructed a novel dataset that specifically captures the sociodemographic and economic characteristics of Ecuadorians that have resided or are residing in Spain.

Indeed, very few studies analyse return migration using twin samples. Moser and Horn (2015) use a longitudinal data analysis composed by two rounds of interviews providing qualitative and quantitative asset data of 21 migrants in Barcelona. Boccagni et al.'s (2011) study built their article based on empirical works on Ecuadorian migration to Europe and interviews made to 30 key informants in the Andean country. The only study to our knowledge that includes both returnees and current migrants analysis is the one made by Bastia (2011) who did semi-structured interviews in Cochabamba in 2008 with returnees from Spain (11 interviews) and in Spain in 2009 (20 interviews).

Our sample comprises of a total of 1.300 individuals who were interviewed in two different surveys carried out in Madrid and Quito. Furthermore, we developed a specific questionnaire module on the crisis impact that covers economic, sociological and legal dimensions. Finally, we used a multidisciplinary approach and inspired our questionnaire from the previous works

of Fokkema and de Haas (2011) and Cassarino (2007), which allows us to highlight the role played by the family and by transnationalism in the return decision.

Our results show that individuals who were more impacted by the crisis returned significantly less, supporting our hypothesis that migrants with financial capacities chose to return in order to avoid the worsening of their situation confirming Bastia's (2011) qualitative findings about the impossibility of returning to Spain in the near future. We show that vulnerability, either proxied by the crisis impact, the overall time spent unemployed or the length of time spent in an irregular status, decreases the probability to return. Similarly to the findings in the recent paper of Carling and Pettersen (2014), we find that well integrated individuals, as well as those with strong links to their origin countries, have significantly higher return propensities. The underlying explanation lies in the fact that individuals who are better integrated, whether in the home or origin countries, have easier access to capital and information that might enable them to return. However, we do highlight that the return decision is also a process that is shaped by family dynamics and social and legal restrictions. Understanding who return and which are the conditions of the return is essential since it determines the socioeconomic integration of returnees and their long term economic outcomes (Fransen et al., 2017, David, 2017, Mercier et al., 2016).

The paper is structured as follows: section 2 will present the theoretical framework for our study, highlighting our contribution to the literature, section 3 gives a short overview of the crisis in Spain and its impact on migrants, section 4 presents the novel dataset and our methodology, results are presented in section 5 and section 6 concludes and discusses the policy implications.

2. The framework

2.1. Theoretical framework

Emigration has often been considered as a risk-coping strategy for households in presence of a negative income shock. Households in risky environments might be more prone to send migrants, in a different region or abroad, as was to diversify and smooth income. In this case, emigration is an ex-ante coping strategy since households try to protect themselves from known hazards.

But emigration can also be an ex-post risk-coping strategy when, in the aftermath of a negative income shock, households chose to migrate (entirely or partially) as a response to the shock (Skoufias, 2003) and in order to recover the level of wellbeing prior to the shock or to alleviate the burden (in case of a partial emigration). This type of emigration was mainly studied in the case of natural disasters and climate change. For instance, Kugler and Yuksel (2008) and Akee (2007) find that hurricanes drive emigration from Central America and Micronesia. Munshi (2003) and Pugatch and Yang (2011) show that negative income shocks due to rainfall in Mexico increase emigration. Hanson and Spilimbergo (1999) and Orrenius and Zavodny (2005) provide additional evidence that negative Mexican economic shocks stimulate emigration to the US. Ansell and Van Blerk (2004) show that families in Lesotho and Malawi resort to children migration as a strategy to cope with the impacts of AIDS. Furthermore, a sharp deterioration of economic conditions can also be considered as a negative income shock which triggers emigration. Both Jochisk and Pribilsky (2002) and Bertoli et al. (2011) highlight the Ecuadorian “exodus” in the late 90s-early 2000 as a direct consequence of the economic crisis in Ecuador.

On the opposite side, if an economic crisis in the origin country sparks emigration, the same

can be true in the opposite direction - an economic crisis in the destination country could trigger return migration. Using the Asian financial crisis as an quasi-experiment, Yang (2006) analyses return migration and provides evidence that migrants at the highest and lowest ends of the foreign wage distribution are “life-cycle” migrants (who chose their length of stay abroad according to their maximization of utility of consumption in the home country) and migrants at intermediate levels of foreign wage distribution are “target earners”. He clearly identifies the type of migrants and assesses the impact of the crisis on return migration using panel data in the case of Philippines. However, in his analysis, the crisis hits both destinations and origin countries, in a differentiated manner, with the positive exchange rate shocks for migrants simultaneously raising the Philippine-currency value of foreign wages and of accumulated savings held overseas. Thus, the “target earners” who are faced with this positive exchange rate shock are more likely to return home and to invest (because they reach their target sooner). Tilly (2011) offers a review of the impact that the recent crisis had on international migration flows, but mainly focuses on immigration. Reyneri (2009) argues that return migration flows in the aftermath of the economic crisis were not as high as anticipated, mainly because return would be very costly for irregular migrants. Focusing on the EU-enlargement, Zaiceva and Zimmermann (2016), find no evidence of a significant flow of returnees, which they explain by a relatively stronger impact of the crisis on origin countries compared to destination ones. However, they do find evidence of consecutive moves for migrants that can be considered as a response to the crisis.

Indeed, immigrants were not only hit harder by the economic crisis than natives, but, especially in the case of irregular migrants, could not benefit from the same security nets. If we follow the same reasoning as the above mentioned papers, we would expect the migrants to react to the negative income shock represented by the crisis impact, by emigrating, either to their origin country or to a different one. Since in this research we focus on the case of

Ecuadorian migrants in Spain, we will not emphasize the option of emigration to a third country. Our argument is that, given the very strict immigration policy of the US (the other main destination for Ecuadorians) and their economic slowdown as well, Ecuadorians in Spain would have to migrate to another European country. However, since the impact of the crisis was very strong throughout Europe and, at the same time, Ecuador was going through a high growth rate spell (before the decline in the oil prices) and active policies directed towards attracting the diaspora were implemented, returning to Ecuador seems as a more relevant option. Thus, we argue that returning to one's origin country, in a crisis context, can be considered as an ex-post risk-coping strategy. The main implication of this reasoning is that individuals need to have a high coping capability in order to be able to adopt this strategy. Coping capabilities can be defined as the level of resources and the manner in which people use these resources and abilities to face adverse consequences of a disaster, which would be the economic crisis in this case. This involves that return in a crisis context does not only depend on the traditional reasons mentioned in the literature (savings, preference for consumption in the home country etc.) but also depends on the migrant's vulnerability and his strategy and capacity to deal with the crisis' impact.

We will thus consider a framework in which migrants find themselves in an environment deteriorated by an economic crisis and make their decisions according to their preferences and to their capacity to cope. We thus expect the decision to return to be determined by four main types of factors: (i) the migration phase in which the individual finds himself; (ii) preferences to live in origin or host country; (iii) restrictions that he might face concerning either return or stay; and (iv) coping capacities.

The factors relative to the migration phase comprehend aspects such as the age at which the individual has migrated and the time spent abroad. One would expect that an individual who is at the beginning of his/her migration process would be more reluctant to return since a

minimum migration duration is needed in order to fully benefit from the stay abroad. Furthermore, the length of time spent in the destination country increases the sociocultural links with the host environment, thus it might decrease the probability of returning.

Additionally, the return decision is influenced by individual preferences for a specific location, along the lines of Dustmann (2003). Therefore, even in a crisis context, preferences over living in Spain might prevail over a potentially more rational decision which would be to return to Ecuador.

Another set of elements to be taken into account in the return decision are what we call “restrictions”, which can be of legal or family nature. For instance, individuals who took the decision to emigrate jointly with their spouses or who had children during their migration might have a lower propensity to return since established family in Spain might act as a constraint. Legal constraints such having lost the residence card can, on the other hand, increase the probability to return.

Finally, we argue that in a crisis situation, some of the main determinants of return are the migrants’ coping capacities, as defined here above, which enable them to either return or stay, in combination with the other determinants. Therefore, we would expect migrants who were more impacted by the crisis and who had lower coping capacities (proxied through lower saving for instance), to be less likely to adopt a strategy of return. In the particular case of our study, the costly trip from Spain to Ecuador involves that migrants need a minimum level of financial capital in order to return, thus supporting our hypothesis even further.

To sum up, in our approach, the return decision is not simply the result of a maximization of utility or the result of a predefined strategy, but rather the joint result of context, preferences, restrictions and coping capacities. This approach is in this sense similar to that adopted by de Haas et al. (2015) which highlight that the various theories that explain return, such as the

Neoclassical Theory or the New Economics of Labour Migration, are complementary and the return decision is the result of a combination of determinants.

2.2. Empirical implementation

In this paper, we aim at capturing the return determinants and will thus explain the return decision through a set of variables relative to capacities, restrictions and preferences, highlighting the role of the crisis.

Therefore, the model we estimate is the following:

$$R_i = \alpha_0 + \alpha_1 X_i + \alpha_2 P_i + \alpha_3 R_i + \alpha_4 C_i + \varepsilon_i$$

Where R_i is a dummy variable taking the value 1 if the individual has returned to Ecuador and 0 if he is still in Spain. X_i , P_i , R_i and C_i are four vectors containing variables of individual characteristics, preferences, restrictions and capacities, which will be detailed in the next section.

The main concern that arises is that the returnees have a significantly different profile from current migrants and these unobserved characteristics would explain the decision to return. We argue that by controlling for the pre-migration individual characteristics, as well as for the characteristics of the migration episode, we capture the unobservable that might be accountable for any difference between the two populations.

Furthermore, given the discrete nature of most of our independent variables, we chose to run an OLS regression instead of a classical probit or logit.

3. Data

3.1. Data and sample characteristics

We base our analysis on a novel dataset on Ecuadorian migrants returning from Spain: the ECM2 survey. The survey, conducted in 2014, is part of UAM contribution to the NOPOOR FP7 granted project³ focused on how wellbeing and family factors shape Ecuadorian migration dynamics, and describes the impact of the crisis in Spain on Ecuadorian immigrants using a “twin” sample of Ecuadorian current migrants and returnees. A total of 1.300 individuals were interviewed by means of two different surveys carried out in Madrid and Quito.

The first survey to be conducted was the one in Madrid, during the months of July and August 2014. We need to mention that the choice of Madrid for the field work was motivated by the fact that this city hosts the highest share of Ecuadorian migrants in Spain. According to municipal statistics, Madrid has the largest Ecuadorian migrant population, 75.298 accounting for 28.6% of the total number of Ecuadorians in Spain (INE). When designing the sample, we considered as valid observation unit individuals of Ecuadorian nationality, residing in Madrid city, with 15 years old minimum at the time of migration and having been living in Spain for at least one year. Of course another crucial criterion was not having any other family members who already answered the survey.

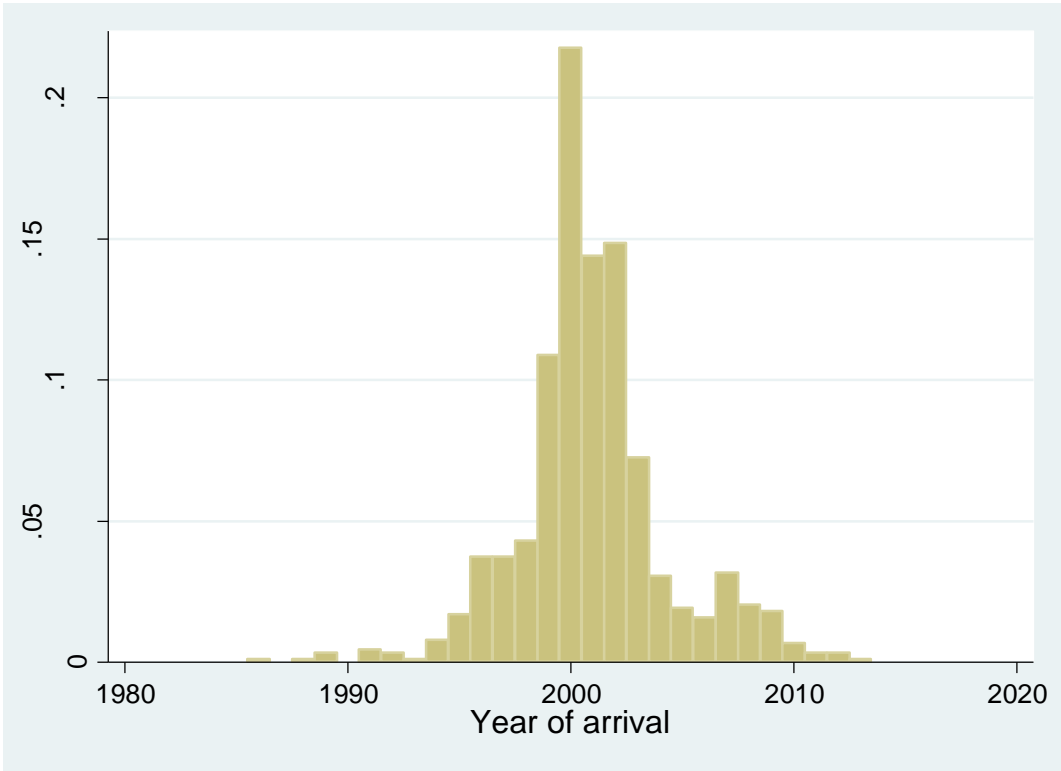
The surveyors were carefully instructed to randomly conduct interviews in public places (parks, street, subway and train stations, Ecuadorian restaurants and bars, shopping areas, ports events, etc.), approaching individuals and asking them the preliminary questions that

³ NOPOOR. Enhancing Knowledge for Renewed Policies against Poverty. SP1 Cooperation- Collaborative project- SICA. Grant Agreement no: 290752.

ensured that they belonged to the sample described above. Given that a significant share of the surveyors were of Ecuadorian origin, they were allowed to survey maximum 2 persons from their family and friends circle as long as they fitted the sample criteria. Additional instructions have been given during the survey as to orient the surveyors in order to obtain a sample whose characteristics in terms of sex, age, duration of stay and labour status would match the official Spanish statistics on Ecuadorian migrants residing in Spain.

The final sample consists of 882 individuals, representing around 1.2% of the entire Ecuadorian population living in Madrid at the end of 2013 (75.298) according to the official municipal statistics.

Graph 2. Distribution of the sample according the year of arrival



Source: Authors' computation

The sample distribution of arrival year shows that the migrant's inflow started to appear as relevant at the beginning of the Ecuadorian economic crisis in 1997/98, significantly

accelerated around the time of the dollarization (years 1999 / 2000) and started to decelerate from 2004 (**Erreur ! Source du renvoi introuvable.**). This is exactly the same trend as the one observed for the national numbers as depicted in Graph 1. It is known that Ecuadorian women started the migration process slightly earlier than men, which is also confirmed in our sample: according to our data, 30% of women surveyed arrived to Spain in 1999 compared with 22 % of men surveyed.

Table 1. Basic characteristics of the current migrants sample

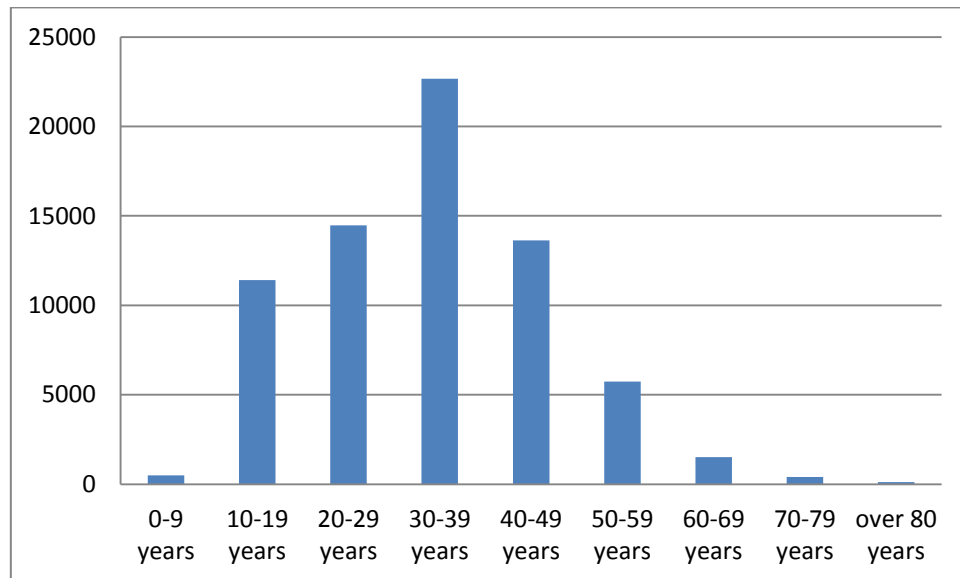
	Men	Women	Total
Age at the time of migration	27	26.1	26.5
Migration duration	12.9	13.2	13
Current age (at the time of the survey)	39.9	39.1	39.5
Spanish nationality	55.3%	66.6%	52.6%
Number of observations	418	464	882

Source: Authors' computation

On average, the Ecuadorian migrants in our sample are 39 years old and they migrated around the age of 26 years old with a slight difference between men and women related to our previous comment on the initiation of migration by women (

Table 1). Again, if we compare the age distribution of the total Ecuadorian population residing in Madrid, we notice that our sample roughly follows the same pattern, since according to INE data (Estadística del Padrón Continuo a 1 de enero de 2013) the highest share of Ecuadorian migrants are aged between 30 and 39 years old.

Graph 3. Age distribution of the Ecuadorian population living in Madrid, 2013



Source: INE

Concerning length of migration experience, we observe in our sample an average migration duration of 13 years old, but we have to point out that this number only reflects the average duration for the migrants that have not returned.

In terms of nationality acquisition, 52.6% of the migrants in our sample have the Spanish nationality, which is very close to the national numbers provided by INE, according to which, at the end of 2013 (Estadística del Padrón Continuo), 53.6% of the Ecuadorian residents had the double nationality. The percentage of nationality acquisition for the Ecuadorian population is very high and, in fact, Ecuadorians rank first in terms of naturalizations. This could be easily explained for historical reasons and cultural closeness, for being one of the

first countries of origin since the beginning of Spanish immigration era and/or for the preferential conditions of access to nationality offered by our legislation⁴.

In terms of birthplace, the highest share was born in Quito (30.30%). The other two main origin cities are Loja (19.40%) and Guayaquil (11.60%).

Table 2. Main birth places and residence places for the current migrant sample

Top 3 birth place		Top 3 residence place before migration	
Quito	30.30%	Quito	38.70%
Loja	19.40%	Loja	12.40%
Guayaquil	11.60%	Guayaquil	13.00%

Source: Authors' computation

There are slightly more women in the sample (52.6%), but the same trend has been observed in the various surveys on immigrants in Spain (Jokisch, 2014). Despite the highest share of women, there is no notable gender difference in age and migration duration.

In a second stage, we conducted the survey on return migrants in Quito, during the month of August 2014. This subsample consists of 410 individuals of Ecuadorian nationality, which were interviewed in the province of Pichincha. All of them had returned from Spain, at least one year before the interview and had spent at least one year in Spain. The minimum duration of one year since return should be enough in order to allow us to capture individuals that have had the time to settle in. Moreover, since the questionnaire covers not only the entire migration episode and the return, but also the pre-migration period (wellbeing, labour market behaviour and other relevant individual and household characteristics), only individuals that

⁴ The minimum prior period of residence in Spain required for Latin American citizens (as well as Andorra, Philippines, Equatorial Guinea and Portugal) is only two years, while generally for other nationalities the period required is 10 years. On the other hand, Latin American citizens can achieve Spanish nationality without waiving their own, something that does not always occur in the case of nationals from other countries.

were at least 15 years old at the time of emigration were interviewed.

Unfortunately, our sample of 410 return migrants individuals could not be drawn randomly. According to the estimations of the Ecuadorian census itself, the number of immigrants who returned to Ecuador in the recent years (2005 – 2010) is of 63,888. Of these, approximately 46% came back from Spain (29,388). We thus need to bear in mind that our population of interest represented about 0.2% of the total Ecuadorian population at the moment of the survey. If we concentrate on a smaller geographical unit with higher rates of return, as the province of Pichincha where we eventually focus our study, the return migrant population is estimated to be of around 20,000 individuals. If about half of them came from Spain, the group would consist of no more than 8,500 individuals, out of a population of about 2.6 million in the Pichincha province; that is, a group representing 0.3% of the province's total population. In those circumstances, having access to a census for returnees would have been essential to draw a random sample and to contact selected return migrants but, once again, no official returnees' census is available neither in Ecuador nor Spain.

In order to circumvent the problem we opted for a snowballing procedure. In a first phase we started to contact a core group of returnees from several sources: (i) returnees who attended the workshops organized for return migrants by the local government; (ii) returnees who signalled themselves on the website we had created for the survey; (iii) returnees who had been identified by the local associations we worked with; (iv) returnees who had benefitted from some specific return assistance programs launched at the time by the National Secretariat for Migrants (Secretaría Nacional del Migrante - SENAMI) and (v) returnees who were registered at the Ministerial job program as unemployed and looking for a job (Bolsa de Empleo del Ministerio de Relaciones Laborales de Ecuador).

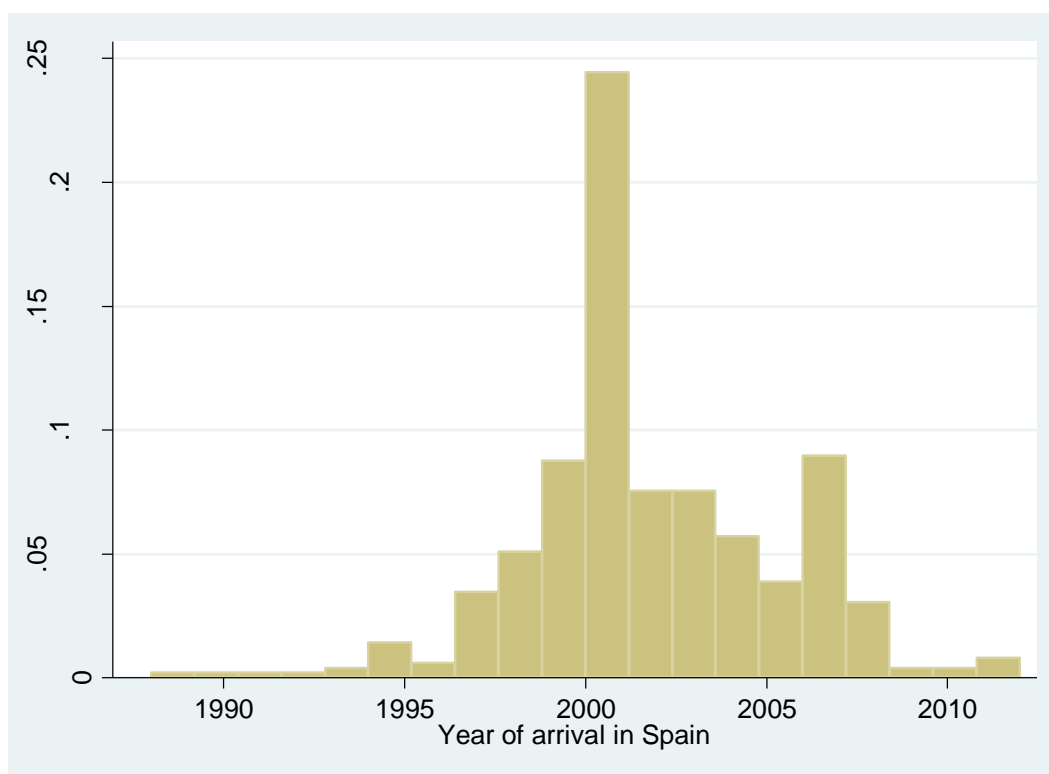
However, since our population of interest was limited to a certain type of eligible return

migrants⁵ it was difficult to obtain a sample large enough to randomly select those to be finally interviewed. Therefore, we tried to contact all the individuals that matched our criteria, managing a successful contact with 10% of them. This 10% was used as a core for the snowball sampling. The snowball sampling procedure involves obvious bias risks but we argue that the heterogeneity of the migrant profiles in the core dilutes any potential selection bias which might arise from a snowball sampling (non-probability sampling technique used by Verdezoto (2011) as well to be able to capture Ecuadorian migrants living in Granada, Spain at least 10 years or more).

Furthermore, despite the fact that interviews were solely conducted in the Pichincha province, we argue that our sample is representative of the majority of Ecuadorian return migrants. The province of Pichincha, in the Andes region, is the second region in terms of population among the 24 provinces (approximately 2,600,000 inhabitants representing 18% of the total Ecuadorian population estimated at 14.5 millions). However it ranks first in terms of population density. Its capital, Quito, is also the capital of the country and is the residence of more than 60% of the population (approximately 1.6 million). It consists of 8 cantons although 87.6% of the population resides in the canton of Metropolitan District of Quito. Pichincha also concentrates the highest share of return migrants – 30.7% (Mejia-Ochoa and Castro, 2012). Using the 2010 census, Mejia-Ochoa and Castro (2012) estimates the number of return migrants in Pichincha to be slightly above 50,000 individuals in total (this figure encompassing all migration destinations (USA, Spain, etc.)).

⁵ Returned from Spain at least one year before the interview.

Graph 4. Distribution of the sample according the year of arrival



Source: Authors' computation

The distribution of the sample according to the year of arrival follows the same pattern as the sample of current migrants, with a peak in 2000 and a quick slowdown afterwards (Graph 4).

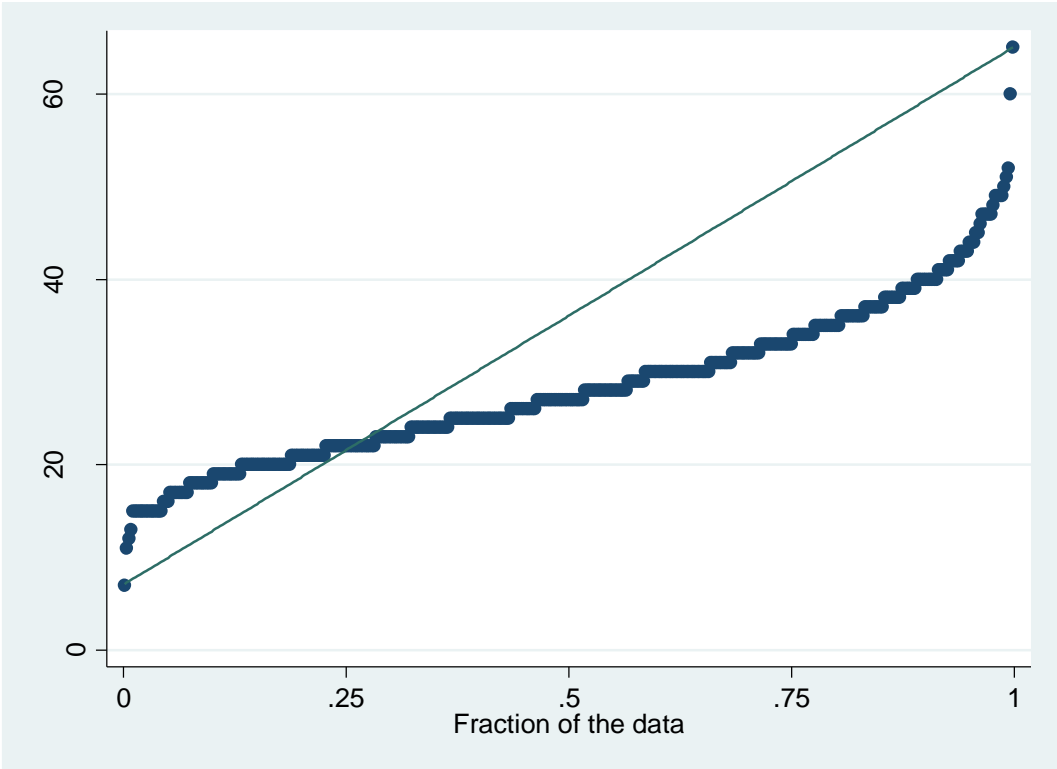
Table 3. Basic characteristics of the return migrants sample

	Men	Women	Total
Age at the time of migration	29.4	27.3	28.3
Migration duration	9.7	9.3	9.5
Time since return	2.7	2.9	2.8
Current age	41.9	39.6	40.7
Spanish nationality	48.5%	52.8%	50.7%
Number of observations	194	216	410

Source: Authors' computation

The average age at the time of migration is of 28 years for the entire sample, slightly higher than that of current migrants, especially for men (29.4 versus 27). The quintile distribution (Graph 5) confirms a higher clustering for the first quantiles corresponding to a slightly higher age at the time of migration for the return migrants (although those who migrated after 50 years only represent 1% of the sample).

Graph 5. Quintile distribution of the return migrant sample according to the age at arrival

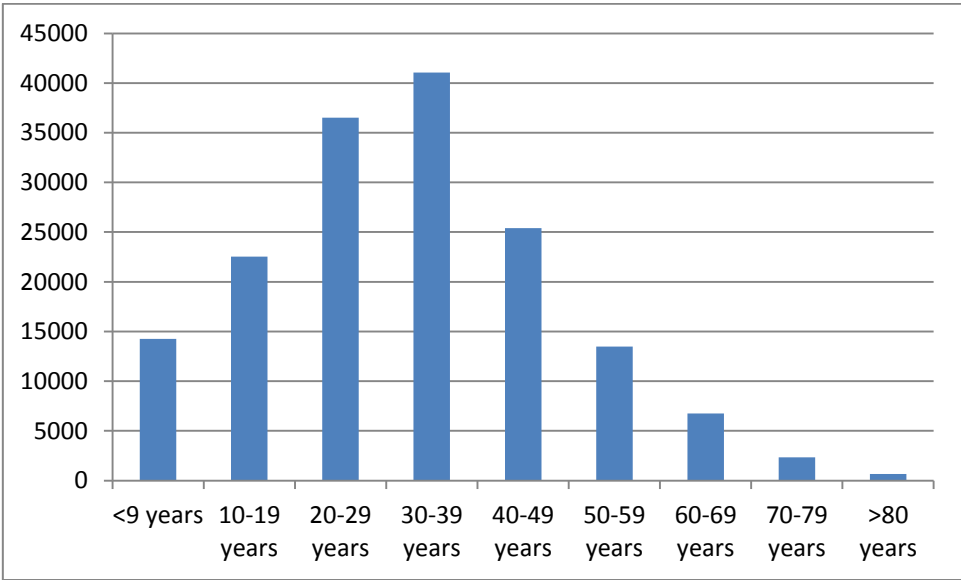


Source: Authors' computation

As expected, the migration duration is shorter, 9.5 years, than that of current migrants. This figure confirms the representativeness of the sample and its comparability with the Madrid sample since this migration duration in Spain, summed up with the average number of years since return (about 3 years on average), should match the average period of residence in Spain for the sample of current migrants (which is indeed of 13 years). Time passed since the return is 2.8 years on average, confirming that return migration is a recent phenomenon. The age

distribution is similar to that of current migrants, with an average age of 40.7 years old, and, more importantly, is similar to that return migrants as computed in Mejia-Ochoa and Castro (2012) (Graph 6).

Graph 6. Age distribution of the return migrants all destinations pooled, 2010



Source: Mejia-Ochoa and Castro (2012)

In terms of double nationality, 50.7% of the sample also has the Spanish nationality. This percentage is lower than that of current migrants, but this could be explained by two factors: the recent rapid increase in the number of nationality acquisitions in Spain (from 37.7% in 2011 to 53.44% in 2013) and the influence of having Spanish nationality as a factor inhibiting return. In terms of main birth and residence places before migration, the sample is clearly biased in favour of Quito, by construction.

Table 4. Main birth places and residence places for the return migrant sample

Top 3 birth place		Top 3 residence place before migration	
Quito	57.20%	Quito	82.17%
Loja	3.67%	Loja	0.70%
Guayaquil	2.20%	Guayaquil	0.50%

Source: Authors' computation

However, our data shows that even those who were not born in Quito/Pichincha, moved to the capital prior to their migration (over 70% of the sample).

We are fully aware that concentrating the sample in the province of Pichincha involves a certain degree of inconsistency with the sample in the region of Madrid: some of migrant returnees interviewed in Pichincha are not returning from Madrid and some of those interviewed in Madrid do not come from Pichincha. Limitations to perform two national surveys have prevented the perfect matching, but, in any case, we will show that the differences between the regions of origin and destination regions relative to the main variables of analysis are not very relevant.

3.2.Variables of interest

We will present our controls and variable of interest according to which set of determinants they belong to. However, given our focus on the economic crisis we will first present here the main variables relative to the crisis.

In order to capture how the crisis impacted the Ecuadorian migrants, we use two approaches. First of all, we asked them to assess their economic wellbeing before and after the crisis, thus allowing us to measure the transitions from a subjective point of view. The second approach consisted in asking specific questions about various dimensions that are directly related to the

crisis impact such as having suffered job losses or deterioration of living standards.

According to the first approach, we first notice that the crisis seems to have affected more current migrants, since 35.6% of the return migrants declared that they were able to save money after the crisis⁶, while this concerns only 13.4% of the current migrants (Table 5 and Table 6). This is probably one of the determinants of return, since savings are needed in order to go back to Ecuador. Most of the current migrants (almost 70%) declared that they are barely balancing their income and expenses. As expected, those who were most hit by the crisis were those who declared that they were able to save money before the crisis and found themselves having to spend their savings or having to borrow money after the crisis.

Table 5. Transitional matrix for the subjective economic welfare before and after the crisis, current migrants

		Before crisis				Total
		Was able to save money	Barely balancing income and expenses	Had to spend the savings	Had to borrow money	
After crisis	Was able to save money	14.3%	9.9%	12.5%		13.4%
	Barely balancing income and expenses	68.4%	73.5%	75.0%	75.0%	69.4%
	Had to spend the savings	11.0%	8.6%	12.5%		10.5%
	Had to borrow money	6.4%	8.0%		25.0%	6.7%

⁶ This percentage remains of around 30% even if we only consider those who returned recently, thus after having spent a larger period in Spain after the crisis hit.

Table 6. Transitional matrix for the subjective economic welfare before and after the crisis, return migrants

		Before crisis				
		Was able to save money	Barely balancing income and expenses	Had to spend the savings	Had to borrow money	Total
After crisis	Was able to save money	45.8%	6.1%	13.3%		35.6%
	Barely balancing income and expenses	34.8%	82.9%	33.3%		45.3%
	Had to spend the savings	16.9%	9.8%	53.3%		16.7%
	Had to borrow money	2.6%	1.2%		100.0%	2.4%

Source: Authors' computation

With the second approach, migrants were asked which one of the following aspects (Table 7) was impacted by the crisis (they could have chosen all the aspects as long as they were coherent). Most of Ecuadorian migrants declared that they had to adjust their daily spending due to the crisis, but the percentage is significantly higher for current migrants (83%) than for return migrants (61%). What stands out throughout Table 7 is that current migrants seem to have been significantly more impacted by the crisis – for both samples, the top-3 events due to the crisis are the same (“Had to adjust daily spending”, “The work conditions have worsened” and “Maintaining a job became very difficult”), but the percentage of each sample that was affected by these events is each time lower for return migrants. Also, if we count the average number of events due to the crisis that migrants declare, we obtain a higher average for current migrants (5 events) than for return migrants (3 events). Interestingly, a higher

percentage of return migrants declared having encountered problems with the renewal of residence permit (12%) compared to current migrants (8%), which might suggest a link between this difficulty and their return decision.

Table 7. Crisis impact according to predetermined dimensions

	Current migrants	Return migrants
Had to adjust day to day spending	82.9%	60.5%
The work conditions have worsened	70.2%	41.6%
Maintaining a job became difficult	54.2%	39.1%
Some of the household members have lost their job	49.6%	35.7%
Had to find secondary jobs in order to maintain income	47.3%	36.6%
Has lost job	42.2%	26.6%
Had problems paying back loans	41.0%	20.4%
Had to borrow money	35.1%	11.6%
Had felt rejection as an immigrant	26.7%	25.1%
Had lost their house	22.8%	11.9%
Some of the household members had to start working	15.4%	14.1%
Some of the household members stopped their studies in order to start working	8.7%	7.5%
Had problems to renew the residence/work permit	8.0%	11.9%
Some of the HH members have lost their residence/work permits	7.6%	5.8%
Had lost the health card and the rights	7.5%	6.4%
Average number of events	5	3

Source: Authors' computation

The second most mentioned event linked to the crisis, for both samples, was the worsening of the working conditions, either through lower pay, longer working hours with no increase in

wages or stressful working conditions, affecting 70% of the current migrants and 42% of the return migrants. It is worth noting that one quarter of each sample declared having felt rejection as an immigrant due to the crisis.

As expected, there is a high degree of correlation among those 15 specific effects. Additionally, some of them could be showing almost the same aspect of the crisis effect. In order to find well differentiated sets of aspects contained in these items, but avoiding duplicate information or non-relevant nuances in answering a specific question, we conducted a Factor Analysis (using Principle Components Approach). We obtained 4 aggregated crisis dimensions or variables. In Table 8, the composition of each one of these dimensions is showed. Attending to the first four principal components finally extracted we observed an interesting factor structure summarizing the crisis impact in four separate dimensions that we identified and named as *own labour impact*, *expenses and living conditions impact*, *legal status impact* and *family members impact*.

Table 8. Factor loadings based on a principle component analysis with varimax rotation for the 15 items of crisis impact (N=1166)

	Own labour	Expenses and living conditions	Legal status	Family members labour
Has lost job	0.4801			
Maintaining a job became difficult	0.5227			
Had to find secondary jobs in order to maintain income	0.5145			
The work conditions have worsened	0.4167			
Some of the household members had to start working				0.5952
Some of the household members have lost their job				0.3837
Some of the household members stopped their studies in order to start working				0.6414
Had problems to renew the residence/work permit			0.6005	

Some of the household members have lost their residence/work permits	0.3592
Had lost their house	0.5417
Had problems paying back loans	0.5841
Had to adjust day to day expenditures	0.308
Had to borrow money	0.3711
Had felt rejection as an immigrant	
Had lost the health card and the rights	0.6219

Source: Authors' computation

Each of these four dimensions is introduced as control in the regressions, under the category “capacities”, except the legal status that we consider as a “restriction”.

Migration cycle variables

We introduce age at the time of migration as an independent variable in order to capture the life stage at which the individual arrived in Spain. We could expect that individuals who arrive at earlier ages would create stronger social bonds in Spain and thus have a lower propensity to return. In order to capture the time spent in Spain, we introduce the proportion of time spent in Spain which takes into account both migration duration and the importance of the migration episode in the individual's life course. Finally we add a dummy on whether the individual arrived after the crisis or not.

Preferences

The variables that we consider as relevant for migrant's preferences concern the migration decision, the family location and the integration. Thus, we control for whether the individual was the first one in the family to have migrated and we consider those who did not have any family in Spain prior to their migration as "leaders". We argue that being a “leader” indicates a preference for mobility (probably correlated to a lower risk aversion). We also add controls for the family dimension, namely four dummy variables indicating whether the individual had

any direct and non-direct family in Ecuador and in Spain. This variable is measured at survey time (ST) for current migrants and at the moment of return (BR for "before return") for returnees. Interaction terms between these variable were also included. We construct four integration indicators using principal component analysis. The variables that used as a basis for the PCA were the frequency of contacts with Spanish friends, Ecuadorian friends and friends of other nationalities, a subjective assessment of the level of integration within the Spanish society and four dummy variables relative to whether the individual is a member of a party or syndicate, whether he is actively involved in an association, whether he has daily contact with Spanish neighbours, whether he has ever voted in Spanish elections and whether he has ever voted in Ecuadorian elections. Four profiles emerged: (i) *"less sociable"*, signaling those who have little contact with either Spanish, Ecuadorians or other nationalities, few contacts with neighbours and are rarely involved in associations; (ii) *"integrated"* consisting of individuals who have frequent contact with Spanish friends and neighbours and see themselves as very well integrated in the Spanish society; (iii) *"asso behaviour"* signalling those who are more likely to be involved in associations or parties regardless of their scope; and (iv) *"assimilated"*, which is a particular profile of individuals who have frequent contacts with Spanish friends and almost no contact with Ecuadorian ones, see themselves as very well integrated and usually vote in Spanish elections, but not in Ecuadorian ones.

Restrictions

The first variable that we consider under the category "restrictions" is whether the person had migrated by its own decision, the alternative being having emigrated involuntarily (often the case of minors who were brought to Spain by their parents) or having taken the decision jointly with the other family members. We expect that those who migrated out of their own will return less since an individual strategy might decrease the probability to return compared to a joint strategy. In order to test whether having children may act as a restriction for the

return decision, we introduce two dummy variables, one for having children in school and one for having children not in school. Intuitively, if the fact of having children affects the return decision, having children in school should be even more significant given the difficulties that appear when the child has to change schools. Also, the Ecuadorian schooling system is perceived as being considerably less performant than the Spanish one, thus parents having children in school in Spain might be more reluctant to return and might postpone the return until their children graduate. Finally, we consider the deterioration of legal status due to the crisis as a restriction and we expect that this variable increases the return propensity.

Capacities

A first variable that we consider under the category “capacities” is having the Spanish nationality. We argue that having the double nationality enables individuals to temporarily leave the country in search of better opportunities and easily return when the situation improves. Also, the Spanish nationality confers certain social benefits that enable individuals to be more protected from the negative effects of the crisis.

Furthermore, we introduce the total time spent in an irregular status among the control variables. In the questionnaire, migrants were asked to enumerate, in chronological order, each legal status that they have experienced, mentioning the beginning and end dates. The total time spent in an irregular status was computed by summing the various periods when individuals did not have legal documents or when they considered themselves as “tourist” (if this period exceeded 1 month). If we consider return migration as a solution to a failed migration experience, then the more time migrants spend in an irregular status, the more likely they should be to return. However, given our descriptive statistics and the qualitative interviews that preceded the survey, we expect to find a negative coefficient indicating that vulnerability impedes return.

We introduce two variables that are correlated to the crisis: the total time spent unemployed during migration (which includes the time spent unemployed due to the crisis but also the previous unemployment spells, and is thus an indicator of the individuals employability) and a dummy variable that takes the value 1 if the individual has remitted after the crisis. This second variable should give us an indication of the level of preparedness of the migrant supposing that a migrant who remits is more likely to do it as a way of preparing his return. In order to expand our analysis of this topic, we also control for the investment behaviour, proxied by whether the individual made investments in Spain and/or in Ecuador. Finally, we introduce the three variables resulting from the PCA analysis on the crisis impact, namely the impact on the migrant's own labour situation, the impact on expenses and living standards and the impact on family members' labour situation.

Finally, we control for background characteristics such as gender, education, financial situation prior to migration, reason for migration and having studied in Spain.

4. Results

The results are presented in Table 9. Firstly we simply regress the probability of returning for the entire sample on background characteristics and the migration cycle variables (column 1) and then we progressively introduce the other sets of variables (column 2-4)⁷. We expect for instance that variables such as the personal characteristics prior to migration will be significant only when we take into account the variables that shape preferences like the location of family and integration.

⁷ In order to check that the significance of the coefficients is not driven by the reduction in the number of observations, we ran the estimations on the reduced sample (see Table 10 in the Appendix) and we found no significant difference in the results.

Table 9. Determinants of the return decision

	(1) Context	(2) (1)+ preferences	(3) (2)+restrictions	(4) All
1) Personal				
Gender	0.016 (0.022)	0.020 (0.019)	-0.002 (0.020)	-0.014 (0.020)
Education				
Primary	0.107 (0.271)	0.462 (0.326)	0.463 (0.315)	0.483 (0.304)
Secondary	0.087 (0.270)	0.435 (0.325)	0.449 (0.314)	0.470 (0.303)
Tertiary	0.133 (0.271)	0.442 (0.326)	0.471 (0.315)	0.475 (0.304)
(ref. No education)				
Financial situation prior to migration				
Very good	-0.027 (0.041)	-0.050 (0.036)	-0.089** (0.038)	-0.091** (0.038)
Good	-0.008 (0.024)	-0.010 (0.021)	-0.014 (0.021)	-0.023 (0.021)
Bad	0.057 (0.044)	0.032 (0.038)	0.036 (0.038)	0.047 (0.037)
Very bad	0.045 (0.116)	0.121 (0.104)	0.139 (0.112)	0.118 (0.108)
(ref. Neither good nor bad)				
Has trained in Spain	-0.031 (0.022)	-0.058*** (0.020)	-0.063*** (0.020)	-0.037* (0.020)

(cont'd)

(cont'd)

	(1) Context	(2) (1)+ preferences	(3) (2)+restrictions	(4) All
2) Migration reason				
Family	-0.146*** (0.029)	-0.098*** (0.028)	-0.092*** (0.029)	-0.057* (0.029)
Other (ref. Economic)	-0.061** (0.031)	-0.036 (0.027)	-0.037 (0.027)	-0.044* (0.027)
3) Migration cycle				
Age at the time of migration	-0.023*** (0.002)	-0.017*** (0.002)	-0.020*** (0.002)	-0.018*** (0.002)
Proportion of life spent in Spain	-3.685*** (0.152)	-2.616*** (0.148)	-2.841*** (0.164)	-2.624*** (0.175)
Arrived after the crisis	-0.567*** (0.054)	-0.420*** (0.047)	-0.564*** (0.092)	-0.530*** (0.096)
4) Preferences				
Leader/follower		-0.009 (0.023)	-0.003 (0.023)	-0.005 (0.023)
Had direct family in Spain ST or BR (DS)		0.174*** (0.046)	0.168*** (0.055)	0.150*** (0.057)
Had direct family in Ecuador ST or BR (DE)		0.074* (0.044)	0.097** (0.047)	0.080* (0.046)
Had non-direct family in Ecuador ST or BR (NDE)		0.035 (0.045)	0.022 (0.049)	-0.005 (0.051)
Had non-direct family in Spain ST or BR (NDS)		-0.104*** (0.024)	-0.093*** (0.025)	-0.066*** (0.024)
Interaction DE*DS		-0.107** (0.049)	-0.108** (0.052)	-0.080 (0.051)
Interaction NDE*DS		-0.428*** (0.052)	-0.414*** (0.056)	-0.367*** (0.058)
Interaction DE*NDS		0.090** (0.045)	0.049 (0.046)	0.029 (0.045)
'Less sociable'		0.069*** (0.012)	0.064*** (0.012)	0.051*** (0.012)
"Integrated"		0.120*** (0.017)	0.110*** (0.017)	0.092*** (0.018)
"Asso behaviour"		0.027*** (0.009)	0.036*** (0.009)	0.031*** (0.009)
"Assimilated"		-0.097*** (0.020)	-0.086*** (0.020)	-0.066*** (0.021)

(cont'd)

(cont'd)

	(1) Context	(2) (1)+ preferences	(3) (2)+restrictions	(4) All
5) Restrictions				
Own decision to migrate			-0.041** (0.020)	-0.050** (0.020)
Had children in school			0.004 (0.028)	0.020 (0.027)
Had children not in school			-0.045 (0.048)	-0.036 (0.047)
Legal status crisis impact			-0.001 (0.008)	0.017** (0.008)
6) Coping capacities				
Spanish nationality				0.003 (0.021)
Total time in an irregular status				-0.012** (0.005)
Own labour crisis impact				-0.005 (0.007)
Expenses and living conditions crisis impact				-0.030*** (0.008)
Family members labour crisis impact				-0.003 (0.008)
Total unemployment time years				-0.012* (0.007)
Was remitting after the crisis				0.065*** (0.022)
Had invested in Spain				0.026 (0.021)
Had invested in Ecuador				0.077*** (0.020)
Constant	2.055*** (0.288)	1.327*** (0.338)	1.506*** (0.330)	1.300*** (0.323)
Observations	1,287	1,227	1,100	1,060
R-squared	0.343	0.540	0.569	0.610

Standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Source: Authors' computation

Personal characteristics

Concerning the gender, we find no significant effect of the probability of being a man or a woman on the probability of returning. This is to be expected since we do not believe that simple fact of being a female or a male will determine the return migration. Instead, factors that are correlated with being a male or a female, such as labour market outcomes or family context, might determine the propensity to return. Therefore, controlling for the aspects linked

to the migration decision making and labour market behaviour, like in our model, will cancel any pure gender effect.

We find no effect of education on the return propensity, probably because we control for several labour market outcomes, which are prone to be correlated with the education level. We find that individuals who did not migrate for economic reasons are less likely to return.

With the aim of reducing any bias due to unobservable characteristics that might differ between returnees and current migrants, we control for the level of subjective welfare prior to the migration. We find that only those who considered themselves as having had a very good financial situation, compared to "neither good, nor bad", before having emigrated from Ecuador, are less likely to return. However, we believe that this result might be driven by an overvaluation of the situation before migration. In other words, the individuals who were most hit by the crisis or who find themselves in a difficult financial situation in Ecuador might idealize their welfare before having emigrated and they might also be the ones who are less likely to return because they cannot afford it.

Finally, we find that having studied in Spain decreases the probability to return, probably due to the perception of lower returns to education in Ecuador.

Migration cycle

Concerning the migration cycle variables, the age at the time of migration appears to have a significant and negative effect, like the proportion of life spent in Spain. It implies that for those who have spent the same proportion of their life in migration, the probability of returning decreases with age at arrival. A simple illustration would be saying that migrants who have spent half of their life in migration and arrived when they were 40 years old have a lower probability of returning compared to migrants who also spent half of their life in migration, but arrived when they were 20 years old. Again, this comes down to the former

ones having spent more of their life in Spain, thus developing sociocultural links and habits that might impede return. Having arrived after the crisis also lowers the probability to return since it translates a shorter migration duration, thus the need to stay longer in order to maximize the migration benefits.

Preferences

Among variables relative to preferences, we find significant coefficients for the integration and the family dimensions. It is interesting to notice that having been the first migrant of a family, what we define as a "leader", is not significantly linked to the return decision. When taking into account the family dimension, we notice that having direct family in Ecuador increases the probability to return, but the same is also true for those having direct family in Spain. In order to better understand the dynamics, we introduce interaction terms between the four dummies. Their coefficients are significant and negative, indicating that having direct family in Spain prevails as a predictor of the decision to stay.

Nevertheless, given the transnational dimension of Ecuadorian migration and also the subsequent moves of family members that might not have been captured by our survey, we cannot conclude to a clear causality relation between the location of the family and the return decision. We control for integration indicators, described in the previous section, but given that we might also deal with a reverse causality bias here we will interpret their coefficients as partial correlations. Indeed, one might argue that migrants, who are already planning to return, might have lower incentives to be well integrated. However, given that here we use real return and not intentions, we cannot measure the return intentions for the returnees, thus we cannot test the existence of a reverse causality bias.

On the one hand, we observe that the probability to return increases with the integration level within the Spanish society. Even though this result might seem counter-intuitive, we argue

that it fits not only the transnationalism theory, according to which migrants can be well integrated in both home and host societies and move freely from one the other and back, but it also fits our predictions. Indeed, we expect that migrants who fared better in their migration, thus who were also better integrated, to be more prone to return as to avoid the worse of the crisis. Probability to return also increases with the lack of social contact and the likelihood to be involved in an association. Interestingly, we find a significant and negative coefficient for the indicator "*assimilated*", thus confirming that this component regroups individuals displaying a strong preference for the Spanish society and a distaste for the Ecuadorian one.

Restrictions

According to our preliminary idea, those who migrated out of their own decision have a lower probability to return. We believe this result to reflect the unobservable characteristics that push an individual to migrate and which are not of temporary nature. In other words, compared with individuals who took the migration decision jointly with their families or who played a passive role in this decision, individuals who took the decision to go to Spain might have been fuelled by a pure willingness to live, permanently or temporarily, in a different country. This implies that the individuals might be more reluctant to return at a given time.

Furthermore, we notice that neither having children in school at a given moment, not the simple fact of having children (either born in Spain or brought there through family reunification schemes) has a significant effect on the probability of staying in Spain.

Interestingly, having experienced negative changes in the legal status due to the crisis is a strong predictor of return only when we introduce the coping capacities. Those who lost their residence card or their legal rights because of the crisis are significantly more prone to return to their home country, suggesting that the negative switch in the legal status might trigger a spontaneous return.

Coping capacities

Furthermore, we observe that having the Spanish nationality doesn't have a significant impact on the return decision. The reason might be that having the double nationality is strongly correlated with the proportion of life spent in Spain, thus only one of these two variables has a significant coefficient.

We find that the more time migrants spend in an irregular status the less likely they are to return. According to our initial assumption, individuals who spent more time as irregulars, have more difficulties joining the labour market and thus cannot benefit from their migration. This means that they need longer migration durations in order to be able to prepare their return. This very important result is highly significant in each regression, even when we control for the proportion of life spent in Spain, even though the coefficient decreases. One crucial implication of this finding is that regularization programs, often seen by the public opinion as creating more permanent migration, might actually have the opposite effect. Also, restrictive migration policies that shorten the length of residence cards in order to decrease migration might prove to have results that go against their objectives.

The first variable measuring the crisis impact is the magnitude of the effect on the individual's own employment situation. We see that individuals who saw their employment situation deteriorate due to the crisis, are not significantly less likely to return. However, the total time spent unemployed during the stay in Spain is a significant predictor of return and the lack of significance of the crisis impact on the individual's labour situation might be due to the high correlation between these two variables. We prefer to keep the total time spent unemployed as a control since it reflects the individual's labour market integration, going beyond the conjectural crisis situation. Furthermore, we find that the total time spent unemployed

significantly decreases the probability to return, suggesting once more that the individuals who find themselves in a vulnerable economic situation return less.

The second dimension identified is the impact on expenses and living conditions. Again, we find that the harder individuals were hit by the crisis, the less likely they are to return. It implies that, just as emigration itself, return migration bears a cost that cannot be covered by those who were the most hit by the crisis. As expected, we see that there is a positive correlation between having remitted after the crisis and the probability to return. Concerning the investment behaviour, we see that while there is no significant effect of having invested in Spain, having invested in Ecuador has a positive and significant coefficient. Thus, individuals that have remitted to Ecuador and that have invested there are more likely to return. Nevertheless, causality is difficult to assess since there might be a reverse causality bias if those who remitted and invested in Ecuador had done so with the intention to return, which of course will determine the actual return.

5. Conclusion

Return migration, just as emigration, is the result of a mix of personal, contextual and structural factors. The theory tried to separate each of these factors and portray returnees as individuals who have reached their objective and can go back to their home country, as individuals who could not integrate and thus had failed their migration and had to return, as individuals who have not actually returned, but are transnational migrants, moving back and forth between their home and host countries etc. However, the empirical tests for the predictions of each of these theories are usually made using data on solely current migrants, and thus using the intention to return as a proxy for return. The first contribution of our paper is thus the use of a novel data set, which includes comparable current and return migrants, in order to identify the determinants of the return decision. Given the similarity of the two

samples, mainly before and during the migration, we argue that we obtain a clear picture of the role of various factors in the return decision.

Furthermore, the frameworks used in the literature do not take into account the occurrence of a crisis in the host country. Therefore, in this article we suggest a new approach for theorizing the return decision and, as confirmed by our results, we suggest that individuals who return in a crisis context are those who can afford to do so. Moreover, we show that vulnerability, proxied either by the strength of the crisis impact or by the time spent in an irregular status, impedes individuals' return. In other words, we observe that, similar to the emigration decision, return migration is conditioned by credit constraints and individuals' capacity to overcome them. A significant implication of these results is that mistargeted return assistance programs and policies restricting migrants' access to the labour market create a positive selection into return.

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Appendix

Table 10. Sample comparison for the determinants of return

VARIABLES	(1) Context All	(2) Context	(3) Cntx_pref all	(4) Cntx_pref	(5) Cntx_pref_rest all	(6) Cntx_pref_rest	(7) All
Gender	0.016 (0.022)	-0.003 (0.024)	0.020 (0.019)	-0.006 (0.020)	-0.002 (0.020)	-0.008 (0.020)	-0.014 (0.020)
Education							
Primary	0.107 (0.271)	0.130 (0.376)	0.462 (0.326)	0.454 (0.312)	0.463 (0.315)	0.471 (0.312)	0.483 (0.304)
Secondary	0.087 (0.270)	0.121 (0.375)	0.435 (0.325)	0.448 (0.311)	0.449 (0.314)	0.462 (0.312)	0.470 (0.303)
Tertiary	0.133 (0.271)	0.169 (0.376)	0.442 (0.326)	0.462 (0.312)	0.471 (0.315)	0.480 (0.312)	0.475 (0.304)
(ref: None)							
Financial situation before migration							
Very good	-0.027 (0.041)	-0.045 (0.047)	-0.050 (0.036)	-0.083** (0.039)	-0.089** (0.038)	-0.077** (0.039)	-0.091** (0.038)
Good	-0.008 (0.024)	-0.008 (0.026)	-0.010 (0.021)	-0.016 (0.022)	-0.014 (0.021)	-0.010 (0.022)	-0.023 (0.021)
Bad	0.057 (0.044)	0.052 (0.045)	0.032 (0.038)	0.039 (0.038)	0.036 (0.038)	0.041 (0.038)	0.047 (0.037)
Very bad	0.045 (0.116)	0.085 (0.134)	0.121 (0.104)	0.131 (0.111)	0.139 (0.112)	0.128 (0.111)	0.118 (0.108)
(ref: Neither good nor bad)							
Studied in Spain	-0.031 (0.022)	-0.034 (0.023)	-0.058*** (0.020)	-0.061*** (0.020)	-0.063*** (0.020)	-0.059*** (0.020)	-0.037* (0.020)
Migration reason							
-							
Family	0.146*** (0.029)	-0.118*** (0.032)	-0.098*** (0.028)	-0.068** (0.029)	-0.092*** (0.029)	-0.077*** (0.030)	-0.057* (0.029)
Other	-0.061** (0.031)	-0.074** (0.033)	-0.036 (0.027)	-0.045* (0.027)	-0.037 (0.027)	-0.041 (0.027)	-0.044* (0.027)
(ref: Economic)							
Age at the time of migration	- 0.023*** (0.002)	- -0.028*** (0.002)	- -0.017*** (0.002)	- -0.021*** (0.002)	- -0.020*** (0.002)	- -0.021*** (0.002)	- -0.018*** (0.002)
Proportion of life spent in Spain	- 3.685*** (0.152)	- -4.187*** (0.178)	- -2.616*** (0.148)	- -2.862*** (0.168)	- -2.841*** (0.164)	- -2.864*** (0.168)	- -2.624*** (0.175)
Has arrived after 2008	- 0.567*** (0.054)	- -0.719*** (0.117)	- -0.420*** (0.047)	- -0.572*** (0.098)	- -0.564*** (0.092)	- -0.566*** (0.098)	- -0.530*** (0.096)
Leader/follower			-0.009 (0.023)	-0.007 (0.023)	-0.003 (0.023)	-0.001 (0.023)	-0.005 (0.023)
Had direct family in Spain ST or BR (DS)			0.174*** (0.046)	0.195*** (0.054)	0.168*** (0.055)	0.196*** (0.058)	0.150*** (0.057)

Had direct family in Ecuador ST or BR (DE)	0.074*	0.098**	0.097**	0.106**	0.080*
	(0.044)	(0.047)	(0.047)	(0.047)	(0.046)
Had non-direct family in Ecuador ST or BR (NDE)	0.035	0.024	0.022	0.027	-0.005
	(0.045)	(0.052)	(0.049)	(0.052)	(0.051)
Had non-direct family in Spain ST or BR (NDS)	-0.104***	-0.079***	-0.093***	-0.075***	-0.066***
	(0.024)	(0.025)	(0.025)	(0.025)	(0.024)
Interaction DE*DS	-0.107**	-0.109**	-0.108**	-0.108**	-0.080
	(0.049)	(0.051)	(0.052)	(0.052)	(0.051)
Interaction NDE*DS	-0.428***	-0.441***	-0.414***	-0.446***	-0.367***
	(0.052)	(0.059)	(0.056)	(0.059)	(0.058)
Interaction DE*NDS	0.090**	0.040	0.049	0.035	0.029
	(0.045)	(0.046)	(0.046)	(0.046)	(0.045)
<i>'Less sociable'</i>	0.069***	0.064***	0.064***	0.063***	0.051***
	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)
<i>'Integrated'</i>	0.120***	0.114***	0.110***	0.113***	0.092***
	(0.017)	(0.017)	(0.017)	(0.017)	(0.018)
<i>'Asso behavior'</i>	0.027***	0.032***	0.036***	0.031***	0.031***
	(0.009)	(0.009)	(0.009)	(0.010)	(0.009)
<i>'Assimilated'</i>	-0.097***	-0.088***	-0.086***	-0.086***	-0.066***
	(0.020)	(0.020)	(0.020)	(0.020)	(0.021)
Own decision to migrate			-0.041**	-0.045**	-0.050**
			(0.020)	(0.020)	(0.020)
Had children in school			0.004	0.006	0.020
			(0.028)	(0.028)	(0.027)
Children not in school			-0.045	-0.059	-0.036
			(0.048)	(0.048)	(0.047)
Legal status crisis impact			-0.001	0.002	0.017**
			(0.008)	(0.008)	(0.008)
Spanish nationality					0.003
					(0.021)
Total time in an irregular status					-0.012**
					(0.005)
Own labour crisis impact					-0.005
					(0.007)
Expenses and living conditions crisis impact					-0.030***
					(0.008)
Family members labour crisis impact					-0.003
					(0.008)
Total unemployment time years					-0.012*
					(0.007)
Was remitting after the crisis					0.065***
					(0.022)
Invested in Spain					0.026
					(0.021)
Invested in Ecuador					0.077***

							(0.020)
Constant	2.055*** (0.288)	2.348*** (0.392)	1.327*** (0.338)	1.492*** (0.330)	1.506*** (0.330)	1.497*** (0.330)	1.300*** (0.323)
Observations	1,287	1,060	1,227	1,060	1,100	1,060	1,060
R-squared	0.343	0.375	0.540	0.578	0.569	0.581	0.610

Standard errors in
parentheses

*** p<0.01, ** p<0.05, *
p<0.1