

The Effects Remittances Have on Kinship Ties in Urban Philippines

Bryan W. Rich

Research Fellow

Puerto Princesa, Palawan, Philippines

Abstract

In 2015, Overseas Filipino Workers (OFW) remitted more than USD 28 billion (PSA 2016), impacting millions of families. Extensive economic research has shown what determines and influences OFWs to remit money to family members and its economic effects. However, much less is known about how this money affects the kinship ties of those left behind. This article attempts to shed light on how remittances affect kinship ties in urban Philippine communities.

Keywords: economic anthropology; kinship; OFW; remittances; agency

Introduction

Remittances, and the Overseas Filipino Workers who send them, have long been a part of the Philippine national identity. For more than 4 decades, Filipinos have been temporarily migrating overseas to earn more money to support their family members left behind. In 2015, more than 2.4 million Filipinos were working on temporary contracts overseas (PSA 2016). However, this number could be as high as 10 million (10 percent of the population) when considering Filipinos who have permanently migrated, but still retain kinship connections (Inquirer 2013). The same year, OFWs remitted USD 28 billion, accounting for more than 10 percent of the country's GDP (World Bank 2016). This contribution to the country's economy has led some government officials to refer to OFWs as the 'modern-day hero'.

For more than three decades, well documented economic studies have explored why people migrate, what motivates them to remit money, and whether or not remittances alleviate poverty in the Philippines (see References). These studies have also analyzed the more ocular effects of migration and remitting money, which allows families to make ends meet, send their children to school, start small businesses, and most visible, participate in the local economy.

Although this research offers a wealth of data on the economic impact of Filipino families and national development, much less attention has been given to the cultural and social impact this money has on the relationship between migrant and recipient. Studying the flow

of remittances from an anthropological point of view can offer a better understanding of the consanguineal and fictive kinship structure, which, is fundamental to understanding the economic determinants between people.

This article¹ explores the effects remittances have on kinship ties through an anthropological perspective. I used the Structuralist² approach to kinship studies for my analysis. This paper begins with a brief description of kinship as it relates to formal structure, then continues with my key observations revealed through my interviews: endearment; mutualism; agency; and, communication. All of these key points overlapped to some degree with my informants, particularly mutualism and agency. However, in consideration of time and space, I have allocated interviews to which sections I think are most relevant.

Kinship as Structure

Kinship provides the fundamental structure for consanguineal and fictive groups (Sahlins 2013). It creates social rules and boundaries for marriage and procreation, cooperation, exchange, reciprocation and obligations. From one's role and status in the home to expectations outside the home in social and financial situations, most of one's life is structured according to one's kin, leaving agency, or free will, much to be desired. As for the two general functions of kinship, horizontal (through marriage) or vertical (social continuity through inheritance, sharing and patronage), this study focuses on the latter (Roberts 2013).

Terms of Endearment

Eileen is a 70-year old retired school teacher residing in Cavite. Her son Ron, 30-years old, has worked in Dubai for the last seven years, most recently as a baggage handler at the airport. He is separated from his wife and has three children. He is able to visit every 3 years. In spite of his financial obligations to his children, he still sends his mom about USD 100 per month. In 2014, Ron purchased a used Mitsubishi Lancer for his brother, for about USD 3000, who works graveyard shift and has difficulty commuting to and from work. Eileen is aware of her

¹ I approached this study with an interpretive methodology which allowed me to holistically analyze the interview setting, subject and findings. My ethnographic research consisted of unstructured qualitative interviews in July and August 2015 in the subjects' homes. I interviewed 14 individuals in the national capital region of Manila and Cebu City, who regularly received remittances from immediate family members abroad. I have included examples from 10 informants for this article. The names of my informants have been changed to protect their privacy. They were introduced to me by friends, who also acted as interpreters, when needed.

² Claude Levi-Strauss provided the foremost structuralist interpretation for studying kinship.

son's cost of living in Dubai and his other financial responsibilities and is grateful for what she receives. She interprets the remittances from Ron as *lambing*, or affection and endearment.

Donald, 36-years old, lives in Antipolo with his wife and two young children in the family home. Donald works at a call center and his wife is a stay-at-home mom. He receives about USD 100 monthly from his mom, who migrated to Canada 15 years ago. She used to remit more to pay the mortgage of the family home. Now that the house is paid off, the money is used to supplement the support of their two children. She is able to visit every two to three years for about a month at a time. Donald is aware it is much more expensive in Canada and appreciates what she can send.

Chris, 37-years old, lives in Cebu City and works at a call center. He rents a small room with a shared bath in a modest housing complex in the city. He is separated from his wife and has two kids who live with their mom. Chris's mom migrated to the US when he was 9 years old. She used to send USD 100 monthly before recently retiring. Now she is able to send USD 50 monthly. Chris sometimes asks for, and receives, extra money to pay for kids' school fees. His mom is married and a US citizen, with no plans to move back to the Philippines. Chris considers the money he receives from his mom as part gift, part obligation.

Joy, 33, and her husband Jon, 36, live in Antipolo. Joy is a stay-at-home mom and her husband works at a call center. They have three children, 14, 7 and 5-years old. Joy's mom, Susan, 56-years old, migrated to Ireland 14 years ago (after 9 years in Saudi Arabia), and has since become an Irish citizen. Susan remits about USD 700 every month and is able to visit every other year. She used to remit twice as much a few years ago when the availability of working overtime was consistent. None of the remittances is earmarked and is left up to Joy's discretion. Susan also sends remittances to her brother and his family, about USD 200 monthly, who live north of Manila.

Coming from different economic situations, Eileen, Donald, Chris and Joy share a common interpretation of the money they have received. Their family members have been abroad for an extended number of years, and still send remittances. What they receive is modest, or much less than they used to receive, but it provides comfort to the recipient that their long-time migrant family offers remembrances through remittances. The money personifies the migrant presence in the home and continues to maintain kin ties when the remittances are received and spent.

As Mutual Benefit

A number of economists have pigeon-holed remittances as either altruistic, self-interested or a combination of the two (Lucas and Stark 1985; Pernia 2008; Tharmalingam 2011; van Dalen, et al 2005). From an anthropological perspective, remittances are an act of exchange, with both parties mutually benefiting (Sahlins 2013). The migrant is able to maintain the kinship structure by sending remittances. The recipient maintains space in the kin group for the migrant, and reaps the financial and social benefits by participating in the local economy (more on this in the next section) and by sharing the remittances with their extended kin groups.

Nancy is a 67-year old retired teacher residing in Muntinlupa. Her 36-year old daughter Joyce has been working in Dubai for two years. Single with no kids, she resigned from her nursing position of nearly 5 years at the local hospital to join friends in Dubai. She hoped to find a nursing position, but has so far only been able to find a job at the shopping mall. Joyce sends about USD 200 every other month to her mom and about 40 USD monthly for her 7-year old nephew's school fees. Aware of Joyce's financial situation, Nancy is fine receiving what she does. She spends her money on medication and special occasions such as birthdays and other celebrations.

Ana and Allen own a successful restaurant in Cebu City. They share a living space above the restaurant with Ana's mom and two siblings. Her third sibling, Raquelle, has worked as a nurse in Ireland for the last 7 years and sends regular remittances to pay for their mom's medical bills. During a visit home 4 years ago, Ana complained about the old car they had. That same trip, Raquelle offered to buy them a car, on which she makes monthly payments. Acknowledging Raquelle's financial sacrifice, they try to do as much of the repair work themselves, as possible, to keep expenses down. Ana and Allen are very appreciative of having a new car and would feel embarrassed if they had to ask their sister for money to make repairs.

Amanda, from Cavite, is 36-years old and is raising their two children while her husband Doug, 37-years old, works aboard a Very Large Crude Carrier. He has been doing this for the past 15 years and is often away for 8-10 months at a time. Recently, they have been very financially responsible. Their younger son has Down syndrome, which put them more than USD 10,000 in debt when he was born two years ago. Doug remits about USD 1700 per

month.³ From that, Amanda sends about USD 200 to Doug’s parents and about USD 25 to 50 to each of his three siblings. Doug’s family jokingly refers to them as “DSW”, or the Department of Social Welfare. Amanda and Doug are happy to help, but she laments, “if you don’t give remittances, they will think you have forgotten them”. For family members, it is not about how much is shared with family, but the act of sending, even a modest amount, symbolizes their love and remembrance.

Amanda was very open about how the money her husband sends home has caused a rift within her fictive kin group. She also expressed frustration with the “crab mentality” among Filipinos who, according to Amanda, are “envious of accomplishments”. A friend of hers had asked to borrow money to travel. When Amanda refused because of the current medical costs associated with her son, her friend blamed Amanda’s son. Even among fictive kin, remittances can be interpreted as ‘free money’ and should be shared.

Nancy, Ana and Amanda all have different kin abroad sending remittances. The common incentive to remit money is to maintain kinship ties with their nuclear and extended family. All of their family members have been abroad for different lengths of time. All send remittances to their immediate beneficiary: Joyce to her mom Nancy; Raquelle to her mom Susan; and, Doug to his wife Amanda. However, migrants and their immediate recipients socially benefit the most when remittances are shared as secondary remittances with extended kin. Joyce support’s her nephew’s school, Raquelle purchased a car for her sibling and Amanda sends cash to her in-laws.

Economic Freedom, or Agency

Remittances offer many symbolic meanings to both migrant and recipient, as discussed earlier. One of the most important to both parties, is success. The migrant is sending a symbol of his or her success home. The recipient can use the remittance to break away from one’s structure and act with free will to create agency, or one’s social purpose.

Money is one of the most powerful means of creating agency, or creating individuality in a structured environment. Most migrants who remit achieve this by becoming the successful breadwinner for their family. Although remittances may often be earmarked for particular expenses: food; rent; education; utilities, etc., recipients can seek opportunities for agency by both participating in the structured economy (purchasing obligatory products and services for the family), but also if they are able to spend remittances freely as ‘conspicuous

³ Philippine law dictates that 80 percent of seafarer salaries be remitted to the Philippines (POEA 1996).

consumption'. Although conspicuous consumption is often criticized for its selfishness or frivolous nature, this type of consumerism is important for securing individualism in a structured, often predetermined, environment. Name brand shoes, a designer bag, or expensive computer can symbolize a migrant's success.

Luisa is a 64-year old retired civil servant, living on her pension in Antipolo. She currently lives in her daughter's, Leslie, house. Leslie, 46-years old, has lived in Dubai for the last 5 years with her husband. Leslie remits USD 600 every month to her mom, which Luisa spends on food, bills and the maid. Luisa considers her remittances an obligation because she is taking care of Leslie's home. Recently, Luisa convinced Leslie to send additional money home to purchase farming property in Antipolo and Pangasinan as an investment.

Mark, 23-years old, spent his teenage years in Ireland, migrating with his parents (who are now naturalized Irish citizens) and two siblings. In 2010, Mark returned to Antipolo to attend college. Since he was not a citizen of Ireland, school there would have been more expensive since he would be paying fees as a foreigner. Since graduating in 2014, he has been trying to return to Ireland to work as a nursing assistant. Upon his return to the Philippines, his parents sent him 1800 euros a month to cover the family house mortgage payment, tuition and living expenses. During his college days, Mark's classmates learned he was "from Ireland" and was invited to go out in the evenings and weekends with friends knowing he could afford to spend the most. Mark was aware of this, and liked the attention because he was able to make friends quickly. Now that the house is paid off and he is out of school, he receives about 400 euros a month to cover his car payment and living expenses.

Margaret, 58-years old, is employed as a nurse at the local prison. During my interview she sat comfortably in her spacious house with a baby grand piano in the background. She and her family used to live in free, but dilapidated, housing walking distance from the prison that her employer used to provide. Three years ago, 2 of her 3 children migrated abroad and since, have been remitting a combined USD 2500 monthly. Their remittances helped pay for the construction of the house, furnishings and continue to pay the mortgage. Although the house is only a couple of years old, Margaret considers it their 'ancestral house' that her children will later inherit.

Luisa, Mark and Margaret were able to create agency for themselves with their remittances. Luisa was able to convince Leslie to remit money to invest in property, which carries elevated social status, whereby one's space represents success and power. Mark created agency by forming social ties with classmates because he was able to spend more money going out. The remittances Margaret received from her sons to build and furnish a new house provided a

new economic status for the family.

Communication is Key

A reoccurring theme throughout my interviews was how my informants communicated with their migrant family members. A decade ago, it was limited to email. A decade before that, it was long-hand letters. Today, the availability of low-cost or free internet tools, to communicate in real time, performs a valuable role in the kinship exchange.

With my informants, the frequency of communication was dependent upon two factors. Foremost was the kin relationship. Those who communicated the most often were the daughter (migrant) and mother (recipient) and husband-wife relationships. The second defining variable was time abroad. The migrants abroad for only a few years or less, communicated most frequently, sometimes every day. The migrants who had been overseas for an extended period of time had less frequent communication. The more infrequent on-line interactions were centered around the sending and receiving of remittances. The migrant would communicate that the money was on its way, via electronic transfer, and the recipient would reply that it had been received. Not only was there communication about the transaction, but after the fact, the recipient communicated with the migrant family member how the money was spent.⁴ This was very beneficial for the migrant. Learning how it was spent retained the migrant's sense of belonging and connection to the home.

Conclusion

It is not so much how remittances affect kinship ties, but how kinship ties influence remittances. The structure of kinship provides the social and cultural rules of behavior including cooperation, exchange, reciprocation and obligation. More than the economic value placed on remittances, they symbolize love, remembrance, success and *lambing*, or endearment, fondness or affection. This included any economic influences to remit money.

Perhaps the most overlooked effect remittances have on kinship ties is the intergenerational effect of migration. A number of my informants whose immediate family members were working overseas had, or still have, parents working abroad. Being raised by extended family

⁴Growing up, my parents encouraged me to explain to my distant relatives in thank you letters for birthday and Christmas gifts as to how I would spend the gift money. It strengthened the extended family member's connection to me, even if for a short while since they would forget by the next time I saw them in person.

members while mom, dad, or both were overseas, and visiting every two to three years is not extraordinary. As sometimes the apple does not fall far from the tree, such is the case in the Philippines. Today, the third generation of family members is beginning to migrate as OFWs.

OFW families work hard to maintain their kinship ties over great distances. Remittances, visits home and regular communication provide means to maintain the kinship structure. However, something does become lost in migration. What cannot be ignored is the physical separation, or breakup, of the nuclear family. This escapes many studies on migration due to its sensitivity and unpopular attention away from the economic success of the OFW.

Many of my informants have been receiving remittances for years. Has this reliance or expectation led to a culture of complacency or arrested development? What would happen to these families if the remittances were to slow, or stop? Is there a residual remittance factor at play for families who have a permanently migrated family member? A number of my informants used to receive greater amounts to pay off debts such as a mortgage. As the mortgage is paid off, remittances continued to flow to the recipient, albeit at much smaller amounts. How long will these remittances continue, and why? When does the social incentive of migrants to remit, cease?

More attention by social scientists and government officials in the Philippines to the relationship between kinship and remittances can prove beneficial. To better understand the dynamics of the social obligations to remit, more research needs to be conducted. I am in the process of revisiting my informants to seek more intimate knowledge of the relationships they have with their migrant family members, concentrating on those who have been overseas for more than five years. I also intend to interview my informants when their migrant family members return to visit in order to observe the family dynamics after an extended separation. This new research should shed more light on the kinship structures of OFW families.

Acknowledgments

I am grateful for the assistance from Ivan Pimentel, Joan Caabay and Jay Viajar who assisted me with arranging interviews, acting as interpreters when needed and procuring transportation.

References

- Ang, Alvin P., Guntar Sugiyarto and Shikha Jha (2009), 'Remittances and Household Behavior in the Philippines', *ADB Economics Working Paper Series No.188*
- Banko Sentral ng Pilipinas. Central Bank of the Philippines. <http://www.bsp.gov.ph/downloads/EcoNews/EN09-08.pdf>
- Capistrano, Loradel O. and Maria Lourdes C. Sta. Maria (2007), 'The Impact of International Labor Migration and OFW Remittances on Poverty in the Philippines', *University of the Philippines School of Economics Discussion Papers*
- Carling, J. (2008), 'The Determinant of Migrant Remittances', *Oxford Review of Economic Policy*, 24(3), 582-599.
- Carsten, Janet (2003), *After Kinship (New Departures in Anthropology)* Cambridge University Press
- Inquirer (2013), Immigrants Outnumber OFWs. <http://globalnation.inquirer.net/69339/immigrants-outnumber-ofws>
- Kockelman, Paul (2007), 'Agency: The Relation between Meaning, Power and Knowledge', *Current Anthropology* 48(3) 375-401.
- Levi-Strauss, Claude (1969). *The Elementary Structures of Kinship*. Beacon Press.
- Lucas, Robert E.B. and Oded Stark (1985) 'Motivations to Remit: Evidence from Botswana', *Journal of Political Economy*, 93 (5) 901-18.
- Pernia, Ernesto M. (2008), 'Migration remittances, poverty and inequality: The Philippines' *Discussion Paper, School of Economics, University of the Philippines*, No. 2008, 01.
- POEA (1996) Philippines Overseas Employment Agency, Memorandum Circular No. 55 Series of 1996: Revised Standard Terms and Conditions Governing the Employment of Filipino Seafarers OnBoardOcean-GoingVessels <http://www.poea.gov.ph/memorandumcirculares/sbrel/sbrel.html>
- PSA (2016) Philippine Statistics Authority. Statistical Tables on Overseas Filipino Workers (OFW):215. <https://psa.gov.ph/content/statistical-tables-overseas-filipino-workers-ofw-2015>
- Roberts, Bruce (2013). *Kinship and Family Anthropology* 380 Traditional Cultures. <http://web.mnstate.edu/robertsb/380/Kinship%20&%20family.pdf>
- Sahlins, Marshall (2013), *What Kinship is – and is not*. University of Chicago Press.
- Tharmalingam, Sarvendra (2011), 'Remittance Practices and Transnational Social Spaces of Tamils and Somalis in Norway', *Nordic Journal of Migration Research* 1(3) 166-75.
- Van Dalen, Hendrick P., Groenwold, George and Fokkema, Tineke (2005): 'Remittances and

their Effect on Emigration Intentions in Egypt, Morocco and Turkey', Tinbergen Institute Discussion Paper, No. 05-030/1.

West, S.A., A.S. Griffin and A. Gardner (2007). 'Social Semantics: altruism, cooperation, mutualism, strong reciprocity and group selection', *Journal of Evolutionary Biology*, 20(2) 415-32.

World Bank (2016), 'Remittances to Developing Countries Edge Up Slightly in 2015', April 13 <http://www.worldbank.org/en/news/press-release/2016/04/13/remittances-to-developing-countries-edge-up-slightly-in-2015>