

OFW Remittances, Community, Social and Personal Services and the Growth of Social Capital

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Remittances of Overseas Filipino Workers (OFW) constitute one of the most important sources of foreign revenues for the Philippines in the last 30 years. While having the most direct and far-reaching impact on OFW families, remittances seemed to have failed to create a substantial social development impact both at the national level and the community-sending localities. These conclusions stem from the observation that majority of the remittances are spent on consumer durables, dwellings, and education for their children with only a small percentage of remittances being channeled into real productive investments. This study argues that OFWs invest in social and personal services to strengthen their bonds with family and friends, thereby, increasing their social status/security in the community. Drawing on existing case studies of communities with known high concentration of overseas workers, the study examines the social context of OFWs' spending patterns and shows how these investments make sense if considered within the structure of their social relations. Utilizing the concept of social embeddedness and social capital, the study illustrates that seemingly non-productive investments are actually investments in constructing social capital (e.g., education support for children/relatives, sponsorships in weddings/baptisms, medical assistance for relatives) and the social security of their families left behind as well as when the migrant eventually retires. The results of the study indicate that remittances do have an important role in the development of social capital both at the household and community levels through the expansion of the community's social and personal services (CSPS). This could enhance the quality of life both at the individual and community levels but could also exacerbate the heavy burden borne by overseas workers.

BACKGROUND ON OFW REMITTANCES

The importance of OFW remittances to the national economy is well documented (Abella 1993; Alburo 1993; Go 1998 & 2000; Soriano 1996; Rodriguez 1996a and 1996b; Tan 2000; Porio 2006). Remittances propped up the economy during the crisis years of the 1980s and are partially responsible for the feeble economic growths experienced

during the 1990s. The percentage share of remittances to the GNP has risen steadily from 2.38 percent in 1986 to 6.44 percent in 1995 (Lamberte and Llanto 1996 as cited in Go 1998). Latest figures reported remittance to GNP ratio to be 7.1 percent and remittances to export earnings ratio to be 16.7 percent (Tan 2000).

In 1995, dollar remittances of OFWs reached a record of \$4.7 billion, which is a tremendous jump from the \$103 million posted in 1975 (Soriano 1996). During the mid-1980s, remittances were large enough to cover all the trade deficits of the country and by 1988, they were large enough to still cover about two-thirds of this imbalance. They were also a significant component of the country's total export earnings (Rodriguez 1996a). In 1993, they were estimated to be equivalent to 22 percent of the total merchandise exports of the Philippines (Puri and Ritzema 2004). In 2000, remittances reached \$6.0 billion (POEA 2004).

Considering these amounts, the actual contributions of remittances to the country's GNP and export earnings can be much more substantial. According to Tan (2000), the actual remittances volume could be double the official figures since the practice of many OFWs of sending money through informal networks such as friends going home and through other non-banking institutions are not reflected in the figures released by the Central Bank, which only measure remittances coursed through the formal banking system. The underestimation is most severe in the case of seafarers whose incomes were remitted directly to their respective families by their foreign agents (Tan 2000).

Sea-based workers dominated the expatriated labor in the 1970s. However, over time, a reversal of pattern was effected with the land-based workers overtaking the former before the decade was over. This pattern continued with land-based workers outnumbering the sea-based three to one in year 2000.

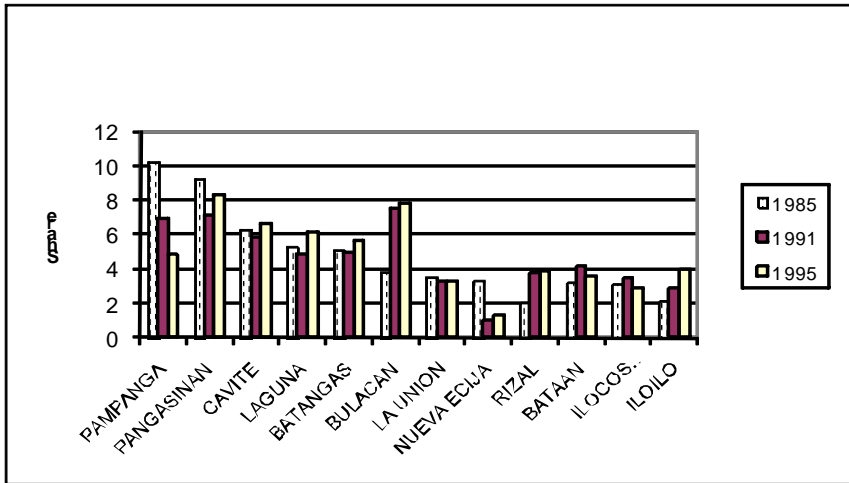
Since 1985, OFW remittances showed an over-all increasing trend. Some fluctuations however were also noted through the years. A case in point was the significant decrease in volume from 1995 to 1997. Battistella (1998) considered this downtrend in remittances as a temporary thing, an aftermath of the Flor Contemplacion¹ execution. The government at that time bowed to political pressures and implemented stringent policy regulations on entertainers planning to work abroad. This resulted in a substantial decrease in the number of OFW deployed. Consequently, the volume of money remitted decreased significantly.

Lately, the decline in the amount of remittances indicated labor saturation and increased competition from other developing countries sending workers abroad. Labor saturation is demonstrated by workers from developing countries like the Philippines and Bangladesh who were usually willing to take on jobs at a much lower salary pushing down the wage scale in the process. Roughly ten years ago, Rodriguez (1996a) already noted the decrease in the starting average incomes of overseas Filipino workers.

The total volume of money remitted home did not solely originate from migrant workers abroad. A substantial percentage was also recorded by a stock of permanent Filipino emigrants now residing in other countries, particularly the United States. In 1993, more than half (62.2%) of all official remittances from land-based migrants originated in the United States (Rodriguez 1996a).

The geographical distribution of OFW remittances indicated geographic concentration. Between 1985 and 1994,

Figure 1. Volume of remittances by province, 1985, 1991 and 1994



high remittance provinces included Pampanga, Pangasinan, Cavite, Laguna, Batangas and Bulacan (Figure 1). These provinces aside from being closest to the National Capital Region were also the most urbanized.

OFW REMITTANCES AND THE COMMUNITY, SOCIAL AND PERSONAL SERVICES

At about the same time that the country was experiencing a boom in remittances inflow, it also experienced a parallel decline in the industrial sector of the economy and the rise of other sectors including personal services. Since the middle of the 1980s, GNP contribution of the industrial sector was steadily decreasing and percentage wise, the output from the industrial sector has long been over taken by the services sector. From 1985 to 2000, 42 percent of the country's GNP came from the services sector.

Although the GNP shares coming from the personal services sector remained stable, it did not preclude employment expansion. There were indications that a substantial percentage of the country's labor force was located in the community, social and personal services sector (CSPS). Employment data from the National Statistics Office indicates that employment shares in the CSPS gradually increased from 1980 to 2000. But the fixed GNP shares coupled with the increased employment figures indicate employment saturation. Based on this observation, this study decomposes CSPS into two indicators—employment and output—to test the labor-saturation observed in certain sectors of the local economy (Gonzalez et al. 2001). This means that the additional employment in CSPS does not automatically translate into higher incomes or output. On the other hand, output in CSPS may require very little human intervention and would have very limited employment implications.

This study particularly focuses on the volume of social and personal services at the provincial level. These are consumption-oriented and respond to either collective or individual demands. The 1977 standard industry classification code defined community, social and personal services (CSPS) as any of the following activities: sanitary, educational, medical/dental/health, social and community services, research, social welfare, motion picture/entertainment, amusement/recreation, personal and household services, repair of motor vehicles, laundries, barber/beauty shops, photographic studios, restaurant and hotels, cafes and other eating places and lodging places.

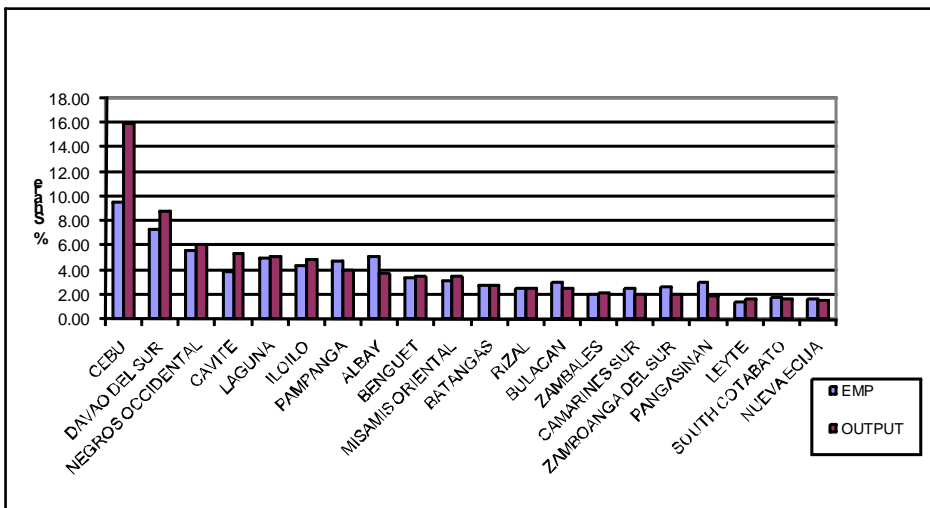
Studies conducted in developing countries that included India, Papua New Guinea, Thailand, and parts of East Africa indicate that as much as 90 percent of the income derived from remittances is used for what might be considered “consumption” forms of expenditure,

although it is difficult to fit many forms of expenditure, such as education, into one or the other category (Parnwell 1993). Specific to the Philippines, this study confirms the same strong association between expenditures on consumer items and OFW remittances flowing into the country.

The distribution of employment and output in the CSPS among provinces in the country indicate the OFW remittances–CSPS connection. In 1994, the provinces of Cebu, Davao del Sur, Negros Occidental, Cavite, Laguna, and Iloilo were highest in terms of output and employment shares in the CSPS sector (Figure 2). These provinces are largely similar to the provinces that posted the highest shares in OFW remittances in the 1980s and the 1990s as mentioned earlier in this paper.

In a general sense, shares in both employment and output in CSPS were of comparable magnitude. It is interesting

Figure 2. Percent Share in Employment and Revenue in CSPS, 1994



to note, however, that the substantial employment shares in some provinces (e.g., Pampanga, Albay, Pangasinan) were not coupled with an equally substantial output share. Again, this could be an initial indication of labor saturation in the personal services sector.

In the absence of significant growth in the industrial-manufacturing sector, this study points out the strong relationship between OFW remittances and personal services sector (CSPS), as indicated empirically by correlation results (Table 1). The correlation coefficients indicate that remittance shares per province are positively and strongly associated with output ($r = .64, p < .01$) and employment ($r = .66, p < .01$) in the personal services sector. This illustrates that an expansion in the volumes of employment and output took place together with the substantial flow of OFW remittances coming into the country. This association confirms the much criticized predisposition of overseas workers and their families to purchase non-durable consumer items.

There are continuing concerns regarding the lack of impact of remittances in correcting the structural imbalances of the economy as the major portion of these remittances is spent on consumer durables, dwellings, and education and only a small percentage is being channeled into real productive investments. Criticisms regarding these consumption patterns, however, ignore the personal circumstances and structural conditions in which migrants and their families make their decisions. Given conditions like poor infrastructure and limited access to credit, the spending habits of migrants can be seen as rational. While these habits may be undesirable from the general development perspective of exporting countries, they are essentially consistent with the individual migrant worker's motivation for migration (Puri and Ritzema 2004). In the long term, the established lack of, and poor, employment opportunities may lead to further massive emigration to other countries with the pool of skilled workers representing potential international

Table 1. Correlation matrix of remittances and CSP (employment and output)

Variables	1	2	3
1. Remittances	—	.658**	.637**
N	—	* (75)	(75)
2. CSPS (emp)	—	— (75)	.986**
3. CSPS (output)	—	—	—

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

migrants. This is important as it highlights the global-local nexus in shaping the economic landscape of the country.

REMITTANCES AS A FORM OF SOCIAL CAPITAL

By considering the social context of the families of OFWs, specifically their personal relations and the structures of social relations they find themselves in, the concept of social embeddedness seems appropriate in making sense of their seemingly purely economic decisions of how and where to invest money from remittances. In this sense, remittances and its utilization can be used to enhance social capital, or the webs of relationships and norms invoking mutual sense of trust and reciprocity that could enhance the quality of life both at the household and at the community levels (Portes and Sensenbrenner 1993).

A typology of social capital

The most widely accepted definition of social capital is the ability to secure resources by virtue of membership in social networks or larger social structures. This definition however does not come without problems. One, there is a tendency to confuse access to resources through networks with the resources itself. It presumes that access to resources automatically indicates presence of social capital. Second, there is a tendency to gloss over the positive rather than the negative consequences of social capital which may include exclusion of outsiders, excessive claims on group members, restrictions on individual freedoms and downward leveling of the norms. Third, the motivations of the

providers of social capital in these transactions remain untheorised (Portes and Landolt 2000).

The lives of migrant workers and those of their families back home are linked through remittances. Sending remittances is considered the responsibility of the workers to their immediate household and to their relatives (Go 2001). They are used for the education of the children, daily sustenance, and home repairs, among others, that are all part of the community, social and personal services sector of the economy. Remittances are not only coping mechanisms for the precarious situation of families left behind but are also forms of insurance for the migrant, as these reinforce the obligations of the family toward the migrant in case he loses his/her job. The allocation of remittances, therefore, is not a purely economic decision. It is constrained by the social relations maintained by workers to their immediate and extended families and manifests the concept of social embeddedness.

The concept of social embeddedness argues that behavior and institutions are constrained by ongoing social relations (Granovetter 1985). Therefore, the seemingly non-rational behavior can be appreciated better by considering the situational constraints faced by the decision-maker. In this light, the seemingly irrational investment decisions made by the migrant workers make much more sense when goals other than economic are considered. Keeping in mind sociability, status, and power, migrants' decisions in this context would seem more rational and instrumental, as these advance the migrants' social capital.

Coleman (1988) argues that the familial responsibility and obligations that tie the individuals to their families of orientation and birth also indicate social capital.

Earlier, Portes and Sensenbrenner (1993) identify four expectations linked to the utilization of remittances, making remittances a form of social capital. These are (1) *value introjection* or the fulfillment of value imperatives learned during the process of socialization; (2) *reciprocity transactions* or accumulation of "chits," which can be redeemed in the future when the need arises, when good deeds are done to others; (3) *bounded solidarity* or cohesion rooted in common adversities faced by a group of people and, (4) *enforceable trust* which is generating social trust through the individual members' disciplined compliance with group expectations in anticipation of acquiring "good standing" in a particular group.

In a later article, Portes and Landolt (2000) further classify these sources of social capital according to the presence or absence of overarching structures defining the transactions. Altruistic sources of capital include value introjection which is the granting of resources to others out of moral obligation and bounded solidarity to members of the same territorial, ethnic, or religious community. Meanwhile, instrumental sources of capital includes reciprocity transactions which are simple face-to-face reciprocity that carry the full expectation of commensurate return by the benefited party and enforceable trust which is embedded in larger social structures that act as guarantors of full returns either from the benefited party or the community at large. More importantly, this later analysis

of social capital pointed out the possibility of both positive and negative consequences.

Social capital at the household level

In the Philippines, the family is the ultimate source of physical, psychological and financial security. Members of the family depend on one another during times of crisis. They are expected to provide assistance for mutual dependence and mutual sharing including material goods. The success of one member is considered the success of the whole family and this ongoing concern for the family partly explains the generosity and the great sacrifices endured by the OFWs for their respective families (Valerio 2002). The children at a very young age are socialized to consider the needs of the family as a unit before that of the individual. Because of this attitude, there is a blurring of boundaries where the individual ends and the family begins.

Many Filipino families are nuclear in structure but reciprocal obligations are provided to the extended family. According to Valerio (2002), assistance is usually provided according to the closeness of ties. Priority is given to lineal relatives (i.e., spouse, children, parents, and siblings), followed by collateral relatives (i.e., uncles, aunts, cousins, nephews, and nieces). Aside from this, assistance is likewise provided to non-relatives depending on the degree of closeness and frequency of interaction. This fluid definition of family plus the absence of either the father, mother or other household members who work abroad necessitate the creation of alternative-care taking arrangements,

which makes “household” a more appropriate unit of analysis (Porio 2006).²

According to Porio (2006), the re-constitution, maintenance and survival of the Filipino households in the last 30 years have increasingly relied on the global migration of OFWs. Accordingly, the massive movement not only of labor but also of capital, goods and information across multiple borders impinge on migrant’s household formation and resource mobilization. The household members reconfigure these global processes in ways that are meaningful to the demands of their households and allied social networks. In short, these emerging global demands are negotiated by households through the creation of specific forms of social capital not only at the household but also at the community level.

In this study, the uses of remittances in the country are categorized by applying Portes and Sensenbrenner’s (1993) concept of social capital in relation to remittances (Table 2). The utilization of remittances as cited in earlier studies (Pertierra et al. 1992; Arcinas and Banzon-Bautista 1986; Arcinas et al. 1989; Velazquez 1987) is mainly instrumental in origin and classified as either falling into any one of two forms of social capital. The first category of remittance use in the Philippines is *enforceable trust* which is reflected in the number of times migrant workers were asked to act as sponsors in weddings and baptisms, contribute to community projects, and, on their own, sponsor elaborate ritual ceremonies such as weddings and baptisms. In this sense, migration and the corresponding increase in income is completed by a greater honor and prestige accorded to the migrant

Table 2. Typology of Remittances Utilization in Filipino Households (Advincula-Lopez 2005)³

Use of Remittance	Enforceable Trust	Reciprocity Transactions
1. Daily Sustenance	X	
2. Payment of Debts	X	
3. Purchase of Consumer Durables (e.g., appliances)	X	
4. Sponsorship of events (e.g., weddings, baptisms, birthdays)	X	
5. Payment of Debts/Loans	X	
6. Contributions to community projects	X	
7. Housing Improvements/Purchase of House/House and Lot/Lot only	X	X
8. Education of other family members	X	X
9. Investment for jeepneys, tricycle and other micro-enterprise	X	X
10. Farm Inputs (e.g., chemicals, seedlings, fertilizers, tractor, pump, draft Animals)	X	X

worker by the rest of the community. The need for "status validation" also entails the projection of affluence and an improved lifestyle, which is reflected in the consumption of basic food items such as meat, fish, and canned goods.

Enforceable trust is illustrated when the ability to purchase the said goods uplifts the status of the migrant worker not only within his family but in the rest of the community as well. Investments in housing and housing improvements still remain very high in the expenditure priorities of migrant workers and their families. Migrants invest in housing because they feel that improved housing is similar to education in indicating social mobility. For them, housing investments are "monuments of hard-earned success," regardless of whether or not the migration experience had actually been successful (Arcinas and Banzon-Bautista 1986).

The second category of remittance use is reciprocity transactions which are manifested when families and friends who are at the receiving end of these expenditures feel a heightened sense of gratitude or indebtedness to the migrant worker or his family. In the process, the migrant worker or his family are able to accumulate "chits," which they could later use when they find themselves in need of help or assistance.

Other expenditures such as investments in housing improvements, household appliances, education of other family members, micro-enterprises, farm inputs such as fertilizers, chemicals, and machineries, and the purchase of vehicles, can be classified as a move for acquiring social capital that pertains to both *reciprocity transactions* and *enforceable trust*.

Another "investment" of choice is education for children and other family members. The insistence of migrants to continuously finance the education of their family members despite the limited prospects for employment should be seen within the cultural and social context in which migrants and their families are embedded. In the Philippines, education, especially college education, is an indication of upward social mobility (Arcinas and Banzon-Bautista 1986; Pertierra 1992). It is a form of human capital investment that determines the reproducibility of families in succeeding generations. Investing in children's education increases income potentials and is thus a seemingly rational decision. At the same time, parents who can afford to send their children to good schools are accorded more respect, not only by extended family members, but also by members of the community.

In short, the social constraints and expectations impinging not only on the overseas workers but their families as well create a particular pattern of remittance utilization. The prioritization of expenditures on housing construction, education of family members, the purchase of non-durable consumer items like food for daily sustenance and electronic appliances, and even the sponsorship of huge events, imply the expansion of the community and personal services rather than the industrial sector of the economy.

Aside from the utilization of remittances, social capital was also manifested in the adjustments made by the households to cope with the changing demands of increasingly transnational households. Unlike however with the

utilization of remittances, the latter seem to be more altruistic rather than instrumental in origin.

The emerging types of family support specifically involve the care of the children when the mother or father or both leave the country to work abroad as OFW. It is common to see households composed of grandparents with grandchildren or children left in the custody of married or unmarried aunts. Even when the father is around, there is still a need to tap on other female family members to fill up the role vacated by the natural mother because many husbands are unable or traditionally unprepared to take on the nurturing and home management roles vacated by their wives.

Although the motivation of migrants and their families in the allocation of remittances seem to be instrumental forms of social capital, the decision to take on the parenting role seems to be more altruistic form of social capital. Many of the interviewed grandmothers and aunts who took over these roles admitted that the material rewards are very minimal but they feel that it is their responsibility to take care of the children as it will eventually result into better chances of survival for the whole family (Añonuevo and Guerra 2002⁴).

The mutual dependence mentioned previously manifests itself through female relatives who are quite willing to take on the mothering role. More than the males, women in the Philippines are socialized to manage their households and to help out relatives in need, especially if it involves the welfare of children (Añonuevo and Guerra 2002). These alternative household arrangements do

not come without concomitant costs. Although documented cases are few, the age-gap between grandparents and children could result in either too lenient or too strict disciplining style. Many caretakers are in a bind because they cannot make the final decisions especially on matters involving the children and the utilization of the remittances. Such an arrangement could be a potential source of conflict. Also, it is common for surrogate mothers to quit their respective jobs just to be able to take care of the children of their relatives working abroad. This could be the curtailment of individual freedom, which is one of the negative consequences of social capital as pointed out by Portes and Landolt (2000).

Meanwhile, the decision to work abroad and the eventual flow of remittances to the members of the family left behind also bring about another form of altruistic social capital. This refers to the network developed for the eventual migration of other family members. The importance given to the success of the whole family partly explains the motivation for migrants to facilitate the movements of other family members.

Filipino migrants, once settled in their area of destination are expected to facilitate the migration of other household members and close kin through direct sponsorship or referral to possible employment opportunities (Valerio 2000). The strategy remains basically the same with a mother or older sister going abroad first and who would later on send for the daughter and other younger siblings. Valerio's (2000) study include a migrant from Mabini, Batangas (a province south of Manila) who was able

to facilitate the movement of 70 relatives to Italy. Another migrant worker from Mindoro, an island province also south of Manila, was able to facilitate the movement of a total of 50 relatives, also to Italy.

Sometimes, in the absence of a close kin, a more distant kin, friends or even townmates may be assisted to migrate just to alleviate the sense of isolation and vulnerability felt by the earlier migrant. The arrival of friends and other townmates could help alleviate feelings of homesickness and at the same time provide an additional source of security. In this latter case, social capital is more instrumental rather than altruistic in form because it is characterized by more explicit returns on the part of the part of the initial migrants (as was the case of earlier migrant workers in the area).

Ultimately, the sources and utilization of remittances will be contingent on the types of households that are being created because of the challenges and opportunities afforded by international migration and the consequent flow of remittances from abroad. Utilizing the Family Income and Expenditure Survey, Porio (2006) compared non-remittance vis-à-vis remittance receiving households and found that there are more extended and non-relative members in remittance receiving households. There are also more single, widowed, divorced and separated among the remittance-receiving households. The patterns are indicative of the impact of working abroad on household structures. For those who are already married, marital stresses brought about by long term separation seem to result into heightened cases of separation.

For those who are still single, postponement of marriage seems to be the emerging trend. It would be interesting to examine in future studies the actual reasons for this marriage postponement.

The discrepancy in terms of educational attainment and type of occupation is also glaring with remittance-receiving households being more educated and working in professional/technical types of jobs. In spite of their clearly advantageous position, there is also a lower participation rate among this type of households. These findings reinforce previous findings of over-dependency on the migrant workers and the erosion of the spirit of self-reliance on the household members left behind (Porio 2006).

In another study by Añonuevo (2002), one husband whose wife was in Italy actually admitted being jobless for the last five years. This is not an isolated case; many husbands who are left behind are jobless and are not seeking employment. Although many of the women were not originally the main household breadwinner, once they have migrated, many ended up in this role. Many have expressed their desires to come home permanently but are deterred by the conditions of over-dependency that developed in their absence. Far from being positive, this excessive claiming on successful members, is actually one of the negative consequences that can develop from having social capital. One return-migrant from Germany consciously decided to live quite a distance from her relatives just to be far from their pleas for help (Porio 2006).

Social Capital at the Community Level

There have been many authors (e.g., Putnam 1993) who equated social capital with "civicness" and viewed it as a feature of larger social aggregates such as communities, cities and even nations. They highlighted trust, norms and networks that can improve the efficiency of the collective. Portes and Landolt (2000) while recognizing the distinction between social capital at the individual and at the community level, believed that this aspect of social capital remains undertheorized. Social capital at the community level is treated both as cause and as an effect, which makes the argument tautological.

It seems, however, that in the case of remittances coming from overseas Filipino workers, the problem of cause and effect is not as severe. The actual comparison of communities receiving substantial remittances from abroad indicates a clear advantage over the other neighboring communities which do not have substantial sources of external resources.

The advantages gained by migrant-sending communities stem primarily from social networks. More specifically, there are organizations formed out of the conscious effort of the members to share the blessings that they have been receiving to the communities that originally nurtured them. In a town south of Manila, migrant workers to Italy, Spain, and Saudi Arabia decided to form various organizations to provide assistance to their home communities (Opiniano 2002). Their projects included the refurbishing of the chapel, which now boasts of a marble altar and more than

ten gold chandeliers imported from Italy. The migrant workers also lent assistance to the village elementary school through the construction of basic physical infrastructure (e.g., deep well), provision of educational facilities and monetary support to various school activities. These types of expenditures at the community level as encouraged by the social relationships maintained by the overseas workers, fuel the expansion of small scale construction jobs that ultimately is linked with the community and personal services sector of the economy.

As in the household level, social capital at the community level cannot be neatly categorized as being instrumental or altruistic. Migrants, especially those who are parents know fully well that it is to their advantage to support activities catering to the youth. At the same time, the assistance they provide somehow alleviates the guilt that they feel in leaving their children behind. Meanwhile, there are also workers who help out of the belief that blessings, in this case, the opportunity to work abroad, must be shared with the community.

Aside from the various organizations of the migrant workers, the stream of assistance was also made possible through various forms of social networks that emerged through the years. These include coordination with the village council, the Parent-Teacher Association (PTA), and other relevant government agencies. Even the crossing of traditional religious divides with migrant Catholics providing assistance to Protestants was also documented (Opiniano 2002).

For these communities, the village council purposely helps out in alleviating the negative consequences of overseas

work especially among the children. They organize various support activities that included sports fest, public forum, and counseling to minimize the impact of migration on the youth left behind. These reciprocal actions on the part of the actors left behind are in a way indicative of instrumental forms of social capital. Freed from the burden of "economic responsibilities," community-members left behind have more free time to undertake community activities subsidized by the migrants.

CONCLUSION

Taking off from Portes and Sensenbrenner (1993) and Portes and Landolt (2000), this article highlighted the use of OFW remittances as a form of social capital, which could be altruistic, instrumental, or both in its origins. Earlier studies on Filipino migrant workers highlighted only the instrumental nature of social capital within the households. A more nuanced view taken by this paper also emphasized that social capital built from the inflow of OFW remittances can also take on a very altruistic character. Family members who are willing to forego opportunities, even jobs to take care of children left behind by these migrant workers illustrate this phenomenon.

A more balanced approach on social capital also highlighted both the positive and the negative consequences of OFW remittances. Interestingly, the inflow of remittances brings about a host of adjustments among Filipino households which lead to the creation of further types of social capital. According to Asis (2006), Filipinos are migration savvy with the ability to respond and adjust to the

demands of the global labor market. These are manifested through the various forms of social capital that included the migration networks that facilitated the movements of kin and kindred to foreign lands. Alternative source of mothering and nurturing by grandmothers, aunts and other female relatives also developed through the years. At the same time, however, the same migration processes yielded negative forms of social capital that included curtailment of individual freedom and excessive imposition and dependency on the migrant workers. Some workers have verbalized the need to settle home permanently but the financial impositions of the family members deter them from doing this.

Although still in its infancy, the social capital created by the flow of remittances at the community level is also significant especially in the light of the increasing number of provinces and consequently communities, which are now incorporated into the whole migration process. Based on the cited case studies, communities with significant OFWs are able to access infrastructure that cannot be or inadequately provided by the government. This facilitates better access to basic services compared with other communities within the same locality. However, the limited case studies looking into these seem to gloss only on the positive rather than the negative consequences of social capital. A more comparative approach to contrast communities with substantial remittances versus those with negligible flows can be illustrative as to how the development of social capital in one can actually result in social exclusion and further social inequality for the other. The continued preference for members of one's locality

or ethnic group can very well result into more uneven migration opportunities even for members coming from adjacent communities.

In spite of these limitations, the cases of many communities in the Philippines illustrate the need to distinguish household from community-level social capital. The cases cited indicate the abundance of social capital at the household level. However, for many

Filipinos it is still a challenge to go beyond the household as a unit of mutual assistance and consequently prioritize the needs of the larger social units. It might be illuminating to also look into as to what extent of the accumulated community-level social capital is actually based on trust and concern for the collective rather than a case of distinct households accidentally pursuing very similar objectives.

NOTES

- 1 A Filipino domestic helper executed in Singapore.
- 2 Household is not limited by blood or marriage relations. It is the principal locus of social relations not only for human reproduction but also for the material and psychological well-being and socio-cultural mores of its members. It is sometimes interpreted as an income-pooling or labor-pooling social unit which functions as a means for diversifying income sources and risk among its members (Folbre 1986 as cited in Douglass 2006).
- 3 Using Portes and Sensenbrenner's (1993) typology of social capital.
- 4 The studies of Añonuevo and Guerra (2002), Añonuevo (2002), and Valerio (2002) all came from a collection of case studies in E. Dizon-Añonuevo and A.T. Añonuevo's (eds.) *Coming Home: Women, Migration and Reintegration*. The studies utilized a combination of key informant interviews, case studies, focus group discussions and consultation meetings of around 20 children, 20 caretakers and 15 husbands in San Pablo City and Mabini, Batangas. About 20 cases of migrant returnees were also drawn.

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