The Impact of Return Migration on the School–Work Tradeoff and Labor Outcomes of Adolescents

RÉSUMÉ

Return migration is an intrinsic part of the cycle of international migration and development. In this study, I examine the causal effect of return migration on the school-work tradeoff and selection into employment types of children aged 12-19 years in Mexican households. I use the Mexican census of 2010 and various other sources to construct a unique dataset. I employ the control function approach and use U.S. state-level immigration enforcement acting as push factors as an instrument to address the endogeneity of return migration. My results suggest an increase in the probability of school attendance, a decrease in labor market participation, and a decrease in the probability of working and going to school simultaneously for children of households with return migrants, relative to non-migrant households. Moreover, I find a decrease in the probability of employment in wage/salaried work, and an increase in self-employment among children in return migrant households. I speculate that these improvements are driven by the migrants' experience, accumulation of human and financial capital in the United States, as well as better labor market opportunities when they return. This paper suggests return migration from a developed to a developing country as a mechanism through which migrant flows may benefit origin developing countries worldwide. Policies aimed at assisting the reintegration of return migrants in local markets may substantially improve the quality of education and can act as a channel to reduce child labor.