

**LATINO HOMETOWN ASSOCIATIONS AS AGENTS OF  
DEVELOPMENT IN LATIN AMERICA**

BY

MANUEL OROZCO

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## Foreword

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In the Fall of 1997, the Inter-American Dialogue and the Tomás Rivera Policy Institute (TRPI) initiated a project examining the potential contribution of remittances to social and economic development in Latin America and the Caribbean — as well as to the economic and social well-being of Latino communities in the United States. This paper is one of a series of working papers produced as part of the project.

In this paper, Dr. Manuel Orozco examines Latino hometown associations (HTAs) and their considerable growth over the past decade. These organizations are formed by groups of immigrants hailing from the same towns. While their focus has been primarily on supporting the immigrant community in the United States, in recent years a growing number of HTAs have begun to send collective remittances back home for community development projects such as paving roads, building schools, and buying ambulances. Dr. Orozco studies HTAs formed by Dominicans, Guatemalans, Mexicans, and Salvadorans in several cities in the United States. He concludes that there are several characteristics common to almost all HTAs, including their informal and voluntary structure, sporadic relationships with municipalities in the hometowns, and small economic base. He notes the potential of HTAs to contribute to economic development, but cautions that HTAs will not be uniformly successful. He makes three recommendations to help HTAs improve their performance and contribution to community development: organizing training workshops, establishing better relationships with municipalities, and creating “transnational public policy networks.” Despite this new interest in collective remittances, Dr. Orozco reminds us that the first priority for most immigrants is improving their lives in the United States.

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This paper represents the personal opinions of its author, and does not necessarily reflect the views of TRPI or Dialogue members or staff.

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## Executive Summary

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Since the late 1980s the number of Latino non-governmental organizations (NGOs) in the United States has grown substantially. In Chicago alone, groups with ties to Mexico increased from about 20 in 1994 to upward of 100 in 1998 and now account for nearly 70 percent of all associations in the area. Like most nonprofits, Latino organizations are predominantly oriented toward charitable work and tend to rely on government funding or support from individuals. On balance, these organizations have a low income: more than 62 percent operate on less than \$25,000 a year. Although a few are pan-national in scope, most Latino nonprofits are small and serve the needs of local U.S. Latino communities.

This report explores the activities of one type of U.S. Latino organization with a long history among migrant groups: the hometown association (HTA). Dominated by first-generation immigrants, the HTA is composed of migrants from the same town or state in their home country who endeavor to retain a sense of community as they adjust to the United States. Typically, their primary purpose is social as their activities revolve around the local church and community in the United States.

In recent years, however, HTAs have begun expanding that “local” focus by sending remittances to their home communities in Latin America. In other words, HTAs now act as a social and economic link between immigrant communities in the United States and migrant-sending communities. The HTA not only promotes social exchange but pursues low-scale development goals by using family remittances as a form of economic aid in their homelands. As a result of these efforts,

the HTA and other similar transnational migrant organizations (Levitt 1997) have institutionalized the ties between the immigrant and the migrant-sending communities.

This report covers U.S. HTAs with ties to Mexico, El Salvador, Guatemala, and the Dominican Republic. It provides information on four features in particular: HTA activities, from charitable aid to investment; their more or less formal structure and sporadic relationship with their hometown and governments abroad; factors governing their activities, such as availability of resources, relationship with their hometown, preferences of their members, and organizational structure; and their small economic base. Indeed, HTAs that make contributions home may raise less than \$10,000 annually. The discussion then moves on to three means of improving HTA performance: training workshops for hometown associations, better relations with municipal governments, and the creation of transnational public policy networks.

The information presented here points to two main conclusions. First, more research is needed to determine the extent to which the number of HTAs has increased in the past few years. The work needs to be anchored in both theory and hard data in order to explain the growth of these organizations. A critical question to address is whether they will continue to grow in size and scope or whether they are reaching their apogee. Will they decline in influence as immigrants age and they and their children adjust to the United States? Second, HTA remittances appear to have an immediate and direct effect on development. But to what extent do HTAs

engage in international activity on average?  
For example, their share of unilateral transfers in relation to the remittance line on the balance of payments may be rather small. Third, the international focus of immigrant hometown associations should not be taken to

suggest that they are somehow neglecting U.S. communities. First, second, and downstream generations of Latinos are clearly dedicated above all to the challenges and opportunities facing them in the United States.

# Latino Hometown Associations as Agents of Development in Latin America

Manuel Orozco

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## Introduction

This report draws on the findings of a project undertaken by the Tomás Rivera Policy Institute (TRPI) and the Inter-American Dialogue entitled *The Developmental Role of Remittances in U.S. Latino Communities and in Latin American and Caribbean Countries*. The purpose of the project was to assess the costs of transferring remittances along with their effect on economic development abroad and in U.S. migrant-communities. From the outset, it was clear that rapid changes have been occurring in remittance transactions and among the players involved.

In contrast to earlier findings that indicate Latino non-governmental organizations (NGOs) remain thoroughly committed to activities and issues that are primarily domestic (de la Garza et al. 1998), the evidence presented here suggests that in recent years at least one important subset of these NGOs—hometown associations (HTAs)—have also developed strong international economic ties.

The composition of HTAs consists almost solely of first-generation immigrants whose ties abroad are stronger than those of other multigenerational Latino NGOs. As U.S. migrant-communities have matured and the number of HTAs has increased, these associations have sought to augment their collective help to those who remain behind with the support of governmental outreach programs (see Orozco 2000) in the migrant-sending countries.

The discussion of this paper is based in part on TRPI's "Family Ties and Ethnic Lobbies" project; a review of the literature on Latino nonprofit organizations, particularly HTAs; interviews with community leaders of hometown associations in various cities, primarily the District of Columbia and Chicago; and fieldwork in the Dominican Republic, El Salvador, Guatemala, and Mexico. Representatives of Central Banks in Central America were also interviewed. The appendix lists some of the individuals who took time to respond to the inquiries. In addition, eighty Mexican hometown associations in Chicago were surveyed by mail.<sup>1</sup>

## Domestic Self-Help

Latino nonprofit NGOs have been affected by two recent trends in the United States: a marked increase in the Latino population since 1970, due in large part to immigration from Mexico and Central America, and greater formalization of the NGO sector. According to the most recent U.S. Census Bureau projections, the Hispanic population in the United States will reach 13.3 percent of the total population by 2005 and thus become the nation's largest minority, just edging out African Americans. Hispanics will make up one-quarter of the total U.S. population by mid-century.

The growth of nonprofit NGOs has also been substantial (Cortes 1999). Between 1989 and 1997, the number of nonprofit organizations increased by 19 percent, from 1.3 million to

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<sup>1</sup> Only 5 out of 80 surveyed organizations responded. One reason was that many organizations had changed addresses (or elected new community leaders which effectively "changes" the organization's address). The informal nature of the organizations themselves may have compounded a common reluctance to answer mail surveys. Whatever the explanation, there were enough responses to round out our impressions from fieldwork and key informant interviews.

1.9 million, or about one nonprofit organization per 135 U.S. adults (De Vita 1997, 4). The majority of these organizations are relatively new and concentrated mainly in four states: California, New York, Texas, and Florida. Like most nonprofits, Latino organizations are predominantly oriented toward charitable work and most rely on government funding or support from individuals. Nearly two-thirds (63 percent) of Latino charitable organizations rely on donations. The total number of Latino nonprofits is unknown, but about 4,000 such associations have formalized their status in compliance with internal revenue service (IRS) guidelines and have registered with the IRS for tax purposes. Although an imperfect gauge of growth, most of these organizations registered with the IRS in the past decade, reaffirming the impression that formalization of this sector is a recent phenomenon. About 59 percent of Latino nonprofit groups received their tax-exempt status after 1987.

As just mentioned, most Latino nonprofits are organized for charitable purposes but are also involved in educational and religious activities. About two-thirds (68 percent) of those registered with the IRS fall under the 501(c)(3) section of the tax code and are therefore exempt from taxes (Cortes 1999). After charitable organizations, civic leagues are the second largest type, (17 percent), followed by chambers of commerce (8 percent). Social and recreational clubs and “other” organizations each make up just 4 percent of the IRS-registered nonprofits. On balance, these organizations have relatively little income: more than 62 percent operate on less than \$25,000 per year, another 14 percent on \$25,000 - \$99,999, and 23 percent on \$100,000 or more.

These *typical* Latino nonprofit organizations not only generate their membership and

funding from within the United States, but they tend to cater to the domestic needs of their members. Several studies bear this observation out: “Despite widespread interest in international and home country affairs, the overwhelming majority of Latino organizational leaders are primarily focused on issues related to the well-being of Latinos within the U.S.” (de la Garza 1998).

Moreover, Latinos value organizations that serve their group’s needs. According to a study of eight minority groups, including Guatemalans, Mexicans, and Salvadorans, Latino communities tend to give to or help “needy individuals, families, and informal groups rather than [mainstream] organizations” (Smith 1999, p. 6). In particular, they favor organizations that focus on known individuals and the community in which they live. Family and community are an intrinsic component of Latino social and cultural identity. Like most Americans, they support self-help associations that serve the immediate interests of their members.

These organizations are important agents for the social improvement of Latino minorities because they are close to their local community and are broadly knowledgeable about Latino needs. Indeed, most Latino organizations have an inside view of Latino problems and possible solutions, and their leadership has been instrumental in identifying community needs. In a few cases, they have sought to influence public policy through their position in the organization. According to a study of 176 organizations of Colombian, Dominican, Salvadoran, and Guatemalan origin, these groups deal with a broad range of issues: education, health, housing, and other challenges facing their local community (TRPI-NALEO 1997). In sum, small, charitable Latino nonprofit organizations have proliferated since the late

1980s, serving primarily the needs of local U.S. Latino communities. Clearly, they make meaningful contributions to domestic welfare.

### HTAs and International Activities

Among the local Latino NGOs in the United States, the hometown association has a long and familiar history. It draws together people from the same town or state in the migrant-sending country, enabling them to retain a sense of community as they adjust to the United States. Typically, their first purpose is social: many are soccer clubs or community organizations that host dinners, dances, and other events where people can mingle. They tend to form around and contribute to the local U.S. church and community. And they help forge social and economic links back to the hometown.

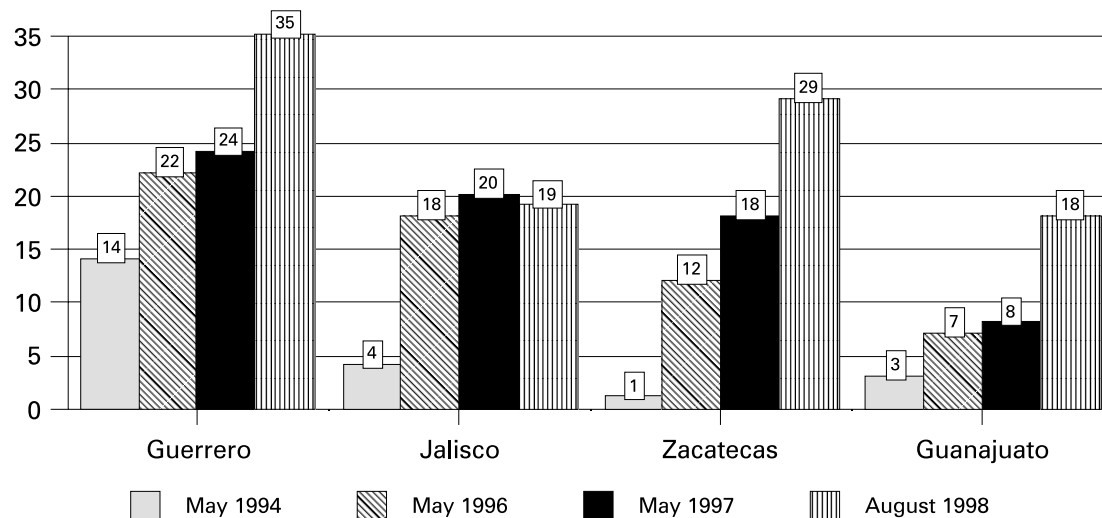
During the 1990s the ties between the United States and migrant-sending countries became institutionalized in a growing number of transnational migrant organizations (TMO; Levitt 1997). The HTA is but one of this group. Its functions are to promote social

exchange, exercise political influence, and pursue low-scale development goals in their original home community. Over the same period, family remittances also increased and motivated HTAs to pay greater attention to the need for economic aid in their homelands. Not surprisingly, a good number of HTAs that emerged in the 1990s are now giving high priority to improving their home-country communities as well as to retaining cultural ties. As a whole, these organizations have a broad migrant base: their members hail from El Salvador, Guatemala, Mexico, the Dominican Republic, Colombia, Nicaragua, and other Latin American countries — all working toward a betterment of their towns or *los pueblos* back home. Perhaps the most successful and best-known example of migrant involvement in a wide range of development activities can be found in the Mexican HTAs.

### Mexican Hometown Associations

Through the initiatives of local immigrant leaders and help of Mexico's consular offices, Mexican hometown associations have emerged in large number over the past decade. Since

**Figure 1. Number of Mexican Hometown Associations in Chicago**



Source: Mexican Consulate in Chicago 1998.

the early 1990s these groups have been working to improve their communities of origin, as is well illustrated by the Chicago contingent. Between 1994 and 1998 hundreds of such organizations arose in the greater Chicago area (see Figure 1) to enable migrants from Mexico to maintain contacts with their hometowns. Among the many regions represented, the states of Guerrero, Jalisco, Zacatecas, and Guanajuato account for nearly 70 percent of the membership of all Mexican HTAs in greater Chicago. Over this four-year period, the HTAs for these four states alone quadrupled, from about 20 to just over 100.

Although an initial goal of most Mexican HTAs was to provide charitable assistance to their hometown churches or parishes, their activities have now shifted to infrastructural development. One such association, established in 1989 with an active board of 20 members and 150 signatory members, makes donations to and carries out reconstruction and improvement projects in the state of Jalisco. On average, its members send at least \$5,000 worth of supplies a year. The association has participated in the reconstruction of the public park (*plaza pública*), the rebuilding of the local temple and the city clock, and the purchase of computer equipment for a school. HTA members have maintained relations with different community groups in their town and the municipality with which they coordinated their projects.

Another association based in Chicago, the Club Casacuaran of Guanajuato—established in 1997 and now having 50 members—has raised money for construction projects. It has made cash and in-kind donations of toys and clothing to the Casacuaran community. One of this HTA's more interesting projects is a census being carried out to estimate not only size of the hometown population but also its needs. Local government officials, local

associations, and the church have all cooperated with the HTA in this project.

In addition to carrying out independent infrastructural projects and providing charitable assistance, Latino HTAs participate with state and local governments in income-generating investment ventures. The state of Guanajuato has played a central role in the creation of hometown associations organizing more than 30 HTAs in Chicago and throughout the United States (Orozco 2000). Collectively they have brought in close to \$60,000 to invest in small export-clothing factories (*maquiladoras*) in members' hometowns in the state. Thus far about 9 garment factories are in operation as a result of this effort (Zamora interview 1999). The state coordinating agency in Guanajuato expects to set up as many as 60 garment factories with HTA investment.

### ***Dominican Hometown Associations***

Two prominent centers of Dominican hometown associations created by migrants themselves are Boston and New York, especially the boroughs of Queens and Brooklyn (Levitt 1997; Carrasco interview 1999). These associations—also called *patronatos*, *clubs*, *ligas de amigos*, or *ligas de apoyo* (support networks)—have a strong tradition influenced by the experiences of other groups and movements (Carrasco interview 1999). Like other Latino HTAs, Dominican associations engage in different activities for the purpose of raising funds for their hometown. A significant number—among them, Patronato La Laguna, Los Pinos, San Jose de las Matas, and Sabana Iglesia—have their home base in rural areas near the highlands (*sierra*) and in the province of Santiago, the source of large migration flows. Their activities, like those of other groups, range from purchasing ambulances or fire trucks to building health care centers or small clinics.

### **Guatemalan Hometown Associations**

Until four years ago, Guatemala was engulfed in a civil war, so organizational ties with this home country are a more recent development. Nevertheless, Guatemalan HTAs have a notable record of involvement, although on a smaller scale than that of the other countries studied in this investigation. Most Guatemalan hometown associations active in their home country are based in Los Angeles or Houston and have maintained a low profile compared with those that concentrate more on improving the welfare of Guatemalan immigrants in the United States. Many have purchased small fire trucks for their hometown, among other things, and have taken part in mobilizing support for pan-Guatemalan initiatives (Orantes interview 1999). In fact, these small HTAs and their national counterparts demonstrate a level of financial aid that goes beyond specific local communities in times of crisis.

One umbrella organization, the National Congress of Guatemalan Organizations in the United States (GuateNet), integrates different groups of Guatemalan origin (Orantes interview 1999). These include the Association of Guatemalan Fraternities based in California with branches in several cities, the Association of United Guatemalans, and the Guatemalan-American Committee in New York. These organizations mobilized support for their country after the 1996 peace agreements, for example, and the New York committee, normally involved with cultural activities with Guatemala, raised nearly \$5,000 for people affected by Hurricane Mitch. Hurricane victims were also assisted by the Guatemalan Unity Information Agency (GUIA), which has offices in Washington, D.C., and Los Angeles. According to Julio Villaseñor, head of GUIA in Los Angeles, the organization sent 17 containers of material assistance to Guatemala and has committed

itself to sending one container of construction material a month for the next ten years.

### **El Salvadoran Hometown Associations**

Salvadoran hometown associations, like their Guatemalan counterparts, are a recent development paralleling increasing political stability at home. Many have emerged in just the past six years and are growing rapidly in number. Following the example of other organizations, they are pursuing structured developmental agendas for their hometowns and are among the most organized of all Central American associations. Six associations in the Washington, D.C., area, studied under the TRPI/IAD remittance project have provided a wealth of information on their activities.

The United Community of Chinameca, founded in the early 1990s, began operating in earnest after the peace accords of 1992. After visiting the war-ravaged area, members began providing small donations to the local parish for much-needed recovery and reconstruction. The Chinameca association has engaged in various forms of fund raising to this end and has also obtained the support of companies like Sprint and United Airlines, which make donations to the community in exchange for new customers. The association continues to diversify its sources of funds.

The Chinameca community members now travel at least once a year to visit and meet the residents to assess their needs. They maintain strong ties with notable residents of the town, who transmit their needs to the organization. Their first support consisted of a grant for \$5,000 to build a school. Subsequently, the association supported the construction of a water septic tank costing \$10,000, Red Cross offices (a small clinic) costing \$43,000, and laundry facilities for the town containing 200 laundry utilities (*lavaderos*). In addition, the

association donated money for the reconstruction of the church, built a children's park, and bought an ambulance (worth \$32,000) in cooperation with a sister organization in Los Angeles (which contributed \$7,500). Unfortunately, the migrant communities in the United States have had a somewhat strained relationship with the local government, and therefore the association has worked with selected officials openly supportive of their efforts.

The Committee for the Development of Uluazapa and Its Vicinities, (CODEUZ), formed in 1992 with a seven-member board, is an example of the smaller associations. Its key contact with the community in Uluazapa, a small town in the department of San Miguel, is the local priest, who keeps the committee informed about the town's needs (Henriquez interview 1999). CODEUZ contributions consist mostly of charitable assistance. Since its founding, the committee has helped the youth in the community with school supplies and clothing and has also provided cash to support local church activities. Although the association was not too active in 1998, the previous year it raised the equivalent of about \$11,000.

The Committee to Improve the City of El Chiquirin, created in 1994 by migrants with relatives in El Chiquirin, is an expanding organization that focuses on medium-scale, infrastructural projects. It raises money through annual parties and other celebrations and then sends the cash to the hometown. Interestingly, this organization has a counterpart in the hometown that solicits assistance for various projects. It raised more than \$20,000, for example, for the paving of the town's main road. The organization has also helped purchase land for a local cemetery

and construct a basketball court. In the near future, it plans to build a community center and establish a cooperative for fishermen. Despite these efforts, the committee chair reports that local government officials are uncooperative and usually try to be in total control of whatever projects the community undertakes.

One of the more successful groups is the United Committee for Intipuca, which donates at least \$10,000 a year to the membership's hometown. The United Committee has purchased ambulances and plots for a cemetery, installed a water septic plant, paved several streets including the main road, and has helped build a stadium. This success can be traced in part to the foundation it has established in the hometown, which plays a definitive role in laying out the organization's agenda. The committee also maintains a savings account of at least \$30,000, which provides it with greater investment resources than many other associations have at their disposal.

Equally important, the committee has been able to formalize its relationship with the central government and has invested in joint projects with it. Notable was an electrification project undertaken with the Socio-Economic Investment Fund (FISE), established by multilateral institutions and the government. The group's relations with the municipal government, however, are more strained. The local government has tried to control the committee's projects and to deny the permits required to operate as an association in Intipuca. Nonetheless, the committee has prevailed. Its projects have had a substantial impact not only on the town's infrastructure but also on social development and local culture.<sup>ii</sup>

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<sup>ii</sup> American children born to Salvadoran parents visit Intipuca and spend the summer in El Salvador, and their parents bring U.S. products for consumption. Moreover, the flow of remittances that a large percentage of the population receives has significantly changed local consumption patterns. Not only are new services being provided, but construction and other industry has flourished in the area.

Outside of Washington, D.C., Salvadoran associations are well represented in Los Angeles, Chicago, Houston, and Miami. A large number of the organizations in California are working on small-scale development projects that are actually the responsibility of the hometown governments but could not be accomplished without the help of the U.S.-based hometown associations. One such group is the Association of San Isidrenses Residentes en California (ASIC), formed in 1992 and operating out of Los Angeles. Members raise funds to develop certain areas of their hometown, San Isidro. Projects include improvements in the local town library and the purchase of equipment for the local elementary school. Members have also initiated various charitable projects, such as the purchase and delivery of toys and sponsorship of the May patron saint festivities (Garcia 1996).

Other California HTAs involved in similar activities include Chalchupanecos Residentes en Los Angeles (CHARLA), Arsences Residentes en Los Angeles (ARLA), and Comunidades Unificadas para la Asistencia Directa a El Salvador (COMUNIDADES). CHARLA and ARLA assistance equals about \$10,000 annually, while COMUNIDADES represents an innovative experiment in dual development through credit unions. COMUNIDADES was established in 1993 as an umbrella organization for other associations in Los Angeles that promote social development projects and provide support for the reconstruction of El Salvador (Eekhoff 1997). To this end, COMUNIDADES created a Federal Credit Union that offers its affiliated groups banking services, loans, and international money transfers. The Credit Union distributes its benefits to COMUNIDADES members (HTAs) and in turn to individuals who

channel assistance collectively and individually to their hometowns in El Salvador through development projects.

### **Characteristics of Hometown Associations**

Hometown associations studied during the TRPI/IAD project have four prominent features. First, their activities range from charitable aid to investment. Second, their structure varies, although it is of a more or less formal nature in the United States, while their relationships with their hometown and governments abroad are more sporadic. Third, decisions regarding their agenda or activities are based on an array of factors, such as the availability of resources, relationship with their hometown, preferences of their members, and organizational structure. Fourth, like other Latino nonprofits, they have a small economic base.

### **Activities**

As Table 1 indicates, the activities carried out by hometown associations, consist of unrequited and unilateral private donations. They can therefore be considered remittances, although they are channeled to an entire community (except in the case of direct investments, which typically involve a subset of individuals within the association). Charitable work is common to all: it includes the donation of clothes, construction material for the town church, or small cash amounts to purchase goods for local religious festivities. A second type of activity is oriented toward improving the infrastructural conditions of the town. Here the associations raise money to pave streets, build parks, create sewage treatment plants, filter water, buy (or maintain) cemetery plots, or build health care facilities. A third group comprises activities oriented toward “human development” (Eekhoff 1997), which refers to the day-to-day education and health of the townspeople. These activities

**Table 1. Range of Activities Performed by Migrant Communities for their Home Country**

Category	Kind of Activity
Charity	toys, clothes, church donations
Infrastructure	parks, cemeteries, sports complexes, street construction, ambulances, fire trucks
Human Development	scholarships, sport utilities, libraries, health equipment
Investment	income generation programs for the community
Other	general fund-raising

include funds for scholarships, library books, health supplies and medicine, and sports equipment. Activities in the fourth type consist of capital investment for income-generation projects managed by local community members and often supervised by immigrants.

### **Structure**

Few associations have a particularly strong organizational structure or an institutional counterpart in their home country. Membership tends to be small, and interaction with the hometown often takes place through the local priest or a notable person or group of persons. Relationships with the hometown may be described as either hierarchical (the hometown association communicates its decisions and project agenda to its counterpart or contact back home) or cooperative (the local hometown counterpart, together with the association in the United States, helps define the agenda). Community associations tend to meet occasionally, in order to discuss their future agenda, fund-raising activities, or support arising out of dire events such as Hurricane Mitch.

### **Decisionmaking Processes**

Decisions about the organization's agenda or the nature of its work depend on the preferences of the members and the financial resources available to them. Most

organizations begin their work with charitable donations. As they discover new issues to concentrate on or as they learn from the experiences of other organizations, they may reorient their activities. Their involvement also depends on the time members can spare to invest in these activities. Most members volunteer their time after meeting their regular work and family obligations. Another factor influencing the choice of endeavor is the hometown's request for assistance. Although few associations have organizational counterparts in the home country, their contact person may inform those that do of the community's needs. The conditions of the town thus become an important determinant of the organization's agenda. As one community leader noted, "Our focus of work will depend on the needs of the community, whether the town has easy access to main highways, or it's an impoverished rural area" (Henriquez interview 1999).

### **Small Economic Resource Base**

On average, most hometown associations raise less than \$10,000 a year. Being voluntary organizations, they do not incur administrative costs, and much of the money they raise is sent to the towns in the form of cash or in kind. Though the annual amounts raised are not too high, they fall within the average income of many Hispanic organizations (see Cortes 1999).

## **Improving Hometown Association Activities**

Although no effort has been made here to reflect on the possible outcomes of HTA activities over the long term, it seems safe to say that they will not be uniformly successful. Some obstacles to success are already apparent, particularly organizational challenges and rocky relationships with home governments. At the same time, there are ways to improve their performance: hold training workshops, improve relations with municipal governments, and set up transnational public policy networks.

### **Training Workshops for Hometown**

**Associations.** One of the common weaknesses of hometown associations is their limited planning capacity, especially in deciding where to funnel their assistance. These associations (in the migrant community as well as in the hometown) need guidance in identifying and then responding to a range of social and developmental needs of communities. Workshops on issue identification and resource management, for example, would go a long way toward helping them improve and expand the use of their funds.

### **Improving Relations with Municipal**

**Governments.** As mentioned earlier, HTA links with municipal governments remain weak and often unfriendly. This problem could be alleviated by encouraging these two sectors to identify and work toward common goals and benefits without altering their own objectives.

**Transnational Public Policy Networks.** It is also important to recognize the work of hometown associations within the context of development policies. A transnational public policy network of development and remittance actors should be created to shape new agendas and chart projects that increase

the efficacy and efficiency of HTA efforts. Lessons can be drawn in this regard from the various global public policy networks that have begun orienting their activities toward specific development projects (Reinicke 1999-2000).

## **Conclusions**

The last two decades have witnessed an across-the-board increase in the number of nonprofit organizations in the United States, especially in the number of Latino NGOs. Although less well documented, a growth spurt has also occurred among Latino immigrant hometown associations. Furthermore, in a departure from the usual domestic orientation of Latino organizations, HTAs have become more actively engaged abroad. This 1990s style of transnationalism is reflected in their efforts to assist their compatriots in migrant-sending communities.

Because HTAs are as yet poorly understood, more theoretical and practical research is needed to establish the precise extent to which they have increased in the past few years and the nature of their contribution to development in their home countries. Several other questions need to be addressed as well. Are HTAs the result of an open-system, global world? Will they continue to grow in size and scope of activity, or does their character today reflect a mature stage in international mobility that is reaching its apogee? Will their influence subside as immigrants age and they and their children adjust to the United States?

Many HTAs certainly do “remit” money home and their efforts result in meaningful economic development, creating “an enabling environment for people to enjoy long, healthy and creative lives” (UNDP 1997). But is this typical of all HTAs? That is another important question to examine. As noted in this report, HTAs tend to be small and most

likely send well under \$10,000 to their hometown communities in cash or kind in any given year. Their share of unilateral transfers—that is, in relation to the remittance line on the balance of payments—may be rather small. How large or how small is a matter of pure conjecture at this point. At the same time, the results of this investigation suggest that HTA efforts tend to have a more immediate and direct effect on development than do individual remittances (see Orozco 2000). Foreign governments would therefore do well to give HTAs a hard look as prospective partners in bolstering development.

But these remarks are not meant to downplay the services hometown associations provide for U.S. communities. The collective efforts of HTAs reflect the best tradition of U.S. self-help organizations. What is more, the degree

to which they focus their efforts abroad is still uncertain. In all likelihood, HTAs today play a significant role in the adjustment of immigrants to the United States (Levitt 1997), just as they did in the past. Moreover, HTA members interviewed for this project indicated that they not only intend to live permanently in the United States but also are determined to improve their situation here before engaging in activities revolving around their country of origin. Hence one cannot conclusively say that hometown associations prolong any residual attachment immigrants feel toward their transnational counterparts. The final data are hardly in. Latino organizations, as a whole, however, are predominantly oriented domestically. Both first, second, and downstream generations of Latinos are dedicated foremost to meeting the challenges and opportunities facing them in the United States.

## Interviews

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Asamblea de la Sociedad Civil, (*Guatemala*)

Ramiro Carrasco, Director Técnico,  
Asociación de Inst. Rurales de Ahorro y  
Credito (*Santo Domingo, Dominican  
Republic*)

Francisco Castro, Comunidad Unida de  
Chinameca, (*Washington DC*)

Mathilde Craig, Salvadoran Embassy,  
(*Washington DC*)

Iris Contreras, Comité Guatemalteco  
Americano, New York, (*Miami*)

Juan Jose Garcia—Consultant, (*El Salvador*)

Virginio Rafael Gerardo, Director, Asociacion  
de Inst. Rurales de Ahorro y Credito  
(*Santo Domingo, Dominican Republic*)

Carlos Henriquez, Comité de Desarrollo de  
Uluazapa (*Washington DC*)

Roberto Lemus, Vice-president, Congress of  
Guatemalan Organizations, Guatenet,  
(*Miami*)

Raul Moreno, FUNDE, (*El Salvador*)

Cesar Orantes, President, Congress of  
Guatemalan Organizations GuateNet,  
(*Washington DC*)

Abigail de Rivera, president of Comité Unidos  
por Intipuca (*Washington DC*)

Isidoro Santana, Secretario, Fundación Siglo  
XXI, (*Santo Domingo, Dominican Republic*)

Victor Sorto, Comité Pro Mejoramiento de El  
Chiquirin, (*Washington DC*)

Lizardo Sosa, Researcher, ASIÉS, (*Guatemala*)

Julio Villaseñor, Guatemala United  
Information Agency, (*Miami*)

Guadalupe Zamora, State of Guanajuato  
Representative for Casa de Guanajuato  
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