



January 8, 2009

Hispanics and the Economic Downturn: Housing Woes and Remittance Cuts

Mark Hugo Lopez
Associate Director
Pew Hispanic Center

Gretchen Livingston
Senior Researcher
Pew Hispanic Center

Rakesh Kochhar
Associate Director for Research
Pew Hispanic Center

The **Pew Hispanic Center** is a nonpartisan research organization that seeks to improve public understanding of the diverse Hispanic population in the United States and to chronicle Latinos' growing impact on the nation. It does not take positions on policy issues. The center is part of the Pew Research Center, a nonpartisan "fact tank" based in Washington, D.C., and it is funded by The Pew Charitable Trusts, a Philadelphia-based public charity. All of the Center's reports are available at www.pewhispanic.org. The staff of the Center is:

Paul Taylor, Director

Rakesh Kochhar, Associate Director for Research

Richard Fry, Senior Research Associate

Gretchen Livingston, Senior Researcher

Daniel Dockterman, Research Assistant

Mark Hugo Lopez, Associate Director

Jeffrey S. Passel, Senior Demographer

Ana Gonzalez-Barrera, Research Analyst

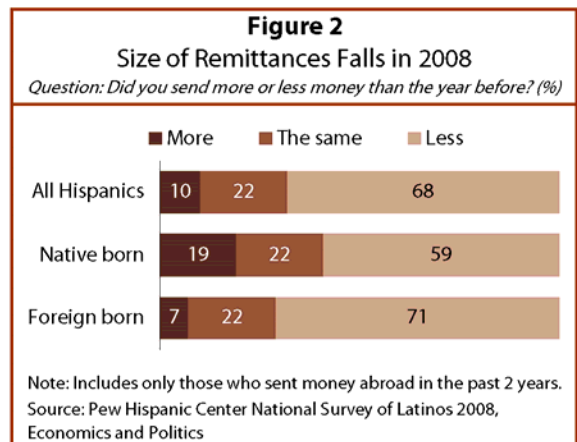
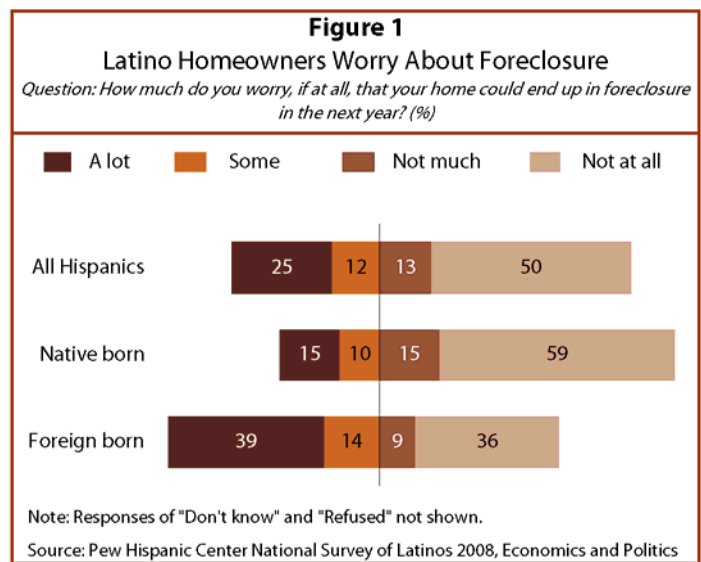
Mary Seaborn, Administrative Manager

Overview

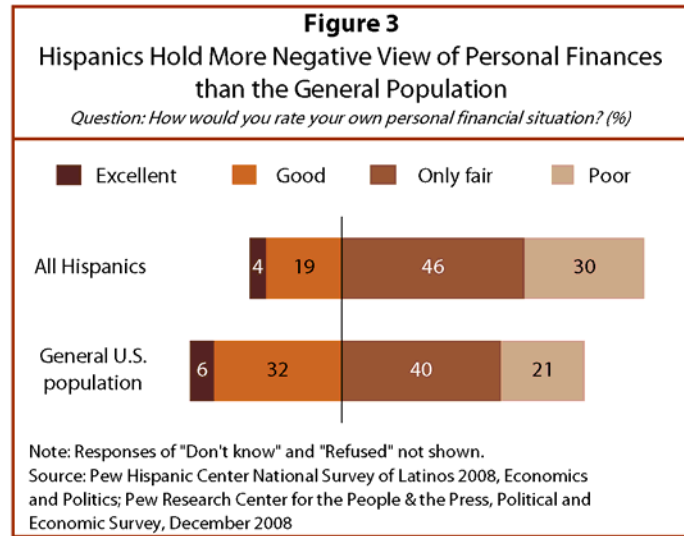
Like the U.S. population as a whole, Latinos are feeling the sting of the economic downturn. Almost one-in-ten (9%) Latino homeowners say they missed a mortgage payment or were unable to make a full payment and 3% say they received a foreclosure notice in the past year, according to a new national survey of 1,540 Latino adults conducted by the Pew Hispanic Center. Moreover, more than six-in-ten (62%) Latino homeowners say there have been foreclosures in their neighborhood over the past year, and 36% say they are worried that their own home may go into foreclosure. This figure rises to 53% among foreign-born Latino homeowners.

The economic downturn has also had an impact on the amount of money Latino immigrants send to family members or others in their country of origin. Among Hispanic immigrants who sent these remittances in the last two years, more than seven-in-ten (71%) say they sent less in the past year than in the prior year. However, while the amount of money Hispanic immigrants say they sent abroad has declined, the share of Hispanic immigrants who say they remitted funds is unchanged from 2006. More than half (54%) of foreign-born Hispanics, and more than one-in-three (36%) Latinos, say they sent remittances in the past year. In 2006, 51% of the foreign-born, and 35% of all Latinos, said they sent remittances in the prior year.

Latinos make up 15 percent of the total U.S. population, and in many respects their downbeat assessment of the nation’s economy is similar to that of the general population. According to a recent survey from the [Pew Research Center for the People & the Press](#) (December 2008), almost six-in-ten (59%) say the U.S. economy is in poor condition, a belief held by 63% of Latinos. And similar shares of the general U.S. population and Latinos say that jobs are difficult to find where they live—73% versus 78%.

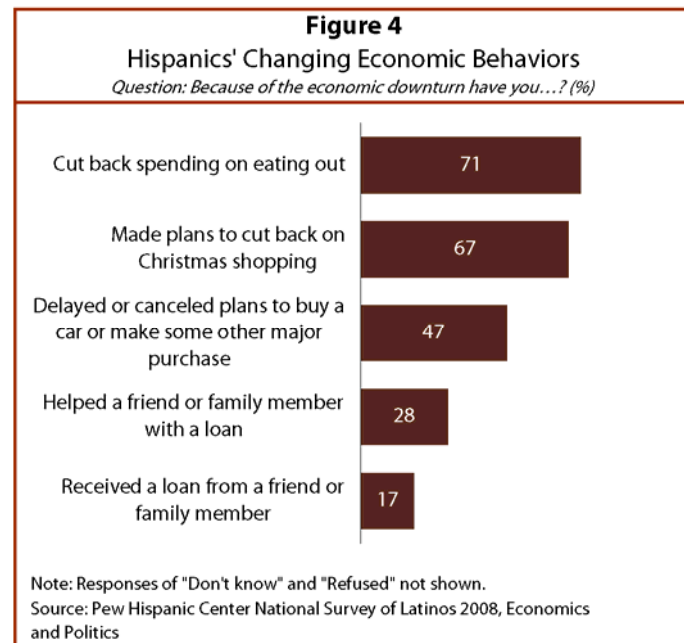


However, Latinos hold a more negative view of their own current personal financial situation than does the population as a whole. More than three-in-four (75%) Latinos, and 84% of foreign-born Latinos, say their current personal finances are in either fair or poor shape, while 61% of the general U.S. population says that. But Latinos are more optimistic than others about the future: 67% expect that their financial circumstances will improve over the next year; just 56% of the general population feels the same way.



As the economy has soured, many Latinos are adjusting their economic behaviors. More than seven-in-ten (71%) report that they have cut back spending on eating out. Two-thirds (67%) say they planned to curtail holiday spending. More than one-fourth (28%) report that they helped a family member or friend with a loan.

A majority of Latinos (57%) say they do not have a very good understanding of recent financial problems involving financial institutions and companies with ties to the housing market that have dominated the economic news in recent months. When asked who or what has contributed to these problems, a large majority of survey respondents (76%) point a finger of blame at individuals who took on too much debt. But most Latinos also blame the lending policies of banks and financial institutions (70%) and insufficient government regulation of financial institutions (67%).



This report is based on a bilingual telephone survey of a nationally representative sample of 1,540 Hispanics ages 18 and older. Interviews were conducted from November 11 through November 30, 2008. The margin of error for the full sample is plus or minus 3.0 percentage points at the 95% confidence level. For a

full description of the survey methodology, see Appendix A. Key findings of this study include the following:

Housing

- Half of adult Latinos are homeowners. Of this group, nearly one-in-ten (9%) say they have missed a mortgage payment in the past year.
- Among Latino homeowners, 3% have received a foreclosure notice in the past year.
- More than one-third (36%) of Latino homeowners are worried that their home may go into foreclosure in the next year.
- More than six-in-ten (62%) Latino homeowners say there have been foreclosures in their neighborhood in the past year.
- Nearly one-in-ten (8%) Latino homeowners say they have had a home equity loan denied in the past year, and 8% say they have had a home refinance application denied.

Remittances

- Among Hispanic immigrants who sent remittances in the last two years, more than seven-in-ten (71%) say they sent less in the past year compared with the prior year.
- Among foreign-born Hispanics who say they sent less money abroad in the past year, 83% cite financial circumstances as the main reason.
- More than half (54%) of foreign-born Hispanics say they have sent remittances abroad in the past year; 17% of native-born Hispanics say they have done so.
- According to central bank reports, remittances to Mexico and Central America increased rapidly from 2000 to 2006. However, growth has tapered off for most countries in the past two years. More details from these sources are available in Appendix C of this report.

Economic Conditions, Jobs and the Credit Crisis

- More than six-in-ten Hispanics (63%) say economic conditions today are poor, a sentiment shared by 59% of the general public.
- Similar shares of the general U.S. population and Latinos say that jobs are difficult to find where they live—73% versus 78%.

- A majority of Hispanics (57%) say they do not understand the financial problems involving Wall Street investment banks or other companies with ties to the housing market.
- When asked about who is to blame for the current economic financial crisis, Hispanics cite individuals taking on too much debt (76%); lending policies of banks and financial institutions (70%); and the lack of adequate government regulation of financial institutions (67%).

Personal Financial Situation

- More than three-quarters of Hispanics say their personal finances are in fair (46%) or poor shape (30%).
- Hispanics are more likely than the general U.S. population to rate their personal financial situation as poor or fair—75% versus 61%.
- More than eight-in-ten (84%) foreign-born Hispanics report that their finances are in either fair or poor shape. Among the native born, 66% say as much.
- Two-thirds (67%) of Latinos expect their personal financial situation to improve in the coming year, compared with 56% of the general population.
- Nearly one-in-four (23%) Latinos report that they have more debt than they can afford, while 25% of the general population reports the same.
- Hispanics are more likely than the general population to report that they have no credit card or installment loan debt—28% versus 19%.

Economic Behaviors

- Almost half of Latinos (47%) say they delayed or canceled plans to buy a car or make some other major purchase in the past year.
- More than seven-in-ten (71%) Latinos say they have cut back spending on eating out as a result of the economic downturn.
- Two-thirds (67%) of Latinos say they planned to curtail holiday spending as a result of the economic downturn.
- More than one-quarter (28%) of Latinos report that as a result of the economic downturn, they helped a family member or friend with a loan in the past year.
- Nearly two-in-ten (17%) say they received a loan from a family member or a friend in the past year.

About this Report

The National Survey of Latinos 2008, Economics and Politics, focuses on Hispanic adults' views of the state of the economy, their own personal finances and housing market conditions. It also asks about the sending of remittances in the past year and how Latinos have changed their economic behaviors in the economic downturn. The survey was conducted from November 11 through November 30, 2008, among a randomly selected, nationally representative sample of 1,540 Hispanic adults. The survey was conducted in both English and Spanish. The margin of error for the full sample is plus or minus 3.0 percentage points.

A Note on Terminology

The terms “Latino” and “Hispanic” are used interchangeably in this report, as are the terms “foreign born” and “immigrant.”

The terms “general population” and “general public” are used interchangeably in this report to refer to the entire U.S. adult population, including Hispanics.

About the Authors

Mark Hugo Lopez is the associate director of the Pew Hispanic Center. Prior to joining the Center, Lopez was research director of the Center for Information and Research on Civic Learning and Engagement as well as a research assistant professor at the School of Public Policy at the University of Maryland. His areas of expertise include labor economics, civic engagement, voting behavior and the economics of education. He received his Ph.D. in economics from Princeton University.

Gretchen Livingston is a senior researcher at the Pew Hispanic Center. Her primary areas of interest include immigrant adaptation, gender, social networks and family structure. She earned her Ph.D. in demography and sociology from the University of Pennsylvania, and prior joining the Pew Hispanic Center, she was a visiting research fellow at the Princeton University Office of Population Research.

Rakesh Kochhar has more than 20 years of research experience in the areas of labor economics and price and wage measurement and analysis. Prior to joining the Pew Hispanic Center, he was senior economist at Joel Popkin and Co., where he served as a consultant to government agencies, private firms, international agencies and labor unions. He is a past president of the Society of Government Economists. His doctoral thesis at Brown University focused on the theory of labor migration.

Recommended Citation

Mark Hugo Lopez, Gretchen Livingston and Rakesh Kochhar. *Hispanics and the Economic Downturn: Housing Woes and Remittance Cuts*. Washington, DC: Pew Hispanic Center, January 2009.

Acknowledgments

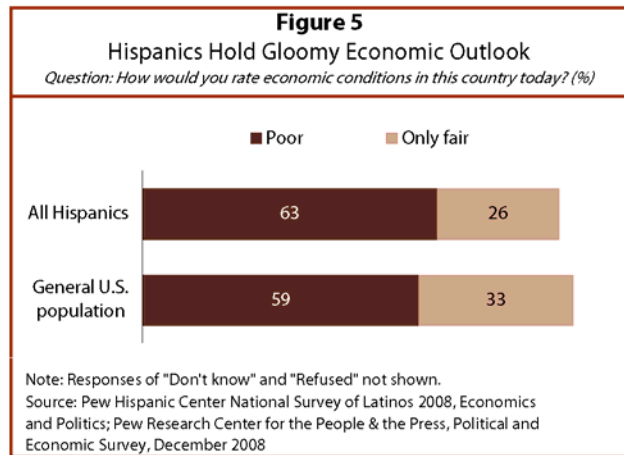
The authors thank Paul Taylor for his editorial and intellectual guidance. Daniel Dockterman provided outstanding support for the production of the report. Ana Gonzalez-Barrera checked numbers in the report. Marcia Kramer was the copy editor.

Contents

Overview.....	i
Housing.....	iii
Remittances.....	iii
Economic Conditions, Jobs and the Credit Crisis.....	iii
Personal Financial Situation	iv
Economic Behaviors	iv
About this Report.....	v
A Note on Terminology	v
About the Authors.....	v
Recommended Citation.....	vi
Acknowledgments.....	vi
Contents	vii
Latinos and Economic Conditions.....	1
Personal Finances.....	1
Local Job Market Conditions.....	4
Non-Housing Debt.....	5
The Housing Market	6
Changing Economic Behaviors.....	7
Changing Economic Behaviors.....	8
Remittances.....	8
Spending and Informal Loans.....	10
Understanding the Credit Crisis.....	11
References.....	13
Appendix A: Survey Methodology.....	14
Appendix B: National Survey of Latinos 2008, Economics and Politics Topline.....	16
Appendix C: Trends in Remittances to Mexico, El Salvador, Guatemala and Honduras	38

Latinos and Economic Conditions

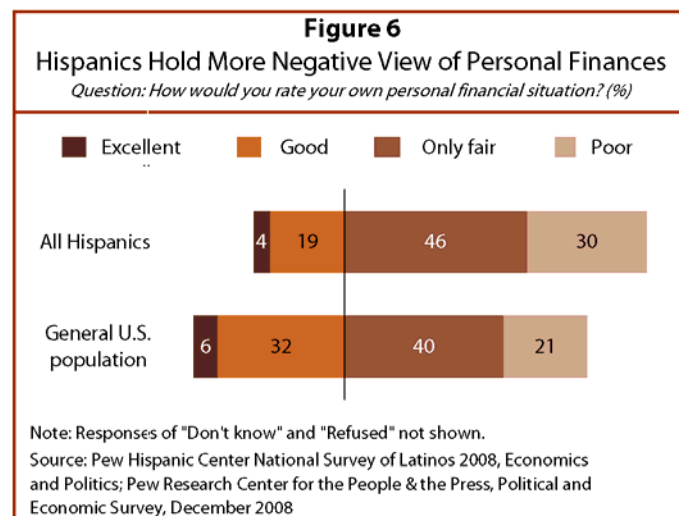
Hispanics, like the general U.S. population, have a bleak outlook on the state of the U.S. economy. When asked how they would rate economic conditions in this country today, more than six-in-ten Hispanics say that economic conditions are poor (63%), and an additional 26% rate conditions as fair. In comparison, according to a recent report from the [Pew Research Center for the People & the Press](#) (December 2008), 59% of the general public rates economic conditions as poor, and an additional 33% classifies conditions as fair.



Latinos' attitudes about the state of the economy are similar across all sub-groups—there are no significant differences in perception by socioeconomic status, or by nativity or other demographic measures.

Personal Finances

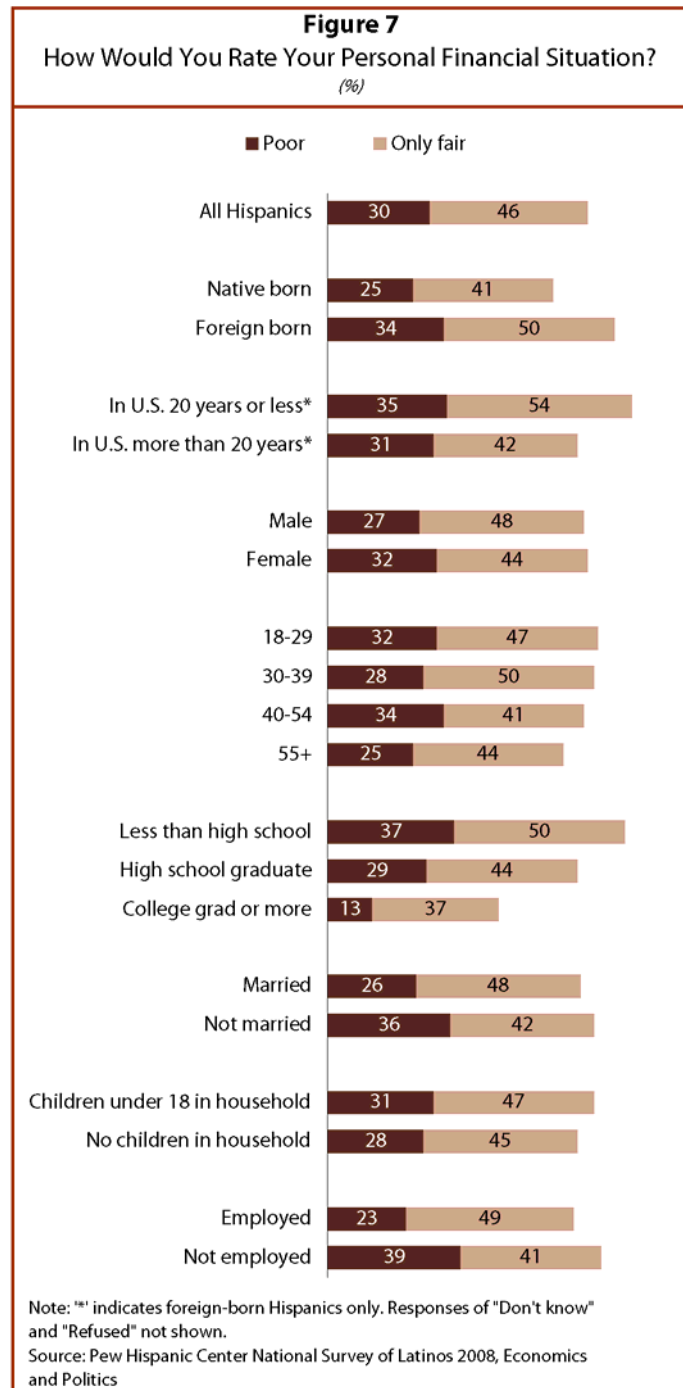
While Latinos and the general U.S. population share similar views on the current situation of the U.S. economy, Latinos hold a more negative view of their own current personal financial situation than does the general public. More than three-quarters (75%) of Hispanics say their personal finances are in poor (30%) or fair shape (46%). Among the general population, 61% report that they are in either only fair (40%) or poor (21%) shape financially.



Assessments of personal financial situations are worse among the foreign born than among the native born. More than eight-in-ten (84%) foreign-born Hispanics report that their finances are in either poor (34%) or only fair (50%) shape. Among native-born Hispanics, two-thirds (66%) say this (25% report being in poor shape and 41% say only fair shape). Among the foreign born, a shorter tenure in the United States is associated with more negative evaluations of current personal finances—90% of immigrants who arrived within the last 20 years report poor or only fair financial situations, a condition reported by 73% of respondents who have lived in the U.S. longer.

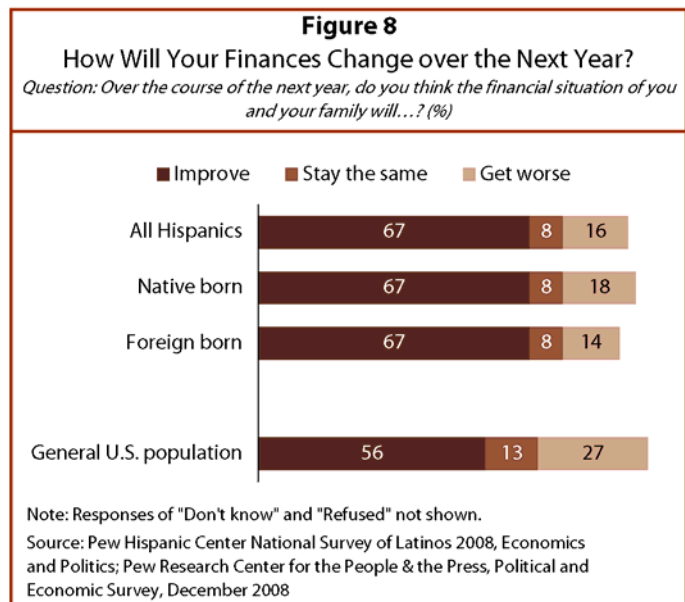
Ratings of personal finances are highly correlated with educational attainment. Fully 87% of Hispanics who do not have a high school diploma report that their personal financial situation is fair or poor. Among Hispanics with a high school diploma, this figure falls to 76%, and among Hispanics with a college degree or more, it falls to 49%. Among the employed, 71% say their personal financial situation is only fair or poor, while 81% of Hispanics who are not employed say the same.

Some 43% of Latinos say their personal financial situation has worsened in the past year, while 41% report no change in their economic situation, and 15% report that their situation has improved. Latinos who report that their own present financial situation is fair or poor are especially likely to report financial declines in the past year—51% say as much. Fewer than one-in-five (19%) Latinos who evaluate their present finances as good or excellent report that their financial condition has worsened over the



past year. Almost half of the foreign born (46%) report that their financial situation has worsened over the past year, compared with 39% of the native born.

Despite (or perhaps because of) the grim state of their current personal finances, two-thirds (67%) of Hispanics expect to see improvement in the coming year, with 16% expecting a lot of improvement, and 51% expecting some improvement. Just 8% of Hispanics expect their situation to remain unchanged, and 16% expect more financial declines. In comparison, some 56% of the general public expects their financial situation to improve a lot or a little over the coming months, and 27% expect a decline in the financial circumstances of their families.



Employed Latinos are a bit more likely than Latinos who are not employed to expect declines over the coming year in their personal finances—18% versus 13%. By the same token, the native born are more likely than the foreign born to expect a worsening of their condition—18% versus 14%. And among the foreign born, immigrants who have been in the U.S. for more than 20 years are more likely than recent immigrants to expect their financial situation to worsen in the coming months—17% versus 11%.

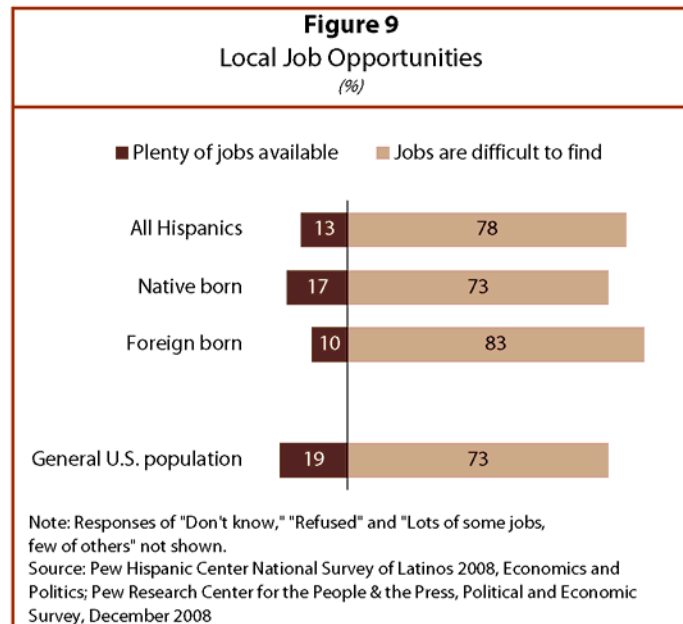
Hispanics' outlook is not related to the present evaluation of their finances. Rather, the likelihood of optimism about the future is just as high for those who perceive their present situation as excellent or good (65%) as it is for those who consider their present financial situation to be fair or poor (68%).

Local Job Market Conditions

More than three-in-four (78%) Latinos say that jobs are difficult to find where they live, a sentiment shared by 73% of the general public.

The bleak perspective on job opportunities is pervasive among all groups of Latinos. However, the foreign born, especially those who have arrived recently, are more likely than the native born to report difficulties in finding work. Eighty-three percent of Hispanic immigrants report as much, compared with 73% of native-born Hispanics. Among the foreign born, those who have been in the U.S. for a decade or less are more likely than long-term immigrants to perceive difficulties in finding work. Eighty-eight percent of the more recent arrivals report that jobs are difficult to find, compared with 79% of immigrants who have lived in the U.S. for more than 10 years.

Among Latinos, having a high school diploma somewhat improves the outlook on job opportunities. More than eight-in-ten (85%) Latinos who do not have a high school diploma report that jobs are difficult to find. Among Latinos who have at least a high school diploma, 75% report that jobs are difficult to find.



The Recession and Hispanic Workers

According to a Pew Hispanic Center analysis of the [Current Population Survey](#), Hispanics, like all U.S. workers, found few new job openings and faced sharply rising unemployment in the past year ([Latino Workers in the Ongoing Recession: 2007 to 2008](#)). The unemployment rate for Latinos increased from 5.7% in the third quarter of 2007 to 7.9% in the third quarter of 2008. That is a sharper rise than the increase for non-Hispanic workers, which went from 4.6% to 5.8% in the same period.

The increase in the unemployment rate was especially severe for native-born Hispanics, whose unemployment rate is now 9.6%, up from 7.1% in the third quarter of 2007. The unemployment rate for foreign-born Hispanics in the third quarter of 2008 was 6.4%, not much higher than the 6.1% rate for the total U.S. workforce. However, a smaller share of the foreign-born Hispanic workforce is currently active in the labor force than a year ago. If the same share had remained in the labor force, actively looking for work, the unemployment rate for foreign-born Hispanics today would be nearly 8%.

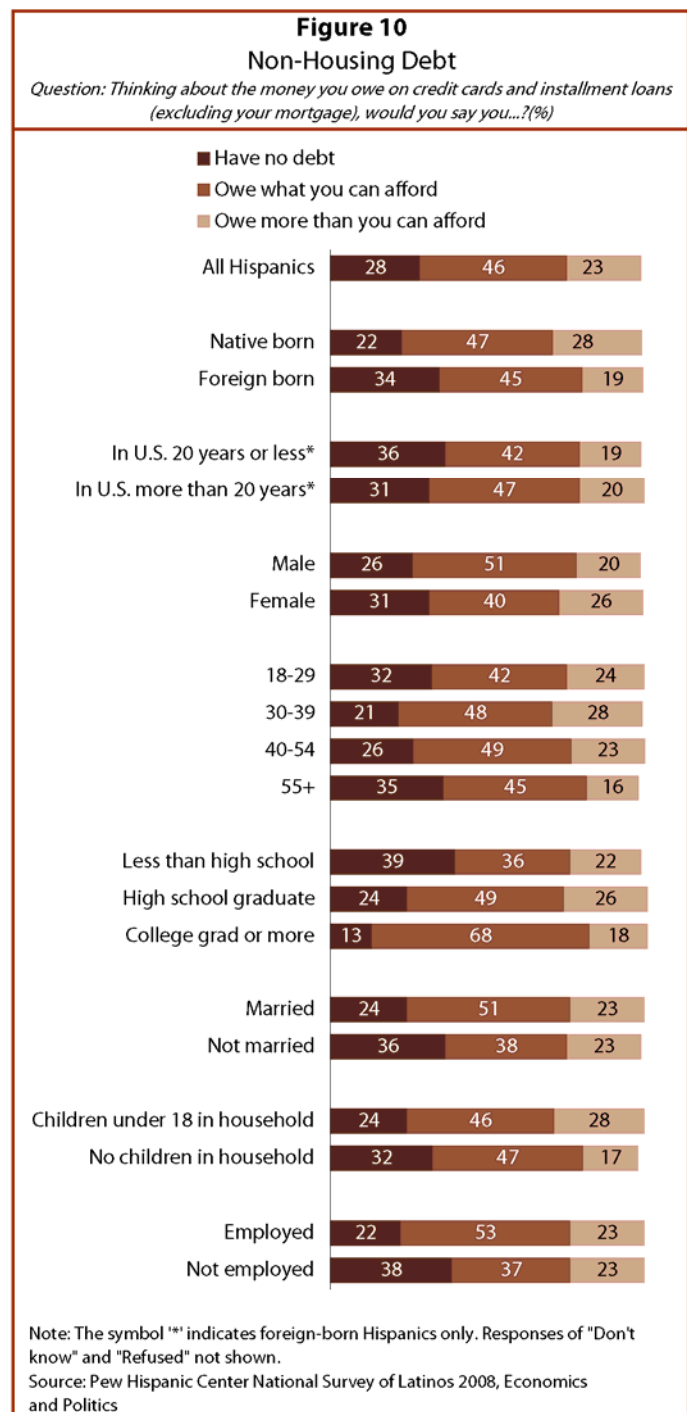
The majority of workers have experienced wage cuts. In unpublished tabulations from the [Current Population Survey](#), the Pew Hispanic Center compared the weekly earnings of a group of Hispanic workers in the third quarter of 2008 with their earnings in the third quarter of 2007. More than 50% of this group was earning less in 2008 than in 2007. Non-Latino workers experienced similar wage declines during the same period.

Non-Housing Debt

Compared with the general population, Latinos are less likely to hold debt. Some 28% of Latinos report that they have no credit card or installment loan debt whatsoever, compared with 19 percent of the general population ([Pew Research Center for the People & the Press](#), October 2008). More than half (55%) of the general population reports carrying a small amount of debt that is either equal to, or less than, what they can afford. Among Latinos, this share is 46%. The likelihood of carrying high debt is roughly equal among Latinos and the general population. About one-fourth of Latinos (23%) and the general population (25%) state that they owe more than they can afford on credit cards and installment loans.

Foreign-born Latinos are less likely than their native-born counterparts to struggle with debt. Only one-in-five (19%) of the foreign born report that they have more debt than they can afford. In comparison, 28% of native-born Latinos say the same. Due in part to being not entering credit markets or not considered creditworthy (Kochhar 2004) immigrant Latinos are also more likely to report that they carry no debt at all compared with native-born Latinos (34% versus 23%).

There is no association between respondents' annual household income, education or employment status and their view that they carry more debt than they can afford. In fact, Hispanics who are less educated, of lower income or not employed are all less likely to report having any debt in the form of loans or credit cards.



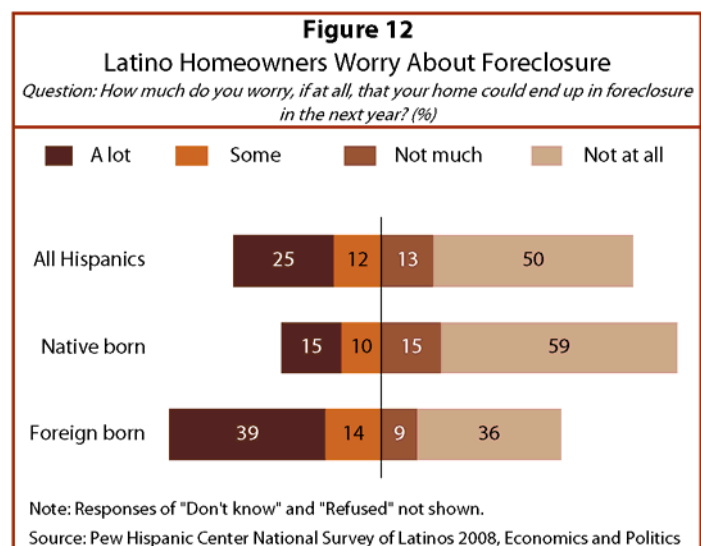
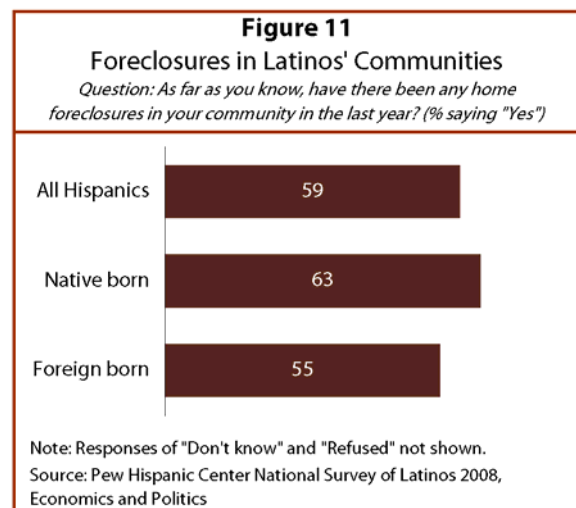
For instance, 39% of Latinos lacking a high school diploma also report no debt whatsoever, compared with 24% of Latinos with a high school diploma and 13% of Latinos who are college graduates or more. While 36% of Latinos earning less than \$30,000 annually lack any debt, this share drops to 13% for Latinos making \$30,000 or more a year. And while 38% of Latinos who are not employed lack any debt, the share drops to 22% for employed Latinos.

The Housing Market

The housing crisis has been widespread and has had an impact on many communities around the nation. Almost six-in-ten (59%) Latinos say that there have been foreclosures in their community in the past year.

According to this new survey, half of Latinos say they own their homes, a similar share to that reported by the [Census Bureau](#) (49.5%) in the third quarter of 2008. Of this group, nearly one-in-ten (9%) say they have missed a home mortgage payment. And 3% of Hispanic homeowners say they have received a foreclosure notice. Among Hispanic renters, 5% say they had a home that went into foreclosure in the past year. Taken together, 7% of all Latinos have either experienced a home foreclosure in the past year or have missed a mortgage payment and are at risk of foreclosure.

More than one-third (36%) of Latino homeowners say they worry a lot or some that their home could end up in foreclosure in the next year. Concern about home foreclosure is particularly pronounced among foreign-born homeowners. More than half of them (53%) say they worry that their home may end up in foreclosure in the next year.



The widespread decline in home values has also affected Hispanic homeowners. Almost half (47%) say the value of their home has declined in the past year, with foreign-born homeowners more likely than native-born homeowners to report this—54% versus 42%. Furthermore, many of these home value declines are steep. Among Latinos who say the value of their home has gone down in the last year, more than half (53%) say the decline in value has exceeded 10%.

Obtaining a loan to access home equity, refinance a mortgage or purchase a home has been more difficult in the past year. More than four-in-ten (44%) Latinos, and half of the foreign born, say they have delayed or canceled plans to buy a home or make a major home improvement in the past year. Among Latino homeowners, 8% say a home equity loan application has been denied, and 8% say a home refinance application has been denied. Among renters, one-in-ten say a home loan application has been denied in the past year.

Subprime Lending and Home Foreclosures

Mortgage loans in the foreclosure process were at a record high in the third quarter of 2008. According to the Mortgage Bankers Association's [National Delinquency Survey](#), 3% of all mortgage loans were in the foreclosure process.

Foreclosure risk is elevated in many areas with large or rapidly growing Hispanic populations. According to [Realty Trac®](#) the 10 states with the highest rates of foreclosure filings in the third quarter of 2008 included Nevada, California, Arizona, Florida, Illinois, Georgia and Colorado. About 50% of the U.S. Hispanic population resides in those seven states.

Data on foreclosure rates for specific population groups are not available. There is, however, a correlation between high rates of foreclosures in an area and the share of the population that is minority. For example, eight of the 10 metropolitan areas with the highest foreclosure rates in the country, based on third-quarter 2008 data from [Realty Trac®](#), have shares of minority populations that are above average. In four of those areas—Riverside/San Bernardino, Bakersfield, Fort Lauderdale and Fresno—at least half of the population is Hispanic or black. The observed correlation is confirmed in more detailed research by [Bostic and Lee](#) (2008). Their research also shows that a high burden of housing costs—typical of low-income households with high-cost loans—is also associated with a greater risk of foreclosure.

Changing Economic Behaviors

In a deteriorating economy, many Latinos have been adjusting their economic behaviors, including sending smaller remittances, curtailing spending plans and participating in informal loan agreements with family and friends.

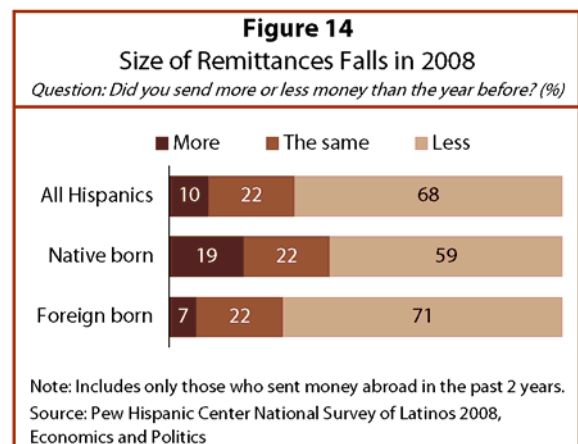
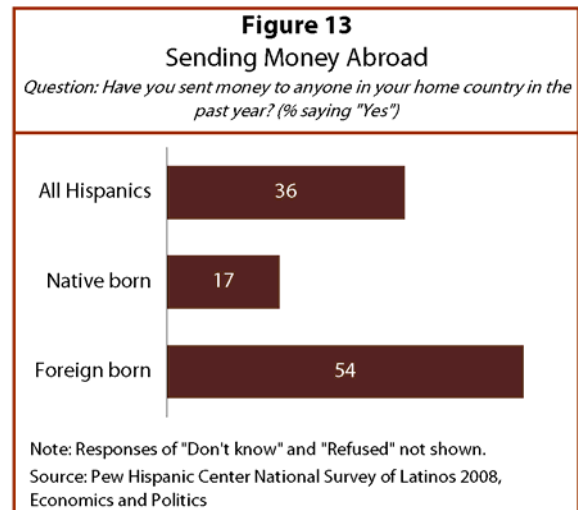
Remittances

More than one-third (36%) of Latino adults say they have sent money to someone in their home country in the past year. As have more than half (54%) of the foreign born. The share of Latinos who say they sent remittances abroad is unchanged compared to 2006, based on results from the Pew Hispanic Center [2006 National Survey of Latinos](#). In 2006, 35% of Latinos, and 51% of foreign-born Latinos, said they had sent remittances in the prior year.

The likelihood of sending remittances in the past year is independent of Latinos' personal financial status. Among foreign-born Latinos who say their current personal financial situation is fair or poor, 55% say they sent money abroad in the past year. Among foreign-born Latinos who report that their personal financial situation is currently excellent or good, 52% say the same.

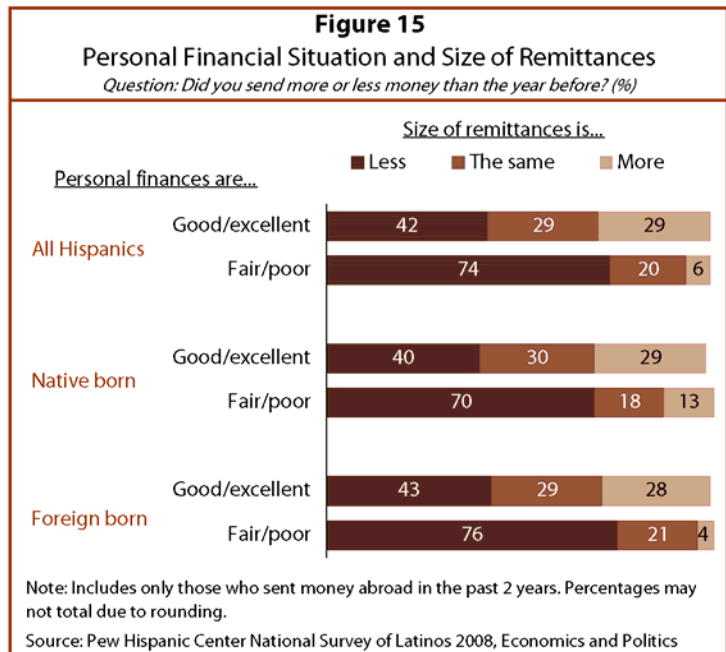
While the percentage of Latinos who have sent remittances in the past year has remained unchanged from 2006, the amount of money sent abroad has fallen. Among Latinos who sent remittances sometime over the last two years, 68% say they sent less money in the past year compared to the year before. Among the foreign born who sent remittances in the last two years, 71% percent say they sent less in the past year than in the year before, while 59% of the native born say that.

Though it is not associated with the likelihood of sending remittances, Hispanics' personal financial situation is correlated with how much they send abroad. Among foreign-born Latinos who say they sent remittances in the last two years and whose personal financial situation is fair or poor, more than three-quarters (76%)



sent less money abroad in the past year. In contrast, among foreign-born Latinos who sent remittances in the last two years and who say their personal financial situation is excellent or good, 43% sent less money abroad in the past year.

Among those who sent less money abroad, 73% cite financial circumstances as the reason for sending less in the past year than in the previous year. Among foreign-born Latinos who sent fewer remittances, 83% cite financial circumstances. Specific reasons mentioned by foreign-born Hispanics include less work or less income (43%), the economic situation (22%), having less money available (15%) and the rising cost of living (10%).



Trends in Remittances to Mexico, El Salvador, Guatemala and Honduras

Remittance flows are composed of funds transferred by individuals residing outside a country to individuals in that country. For Mexico and countries in Central America, these funds originate primarily in the U.S., the destination for the vast majority of migrants from those countries.

According to central bank reports, remittances to Mexico and Central America increased rapidly from 2000 to 2006. However, growth has tapered off for most countries in the past two years.

Mexico, the largest recipient of remittances in Latin America and the Caribbean, received nearly \$24 billion in 2006, up from less than \$7 billion in 2000. Growth came to a halt in 2007, when Mexico received virtually the same volume of transfers as in 2006. Current trends suggest that remittance receipts in Mexico in 2008 may struggle to match the level of receipts from 2006 and 2007.

Guatemala, El Salvador and Honduras are the three largest recipients of remittances in Central America. Collectively they accounted for more than \$10 billion in remittances in 2007. Growth in remittances also eased in 2006 for these countries. Honduras, however, is an exception in one regard—growth in transfers to that country picked up again in 2008. Data on the volume and growth in remittances in Mexico, El Salvador, Guatemala and Honduras are presented in Appendix C.

Spending and Informal Loans

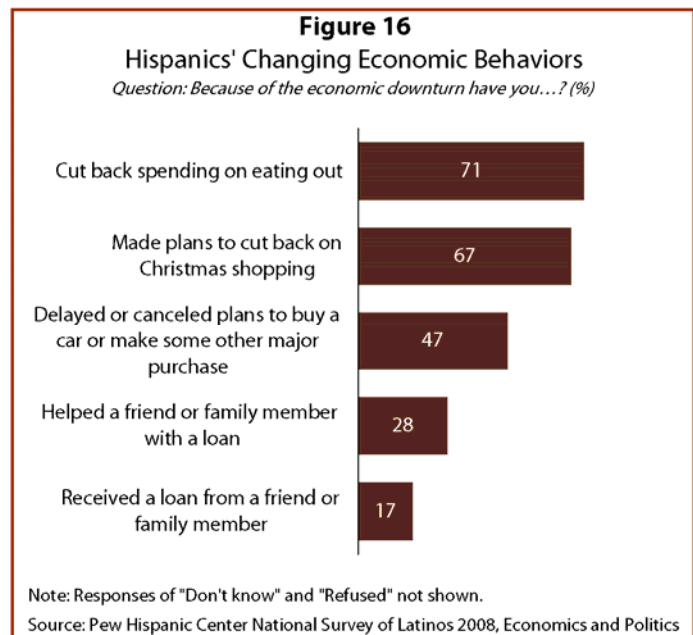
Almost half of Hispanics (47%) report that they delayed or canceled plans to buy a car or make some other major purchase as a result of the economic downturn. The foreign born are more likely than the native born to report adjusting their major spending plans. Half say they delayed or canceled plans to buy a car or make some other major purchase, compared with 44% of native-born Hispanics.

A much larger share of Latinos report making adjustments in their day-to-day spending. Seven-in-ten Latinos (71%) report that they cut back spending on eating out as a result of the economic downturn. This is most prevalent among Latinos under age 55—75% of this group report cutting back, compared with 56% of people 55 or older. Latinos with children are also more likely to report this cost-cutting measure, compared with Latinos without young children—77% versus 65%.

The economic downturn negatively affected the holiday spending plans of Latinos. More than two-thirds of Hispanics (67%) report that they planned to curtail holiday spending. This is especially true for Hispanics earning less than \$30,000 annually (73%), as well as married Hispanics (71%) and Hispanics with children (74%). Foreign-born Hispanics are more likely than native-born Hispanics to say they planned to cut back on Christmas spending—70% versus 63%.

The Pew Hispanic Center survey also explored how the economic downturn may have affected the prevalence of informal loans among Latinos. Informal loans are often an important alternative source of funds when individuals are unable to obtain loans through traditional credit markets.

More than one-quarter of Latinos (28%) report that as a result of the economic downturn, they helped a family member or friend with a loan. One-third of employed Latinos (33%), Latinos with annual incomes over \$30,000 (34%) and Latinos with at least a high school diploma (32%) report providing loan help to a family member or friend in the past year. One-third of Latinos ages 18-29 also



report helping out friends or family; this share is significantly higher than the proportion of people ages 55 or older who provided assistance (23%).

Nearly two-in-ten (17%) Latinos say they received a loan from a family member or a friend in the past year as a result of the economic downturn. Receipt of an informal loan was more common among younger Latinos than older Latinos. Almost one-in-four (24%) Latinos ages 18-29 say they received a loan, as do 20% of Latinos ages 30-39, 13% of those aged 40-54, and 8% of Latinos ages 55 and older. More than one-in-five (21%) immigrants who have been in the United States for 20 years or less say they received a loan from a family member or a friend in the last year. Half as many (10%) Latino immigrants who have been in the U.S. for more than 20 years reported receiving a loan from a relative or friend.

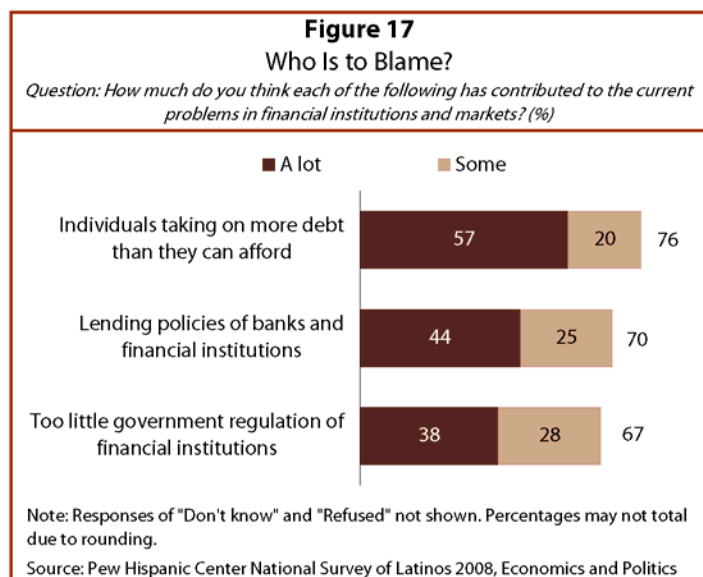
Understanding the Credit Crisis

When asked how well they understand the recent financial problems involving Wall Street investment banks and other companies with ties to the housing market, a majority of Hispanics (57%) say they don't understand the situation too well or at all.

Even so, many respondents are willing to identify the factors they feel were responsible for the bleak state of the economy. The survey asked: "How much do you think each of the following has contributed to the current problems in financial institutions and markets?" It then queried specifically about the lending policies of banks and financial institutions; people taking on more debt than they can afford; and too little government regulation of financial institutions.

Individuals taking on too much debt receive the brunt of the blame—76% of respondents feel that they contributed a lot or some to the present situation. However, large proportions of respondents also blame banks and financial institutions (70%), and too little government regulation (67%).

In October of 2008, the [Pew Research Center for the People & the Press](#) posed a similar, though not identical, set of questions to the general population. The largest proportion of respondents (94%)



blamed people for taking on too much debt; a lesser proportion blamed banks for making risky loans (89%) and a slightly smaller proportion (80%) blamed weak government regulation of financial institutions.

References

- Bostic, Raphael W. and Kwan Ok Lee, “[Mortgages, Risk, and Homeownership among Low- and Moderate-Income Families](#),” *American Economic Review: Papers & Proceedings 2008*, 98 (2), 310-314 (May 2008).
- Kochhar, Rakesh, “[Latino Workers in the Ongoing Recession: 2007 to 2008](#),” Pew Hispanic Center (December 15, 2008).
- Kochhar, Rakesh, “[The Wealth of Hispanic Households: 1996 to 2002](#),” Pew Hispanic Center (October 18, 2004).
- Pew Research Center for the People & the Press, “[Public Not Desperate About Economy or Personal Finances; Obama Clearer Than McCain in Addressing Crisis](#)” (October 15, 2008).
- Pew Research Center for the People & the Press, “[Psychology of Bad Times Fueling Consumer Cutbacks; Job Worries Mount, 73% Spending Less on Holidays](#)” (December 11, 2008).

Appendix A: Survey Methodology

Results for this study are based on telephone interviews conducted by ICR/International Communications Research, an independent research company, among a nationally representative sample of 1,540 Latino respondents ages 18 and older, from November 11 through November 30, 2008. Of those respondents, 622 were native born (including Puerto Rico) and 914 were foreign born (excluding Puerto Rico). The margin of error for total respondents is plus or minus 3.0 percentage points at the 95% confidence level. The margin of error for native-born respondents is plus or minus 4.8 percentage points at the 95% confidence level, and for foreign-born respondents it is plus or minus 3.8 percentage points.

For this survey, ICR maintained a staff of Spanish-speaking interviewers who, when contacting a household, were able to offer respondents the option of completing the survey in Spanish or in English. A total of 546 respondents were surveyed in English and 976 respondents were interviewed in Spanish (and 18 equally in both languages). Any adult male or female of Latino origin or descent was eligible to complete the survey.

The sample frame was stratified via a disproportionate stratified design. All telephone exchanges in the contiguous 48 states were divided into groups, or strata, based on their concentration of Latino households. The sample was also run against InfoUSA and other listed databases, and then scrubbed against known Latino surnames. Any “hits” were subdivided into a “surname” stratum, with all other sample being put into other “RDD” strata. Overall, then the study employed five strata:

Strata (General Incidence of Reaching a Hispanic Household)	
Surname	536
Very High	416
High	298
Medium	153
Low	137

It is important to note that the existence of a surname stratum does not mean this was a surname sample design. The sample is random digit dial (RDD), with the randomly selected telephone numbers divided by whether they were found to be associated with or without a Latino surname. This was done simply to increase the number of strata and thereby increase the ability to meet ethnic targets and ease administration by allowing for more effective assignment of interviewers and labor hours.

Once collected, the data were corrected for the disproportionality of the stratification scheme described earlier. Then, the data were put through a post-stratification sample balancing routine. The post-stratification weighting utilized national 2008 estimates of gender, education, age, region, status as foreign born or native born, year of entry into the U.S. and Hispanic heritage, obtained from the Current Population Survey, March Supplement.

Appendix B: National Survey of Latinos 2008, Economics and Politics Topline

The study was conducted for the Pew Hispanic Center via telephone by ICR, an independent research company. Interviews were conducted from November 11th – November 30th, 2008 among a nationally representative sample of 1,540 Hispanic respondents ages 18 and older. We conducted interviews with 622 native-born Hispanics (Puerto Rico included) and 914 foreign-born Hispanics (Puerto Rico excluded). The margin of error for total Hispanic respondents is +/-3.02 at the 95% confidence level. The margin of error for native-born respondents is +/-4.79. The margin of error for foreign-born respondents is +/-3.76. The margin of error for registered voters is +/-4.22.

S-5. Record Gender

	Male	Female
Total	52	48
Native born	50	50
Foreign born	54	46
7/08*	52	48
11/07**	52	48
07/06***	48	52
06/04****	51	49
03/04*****	51	49
06/02*****	49	51

*PHC National Latino Survey 2008

**PHC National Latino Survey 2007

***PHC Immigration Latino Survey 2006

****PHC/KFF Latino Survey on Politics

*****PHC Hispanic Media Study

*****KFF/Pew Latino Survey 2002

ETHNICITY SCREENING QUESTIONS

1. Are you, yourself of Hispanic or Latino origin or descent such as Mexican, Puerto Rican, Cuban, Dominican, Central or South American, Caribbean or some other Latin American background?

	Yes	No	Don't know	Refused
Total	100	--	--	--
Native born	100	--	--	--
Foreign born	100	--	--	--
7/08*	100	--	--	--
11/07**	100	--	--	--
07/06***	100	--	NA	--
06/04****	100	--	NA	--
03/04*****	100	--	NA	--
06/02*****	100	--	NA	--

2. Would you prefer to be interviewed in English or Spanish?

	English	Spanish
Total	46	54
Native born	81	19
Foreign born	13	87
7/08*	50	50
11/07**	43	57
07/06***	42	58
06/04****	45	55
03/04*****	49	51
06/02*****	43	57

3. The terms Hispanic and Latino are both used to describe people who are of Hispanic or Latino origin or descent. Do you happen to prefer one of these terms more than the other?

	Hispanic	Latino	No preference	Don't know	Refused
Total	44	16	37	1	2
Native born	42	13	42	1	2
Foreign born	46	20	32	1	1
7/08*	36	21	43	1	*
11/07**	42	20	36	1	*
07/06***	23	11	66	--	--
06/04****	35	14	51	--	--
03/04*****	34	16	51	--	--
06/02*****	34	13	53	--	--

4. Now I want to ask you about you and your family’s heritage. Are you Mexican, Puerto Rican, Cuban, Dominican, Salvadoran or are you and your ancestors from another country?

	Total	Native born	Foreign Born
Mexican	62	58	65
Puerto Rican	9	18	*
Cuban	4	3	5
Dominican	4	3	5
Salvadoran	4	1	6
Other Central American	7	3	10
Other South American	6	4	8
Caribbean	--	--	--
Other North American	*	*	*
Other European	2	3	*
Other	1	2	*
Don’t know	2	4	*
Refused	1	1	*

	7/08*	11/07**	07/06***	06/04*****	03/04*****
Mexican	62	63	64	64	64
Puerto Rican	9	9	11	9	9
Cuban	4	4	10	4	4
Dominican	2	3	1	3	3
Salvadoran	3	3	1	2	4
Other Central American	7	6	1	6	5
Other South American	7	7	2	6	6
Caribbean	1				
Jamaica	NA	NA	NA	NA	1
Trinidad/Caribbean Islands	NA	NA	NA	NA	1
Italy	NA	NA	NA	NA	*
Africa	NA	NA	NA	NA	--
USA	NA	NA	NA	NA	1
Other North American	2	2	NA	NA	NA
Other European	2	2	NA	NA	NA
Other	1	1	5	3	4
Don’t know	1	*	3	*	*
Refused		*	*	*	*

5. Were you born on the island of Puerto Rico, in the United States, or in another country?

	Puerto Rico	U.S.	Another country	Don't know	Refused
Total	4	45	51	*	*
Native born	8	92	--	--	--
Foreign born	--	--	100	--	--
7/08*	4	38	59	*	*
11/07**	4	38	58	*	*
07/06***	2	43	55	NA	*
06/04****	5	38	57	NA	--
03/04*****	3	39	58	NA	--
06/02*****	5	37	58	NA	--

6. How many years have you lived in the (continental) United States?

Total Latinos born outside of the United States or who were born in Puerto Rico;
Total n = 1,003; Native born = 89; Foreign born = 914; Registered voters = 366

	Total	Native born	Foreign born	7/08*	11/07**
Less than 1 year to 5 years	16	3	17	19	16
6-10 years	18	9	19	16	19
11-20 years	29	12	30	28	28
More than 20 years	36	75	33	36	36
Don't know	1	1	1	1	1
Refused	1	--	1	1	*

Total Latinos

	Total	Native born	Foreign born	7/08*	11/07**
Less than 1 year to 5 years	9	*	17	12	10
6-10 years	10	1	19	10	12
11-20 years	16	1	30	17	17
More than 20 years	20	6	33	22	22
Don't know	--	--	--	*	*
Refused	--	--	--	*	*
Born in the U.S.	45	92	--	38	38
Don't know	1	*	1	*	*
Refused	1	--	1	*	*

	11/07**	07/06***
0-10 years	22	21
11-20 years	18	16
21-30 years	11	10
More than 30 Years	11	8
Don't know	*	
Refused	*	
Born in the U.S.	38	43
Don't know	*	--
Refused	*	*

	0-12	13-24	25-36	37-49	50-97	Don't know	Refused
06/04****	44	30	15	7	2	*	1
03/04*****	48	28	14	6	2	*	1
06/02***** ^a	47	31	14	5	1	*	NA

^a This question was not asked of respondents born in Puerto Rico in 06/02.

(Asked of total Latinos born outside of the country; Total n =918 ; Foreign Born n=914; Registered voters = 287)

7. Are you a citizen of the United States?

	Yes	No	Don't know	Refused
Total	35	63	1	1
Foreign born	36	63	*	1
7/08*	34	66	*	*
11/07**	36	62	1	1
07/06***	36	63	1	1
06/04****	26	72	2	*
03/04*****	26	70	1	3
06/02*****	31	68	1	--

Q5/7 Citizenship Combination Table

	US Born/Citizen	Not a citizen	Don't know/Refused
Total	67	32	1
Native born	100	--	--
Foreign born	36	63	1

LANGUAGE**[NSL 2007 Q34]**

30a. Would you say you can carry on a conversation in Spanish, both understanding and speaking – very well, pretty well, just a little, or not at all?

	WELL			NOT WELL			Don't know	Refused
	NET	Very	Pretty	NET	Just a little	Not at all		
Total	74	47	27	25	18	7	*	*
Native born	61	38	22	39	26	13	--	*
Foreign born	87	56	31	12	11	1	1	1

[NSL 2007 Q35]

30b. Would you say you can read a newspaper or book in Spanish – very well, pretty well, just a little, or not at all?

	WELL			NOT WELL			Don't know	Refused
	NET	Very	Pretty	NET	Just a little	Not at all		
Total	69	43	26	31	18	12	*	*
Native born	52	30	22	48	26	22	--	*
Foreign born	84	56	29	15	12	3	*	1

[NSL 2007 Q36]

30c. Would you say you can carry on a conversation in English, both understanding and speaking – very well, pretty well, just a little, or not at all?

	WELL			NOT WELL			Don't know	Refused
	NET	Very	Pretty	NET	Just a little	Not at all		
Total	62	54	7	38	27	11	--	*
Native born	92	88	5	7	6	2	--	*
Foreign born	33	23	10	67	47	20	--	*

[NSL 2007 Q37]

30d. Would you say you can read a newspaper or book in English – very well, pretty well, just a little, or not at all?

	WELL			NOT WELL			Don't know	Refused
	NET	Very	Pretty	NET	Just a little	Not at all		
Total	60	50	10	40	26	14	--	*
Native born	90	78	11	10	8	3	--	*
Foreign born	32	23	10	67	43	24	--	*

ECONOMIC CONDITIONS**[PP October 2008 Q30]**

31. How would you rate economic conditions in this country today... as excellent, good, only fair, or poor?

	EXCELLENT/GOOD			FAIR/POOR			Don't know	Refused
	NET	Excellent	Good	NET	Fair	Poor		
Total	10	3	7	89	26	63	1	*
Native born	10	3	7	90	23	67	1	*
Foreign born	10	2	8	88	29	59	1	*

[PP October 2008 Q33]

32. How would you rate your own personal financial situation? Would you say you are in excellent shape, good shape, only fair shape or poor shape financially?

	EXCELLENT/GOOD			FAIR/POOR			Don't know	Refused
	NET	Excellent	Good	NET	Fair	Poor		
Total	23	4	19	75	46	30	1	1
Native born	33	6	28	66	41	25	*	1
Foreign born	14	2	12	84	50	34	2	1

[PP October 2008 Q33]

33. And compared to one year ago, would you say your personal financial situation is better now, about the same, or worse?

	Better now	About the same	Worse	Don't know	Refused
Total	15	41	43	1	*
Native born	18	42	39	*	*
Foreign born	13	40	46	1	*

[PP October 2008 Q34]

34. Over the course of the next year, do you think the financial situation of you and your family will improve a lot, improve some, get a little worse or get a lot worse?

	IMPROVES			GETS WORSE			Stay the same	Don't know	Refused
	NET	A lot	Some	NET	A little	A lot			
Total	67	16	51	16	11	4	8	8	1
Native born	67	15	51	18	13	5	8	6	1
Foreign born	67	16	50	14	10	4	8	10	2

[PP October 2008 Q37]

35. How well would you say you understand recent financial problems involving Wall Street investment banks and other companies with ties to the housing market? Would you say...?

	WELL			NOT WELL			Don't know	Refused
	NET	Very	Fairly	NET	Not too	Not at all		
Total	39	18	21	57	31	25	3	1
Native born	54	22	32	45	28	16	1	*
Foreign born	25	14	11	68	34	34	6	1

[PP October 2008 Q39]

36. How much do you think each of the following has contributed to the current problems in financial institutions and markets? First, (INSERT ITEM): Would you say this has contributed a lot, some, not very much or not at all to the current financial problems? How about (NEXT ITEM)?

- a. The lending policies of banks and financial institutions

	A LOT/SOME			NOT VERY MUCH/NOT AT ALL			Don't know	Refused
	NET	A lot	Some	NET	Not very	Not at all		
Total	70	44	25	22	12	10	8	*
Native born	75	49	26	20	11	9	5	*
Foreign born	65	40	25	24	12	12	11	1

- b. People taking on more debt than they can afford

	A LOT/SOME			NOT VERY MUCH/NOT AT ALL			Don't know	Refused
	NET	A lot	Some	NET	Not very	Not at all		
Total	76	57	20	19	9	9	5	*
Native born	84	63	22	13	7	5	2	1
Foreign born	68	51	17	24	12	13	7	*

- c. Too little government regulation of financial institutions

	A LOT/SOME			NOT VERY MUCH/NOT AT ALL			Don't know	Refused
	NET	A lot	Some	NET	Not very	Not at all		
Total	67	38	28	24	14	9	9	1
Native born	73	40	33	19	11	8	7	*
Foreign born	61	37	24	27	17	10	11	1

[PP October 2008 EMPLOY]

37. Are you now employed full-time, part-time or not employed?

	EMPLOYED			Not employed	Don't know	Refused
	NET	Full-time	Part-time			
Total	59	42	17	41	*	*
Native born	57	42	16	42	*	*
Foreign born	59	42	18	40	*	*

[PP October 2008 Q46]

38. Thinking now about job opportunities where you live, would you say there are plenty of jobs available in your community or are jobs difficult to find?

	Plenty of jobs available	Jobs are difficult to find	Lots of some jobs, few of others	Don't know	Refused
Total	13	78	3	5	*
Native born	17	73	2	7	1
Foreign born	10	83	4	3	*

39. As far as you know, have there been any home foreclosures in your community in the last year?

	Yes	No	Don't know	Refused
Total	59	29	11	*
Native born	63	25	12	1
Foreign born	55	34	11	*

[SDT 2008 Middle Class OWNRENT]

40. Do you own or rent your home?

	Own	Rent	Other arrangement	Don't know	Refused
Total	50	46	3	*	*
Native born	63	33	4	*	1
Foreign born	39	58	2	--	*

(Asked of total Latino homeowners; Total n = 746; Native born = 387; Foreign born = 358; Registered voters = 528)

41. Have any of the following happened to you in the past year:

a. The value of your home declined

	Yes	No	Don't know	Refused
Total	47	44	9	*
Native born	42	49	9	*
Foreign born	54	37	9	*

b. You received a foreclosure notice

	Yes	No	Don't know	Refused
Total	3	96	1	*
Native born	3	96	1	*
Foreign born	4	95	*	*

c. You missed a mortgage payment or were unable to make a full payment

	Yes	No	Don't know	Refused
Total	9	90	*	*
Native born	10	89	*	*
Foreign born	8	92	*	*

d. You had a home equity loan application denied

	Yes	No	Don't know	Refused
Total	8	91	1	*
Native born	6	92	2	*
Foreign born	10	89	1	*

e. You had a home refinance application denied

	Yes	No	Don't know	Refused
Total	8	91	1	*
Native born	6	92	2	*
Foreign born	11	88	1	*

40/41. Combo Table

Base = Total Latinos

	Total	Native born	Foreign born
Own home	50	63	39
The value of home declined	24	26	21
Received a foreclosure notice	2	2	2
Missed a mortgage payment/unable to make a full payment	5	6	3
Had a home equity loan application denied	4	4	4
Had a home refinance application denied	4	4	4
Rent home	46	33	58
Other arrangement	3	4	2
Don't know	*	*	--
Refused	*	1	*

(Asked of total Latino homeowners who say the value of their home declined; Total n = 394; Native born = 187; Foreign born = 206; Registered voters = 283)

42. A moment ago you mentioned that the value of your home had declined in the past year. Just your best guess, was that a decline of 10% or less, or more than 10%?

	10% or less	More than 10%	Don't know	Refused
Total	36	53	12	--
Native born	38	50	12	--
Foreign born	33	56	11	--

40/41a/42. Combo Table

Base = total Latinos

	Total	Native born	Foreign born
Own home	50	63	39
The value of home declined	24	26	21
By 10% or less	8	10	7
By more than 10%	12	13	12
The value of home has not declined	22	31	14
Rent home	46	33	58
Other arrangement	3	4	2
Don't know	*	*	--
Refused	*	1	*

(Asked of total Latino homeowners; Total n = 746; Native born = 387; Foreign born = 358; Registered voters = 528)

43. How much do you worry, if at all, that your home could end up in foreclosure in the next year? Would you say that you worry a lot, some, not much, or not at all?

	A LOT/SOME			NOT MUCH/NOT AT ALL			Do not own a home	Don't know	Refused
	NET	A lot	Some	NET	Not much	Not at all			
Total	36	25	12	62	13	50	--	1	*
Native born	25	15	10	74	15	59	--	1	*
Foreign born	53	39	14	45	9	36	--	1	1

40/43. Combo Table
Base = Total Latinos

	Total	Native born	Foreign born
Own home	50	63	39
Worry that it could end up in foreclosure	18	16	21
A lot	12	9	15
Some	6	6	6
Do not worry that it could end up in foreclosure	31	46	17
Not much	6	9	3
Not at all	25	37	14
Rent home	46	33	58
Other arrangement	3	4	2
Don't know	*	*	--
Refused	*	1	*

(Asked of total Latino renters; Total n = 742; Native born = 212; Foreign born = 527; Registered voters = 257)

44. Has any of the following happened to you in the past year?

a. You had a home that went into foreclosure

	Yes	No	Don't know	Refused
Total	5	95	*	*
Native born	7	93	--	--
Foreign born	4	96	*	*

b. You had a loan application for a home purchase denied

	Yes	No	Don't know	Refused
Total	10	89	*	*
Native born	13	87	--	--
Foreign born	8	91	1	*

40/44. Combo Table
Base = Total Latinos

	Total	Native born	Foreign born
Rent home	46	33	58
Had a home that went into foreclosure	2	2	2
Had a loan application for a home purchased denied	5	4	5
Own home	50	63	39
Other arrangement	3	4	2
Don't know	*	*	--
Refused	*	1	*

[PP October 2008 Q49]

45. Thinking about the money you owe on credit cards and installment loans (excluding your mortgage), would you say you...

	Total	Native born	Foreign born
A lot/a little more (NET)	23	28	19
Owe a lot more than you can afford	13	14	11
Owe a little more than you can afford	10	14	7
Owe about what you can afford	24	25	22
Owe less than you can afford	22	22	22
Do not have any	15	11	20
No credit cards or loans	13	12	14
Don't know	1	1	1
Refused	2	2	1

[Adapted from PP October 2008 Q51]

46. As a result of what's been happening with the economy lately, have you done any of the following? Have you (INSERT)?

a. Delayed or canceled plans to buy a home or make major home improvements

	Yes	No	Don't know	Refused
Total	44	55	1	*
Native born	37	62	1	--
Foreign born	50	49	1	*

b. Delayed or canceled plans to buy a car or make some other major purchase

	Yes	No	Don't know	Refused
Total	47	52	*	*
Native born	44	56	--	*
Foreign born	50	49	*	*

c. Cut back spending on eating out

	Yes	No	Don't know	Refused
Total	71	29	*	*
Native born	69	31	*	*
Foreign born	73	27	--	*

d. Helped a friend or family member with a loan

	Yes	No	Don't know	Refused
Total	28	71	*	*
Native born	29	70	*	*
Foreign born	27	72	*	*

e. Received a loan from a friend or family member

	Yes	No	Don't know	Refused
Total	17	83	--	*
Native born	16	84	--	*
Foreign born	18	82	--	*

f. Made plans to cut back on Christmas shopping

	Yes	No	Don't know	Refused
Total	67	32	1	*
Native born	63	36	1	*
Foreign born	70	29	1	*

REMITTANCES

47. Have you sent money to anyone in (INSERT COUNTRY OF ORIGIN) over the past year?

	Yes	No	Don't know	Refused	Have not identified COO
Total	36	61	*	*	2
Native born	17	77	*	*	5
Foreign born	54	45	--	*	*
07/08*	43	56	*	*	1
07/06***	36	57	*	2	6

(Asked of total Latinos who sent money to anyone in another country; Total n = 570; Native born = 105; Foreign born = 464; Registered voters = 196)

48. About how much did you send in the past year?

	\$100 or less	\$101-\$300	\$301-\$1000	\$1000+	Don't know	Refused
Total	28	36	20	7	4	5
Native born	28	31	21	12	2	6
Foreign born	28	38	19	5	5	5
07/08*	30	37	20	3	6	4
07/06***	23	31	21	8	12	6

*06 asks – “On average, how much money do you send?”

(Asked of total Latinos who have not sent money to anyone in another country over the past year; Total n = 924; Native born = 480; Foreign born = 442; Registered voters = 571)

48a. How about in the year before? Did you send money to anyone in (INSERT COUNTRY OF ORIGIN) during that year?

	Yes	No	Don't know	Refused
Total	12	88	1	--
Native born	8	92	1	--
Foreign born	17	82	1	--

(Asked of total Latinos who sent money to anyone in another country; Total n = 570; Native born = 105; Foreign born = 464; Registered voters = 196)

49. Was this more or less money than you sent the year before?

	More	Less	Same amount	Don't know	Refused
Total	12	61	26	2	*
Native born	26	44	29	2	--
Foreign born	8	66	25	1	*
07/08*	13	60	24	2	1

(Asked of total Latinos who sent money to anyone in another country over the past year and sent more or less than before or who have sent money the year before but not this past year; Total n = 518; Native born = 111; Foreign born = 405; Registered voters = 184)

50. And why have you sent (more/less) this year than you did the year before?

	Total	Native born	Foreign born
Sent less	84	70	89
Financial Means	73	47	83
Economic situation	22	18	22
Less work or less income	35	13	43
Price/bills are high/going up/everything is more expensive/money doesn't go as far	9	5	10
Have less/no money available to spend/is a difficult situation this year (unspecified cause if due to no work, prices going up, etc.)	16	18	15
Other financial means mentions	1	*	1
Lack of need	7	16	3
Family doesn't need it as much/at all now (found jobs, etc.)	6	15	2
Family that I was sending money to moved here	1	--	1
Other lack of need mentions	*	1	*
Was for gifts (birthday, etc.)	1	2	*
Cutting back/trying to save money	1	2	*
Other sent less mentions	4	4	4
Sent more	12	21	9
Increased income	3	6	2
Increased needs there (family illness, jobs lost, etc.)	7	11	5
Bought/building a house there	*	1	--
Have a business there/business needs	*	--	*
Other sent more mentions	2	3	1
No answer	*	1	*
Don't know	2	4	1
Refused	1	4	1

DEMOGRAPHICS

READ: Finally, I'd like to ask you a few questions for statistical purposes only...

[NSL 2008 Q21, NSL 2007 Q17; REL 06 Q70; PP/PHC 06 QPARTY; NSL06 Q45; NSL 04 Politics Q64; MED 04 QD3; EDUC 03 QD3; NSL 02 Q90]

ASK ALL

51. In politics today, do you consider yourself a Republican, a Democrat, an Independent, or something else?

	Republican	Democrat	Independent	Something else	Don't know	Refused
Total	11	43	25	10	7	3
Native born	13	50	23	9	4	2
Foreign born	10	37	27	11	11	4
07/08*	12	40	30	8	8	2
11/07**	12	31	36	9	10	2
07/06***	14	31	25	9	14	7
06/04****	14	35	26	12	12	2
03/04*****	15	32	31	11	8	3
06/02*****	16	35	28	10	11	NA

[NSL 2008 Q22, NSL 2007 Q18; REL 2006 Q71; PP/PHC 2006 QPARTYLN; NSL 2006 Q46; POL 2004 Q65; MED 2004 QD4; EDUC 2003 QD4; NSL 2002 Q91]

(ASK Q.52 IF Q.51 = 3, 7, D, OR R)

52. Do you consider yourself closer to the Republican party or the Democratic party?

	Republican	Democrat	Neither	Other	Don't know	Refused
Total	17	39	27	1	11	5
Native born	23	35	27	2	8	6
Foreign born	13	41	27	1	13	5
07/08*	20	43	22	1	12	2
11/07**	12	27	47	2	10	2
07/06***	19	32	36	1	12	*
06/04****	23	35	27	6	8	1
03/04*****	31	36	20	--	11	1
06/02*****	24	34	36	*	6	NA

51/52. Leaned Party
Base = Total Latinos

	Leaned Republican	Leaned Democrat	Independent	Something else	Don't know	Refused
Total	19	61	8	5	4	2
Native born	22	63	7	4	2	2
Foreign born	17	59	9	6	6	3
07/08*	22	61	8	4	5	1
11/07**	19	46	20	5	9	2
07/06***	19	39	12	9	14	7
06/04****	22	48	10	6	12	2
03/04*****	28	47	9	5	8	3
06/02*****	22	44	12	10	11	2

[People-Press May 20, 2008]

(Asked of total Latino citizens or born in US/Puerto Rico; Total n = 969; Native born = 622; Foreign born = 347; Registered voters = 804)

52a. These days, many people are so busy they can't find time to register to vote, or move around so often they don't get a chance to re-register. Are you NOW registered to vote in your precinct or election district or haven't you been able to register so far?

	Yes, registered	No, not registered	Not a citizen	Don't know	Refused
Total	81	19	--	*	1
Native born	81	19	--	*	1
Foreign born	80	19	--	--	1

5/7/52a. Combo Table
Base = Total Latinos

	US BORN/CITIZEN			Not a citizen	Don't know	Refused
	NET	Registered	Not registered			
Total	67	54	12	32	*	1
Native born	100	81	19	--	--	--
Foreign born	36	29	7	63	*	1

7/52a Registration Table
Base = total Latinos

	Registered	Not registered
Total	54	46
Native born	81	19
Foreign born	29	71

54. Are you currently married, do you have a partner, are you widowed, divorced, or separated, or have you never been married?

	Married/Have Partner			Widowed	Divorced	Separated	Never been married	Don't know	Refused
	NET	Married	Have a partner						
Total	63	52	11	5	6	5	20	*	1
Native born	57	48	9	5	7	4	25	1	1
Foreign born	68	56	12	5	5	6	15	*	1
07/08*	59	49	9	4	6	6	22	*	3
11/07**	58	49	9	4	8	6	22	1	3
07/06***	NA	48	9	5	7	5	21	NA	5
06/04****	NA	47	11	5	8	6	23	NA	1
03/04*****	64	54	10	2	7	4	22	NA	1
06/02*****	NA	53	9	4	8	5	20	NA	NA

55. Are you the parent or guardian of any children under 18 now living in your household?

	Yes	No	Don't know	Refused
Total	51	48	--	1
Native born	44	55	--	1
Foreign born	58	42	--	*
07/08*	48	49	*	3
11/07**	49	48	*	2

56. What is your age?

	18-29	30-39	40-54	55+	Don't know	Refused
Total	30	24	26	17	--	3
Native born	34	23	22	17	--	4
Foreign born	26	25	30	17	--	2
07/08*	30	23	26	16	*	4
11/07**	30	24	25	16	*	4
07/06***	26	26	19	17	--	12
06/04****	33	25	24	16	--	2
03/04*****	33	25	26	14	--	2
06/02*****	32	26	25	17	--	--

57. What is the last grade or class that you completed in school?

	Total	Native born	Foreign born	07/08*
Less than High School (NET)	36	22	50	38
None, or grade 1-8	19	7	30	19
High school incomplete (grades 9-11)	18	15	20	19
High School Graduate (NET)	34	36	33	31
High School Graduate	28	29	28	25
GED	1	2	1	2
Business, technical or vocational school after high school	4	5	4	3
Some College + (NET)	28	40	17	27
Some college, no 4-year degree	16	24	9	17
College graduate	9	12	5	8
Post-graduate training or professional schooling after college	3	4	2	3
Refused	1	1	1	4

	11/07**	07/06***	06/04****	03/04*****	06/02*****
High School or Less (NET)	39	69	72	68	74
None, or grade 1-8	20	20	20	20	19
High school incomplete (grades 9-11)	19	18	21	21	24
HS Grad	30	25	24	25	26
GED	27	2	2	2	2
Some College (NET)	2	NA	NA	NA	NA
Business, technical, or vocational school after high school	2	5	4	3	3
Some college, no 4-year degree	28	14	17	17	16
College + (NET)	17	10	10	10	9
College graduate	9	8	7	7	7
Post-graduate training or professional schooling after college	2	2	3	2	2
Refused	3	6	2	2	NA

[NSL 2008, PP April 23, 2008]

58. Thinking about the past year, what was your total household income from all sources, before taxes? Just stop me when I get to the right category:
(READ LIST)

	Total	Native born	Foreign born	07/08*
<\$30K (NET)	48	34	60	50
Less than \$10,000	15	14	17	15
10 to under \$20,000	18	11	24	17
20 to under \$30,000	15	9	20	18
\$30K+ (NET)	35	48	24	32
30 to under \$40,000	11	11	10	11
40 to under \$50,000	6	7	6	5
50 to under \$75,000	8	12	4	7
75 to under \$100,000	5	9	2	5
100 to under \$150,000	3	5	1	3
\$150,000 or more	2	4	1	1
Don't know	11	11	10	8
Refused ⁶	6	7	6	10

[NSL 2008, PHC Religion 2006]

59. What is your religion—Catholic, Evangelical Christian, Protestant, or something else?

	Catholic	Evangelical Christian	Protestant	Other religion	No religion	Don't know	Refused
Total	60	17	2	11	7	1	2
Native born	49	20	4	16	8	1	3
Foreign born	71	14	1	6	7	*	1

	Catholic	Protestant or Evangelical Christian	Other religion	No religion	Don't know	Refused
07/08*	61	18	10	6	1	5

59a. Aside from weddings and funerals, how often do you attend religious services – more than once a week, once a week, once or twice a month, a few times a year, seldom, or never?

	-----EVER-----						Never	Don't know	Refused
	NET	More than once a week	Once a week	Once or twice a month	A few times a year	Seldom			
Total	87	13	25	19	16	14	11	*	2
Native born	84	12	24	14	17	17	14	--	2
Foreign born	90	14	27	23	14	12	8	*	1
07/08*	85	13	26	18	17	11	10	*	5

68. INTERVIEWER: RECORD LANGUAGE OF INTERVIEW

	SPANISH			Both Spanish and English equally	ENGLISH		
	NET	All Spanish	Mostly Spanish		NET	Mostly English	All English
Total	55	54	1	1	44	4	44
Native born	21	21	*	2	77	6	71
Foreign born	87	85	2	1	12	2	11
07/08*	55	54	1	2	42	4	38
11/07**	59	57	2	2	39	4	36
07/06***	65	64	1	1	35	2	33
06/04****	57	56	1	*	43	2	41
06/02*****	57	56	2	1	41	2	39

REGION

	Northeast	North Central	South	West
Total	14	8	36	42
Native born	14	7	36	43
Foreign born	14	9	36	41
07/08*	15	8	37	41
11/07**	15	8	37	41
07/2006**	14	8	36	42
06/2004***	15	9	36	41
03/2004****	15	8	36	41
06/2002*****	15	7	36	42

METRO STATUS

	Urban	Suburban	Rural
Total	44	42	14
Native born	46	41	14
Foreign born	42	43	15
07/08*	41	49	10
11/07**	48	43	9
07/2006***	54	38	7
06/2004****	50	41	9
06/2002*****	48	43	9

Appendix C: Trends in Remittances to Mexico, El Salvador, Guatemala and Honduras

Remittance flows are composed of funds transferred by individuals residing outside a country to individuals in that country. For Mexico and countries in Central America, most of these transfers originate in the U.S., the destination for the vast majority of migrants from those countries. Remittance flows are influenced by many factors. Some important determinants are the number of migrants residing abroad, the economic well-being of those migrants, the well-being of intended recipients, and the ease and cost of transfer services.

Remittances to Mexico and Central America increased rapidly from 2000 to 2006, but growth has tapered off for most countries in the past two years. Mexico, the largest recipient of remittances in Latin America, received less than \$7 billion in transfers in 2000. The volume accelerated quickly thereafter and, by 2006, transfers to Mexico totaled nearly \$24 billion. In 2007, however, Mexico received virtually the same volume of remittances it received in 2006. Current trends suggest that remittance receipts in Mexico in 2008 may struggle to match the amounts from 2006 and 2007.

Guatemala, El Salvador and Honduras are the three largest recipients of remittances in Central America. Collectively they accounted for more than \$10 billion in remittances in 2007. As in Mexico, growth in remittances also eased in 2006 in these countries. Honduras, however, is an exception in one regard — growth in transfers to that country shows signs of a recovery in 2008.

Remittances fluctuate with the seasons, and their growth is best measured by comparing the volume in a calendar quarter in one year with the volume in the same quarter the previous year. That yields an annual rate of growth measured on a quarterly basis. For Mexico, the annual rate of growth exceeded 20% in 17 of the 22 calendar quarters from the beginning of 2001 to the middle of 2006. The peak rate of growth—47%—was in the third quarter of 2003. The major exceptions were the four quarters in 2002 when the U.S. economy was in the midst of an economic slowdown. But even in those four quarters, remittances grew at annual rates ranging from 8% to 13%.

The rate of growth of remittances to Mexico has been negative, or nearly so, since the middle of 2007. The deceleration began in the second quarter of 2006 when annual growth still registered as high as 21%. Steady declines in growth were the norm thereafter and the growth rate tumbled to -1% in the second quarter of 2007. In other words, Mexico received less in transfers in the second quarter of 2007 than it did in the second quarter of 2006. The growth rate was positive in the third

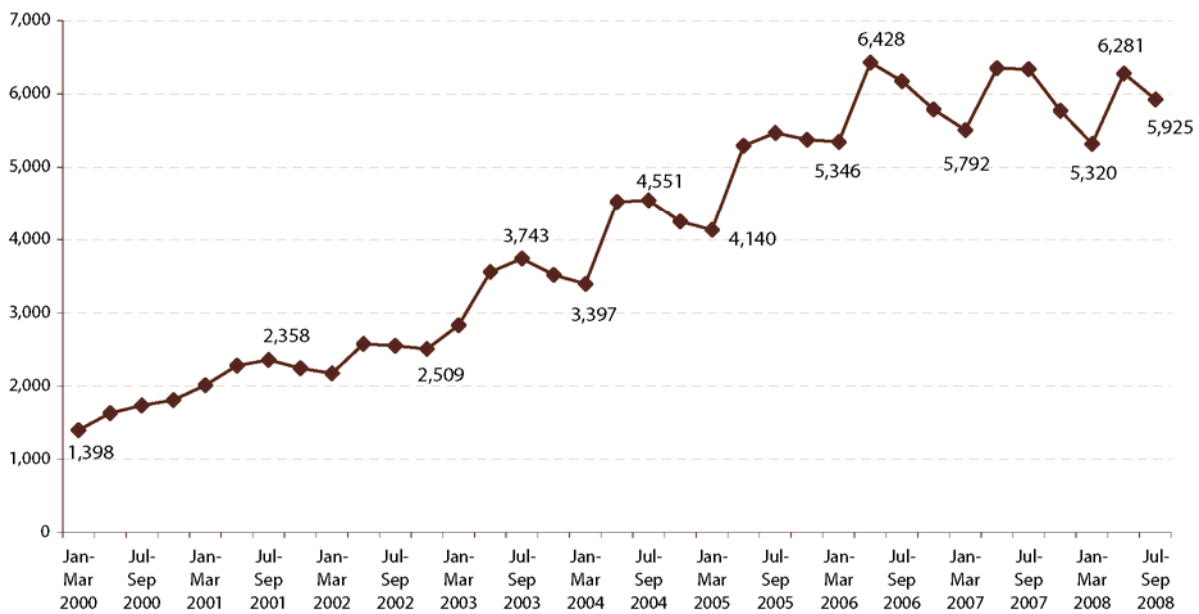
quarter of 2007 but it has been negative in the latest four quarters. In the third quarter of 2008, Mexico received \$5.9 billion in transfers, down 7% compared with the \$6.3 billion it received in the third quarter of 2007.

Similar patterns of growth in remittances emerge in El Salvador and Guatemala. Like Mexico, remittance growth for El Salvador slowed in 2002 during the economic slowdown in the U.S. The pace quickened thereafter and annual growth peaked at 25% in the first quarter of 2006. But growth has slowed sharply since that time. Unlike the trend in Mexico, however, remittance growth in El Salvador is still positive—3% in the third quarter of 2008.

Guatemala is another country where the annual rate of growth in remittances often exceeded 20% from 2003 to 2006. Similar to the circumstances in Mexico and El Salvador, the most recent peak for remittance growth—27%—was in the third quarter of 2006. Two years later, in the third quarter of 2008, remittances in Guatemala increased at an annual rate of only 6%.

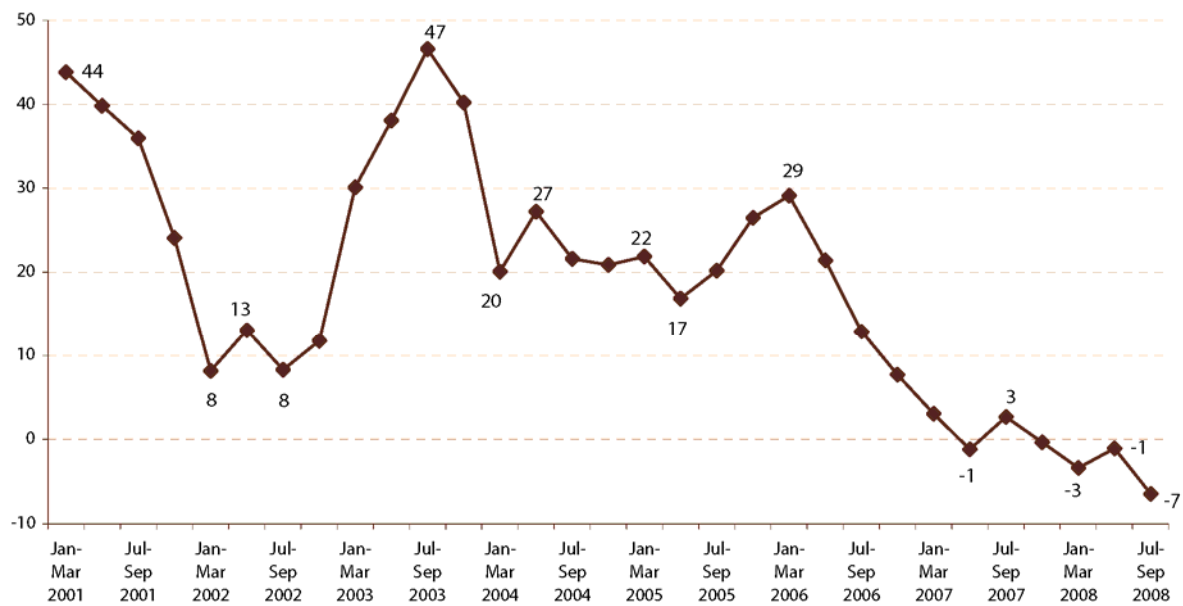
Transfers to Honduras increased at rates in excess of 50% in 2005, slowed to growth rates of about 40% in the first half of 2006 and decelerated steadily through the end of 2007. The annual rate of growth of remittances to Honduras was 7% in the fourth quarter of 2007, the lowest rate since the beginning of 2005. However, in a break with the patterns in other countries, remittances to Honduras have grown at a more rapid pace in 2008: 19% in the first quarter and 26% in the second quarter.

Figure C1
Mexico Workers' Remittances, Quarterly 2000:1 to 2008:3
(millions of dollars)



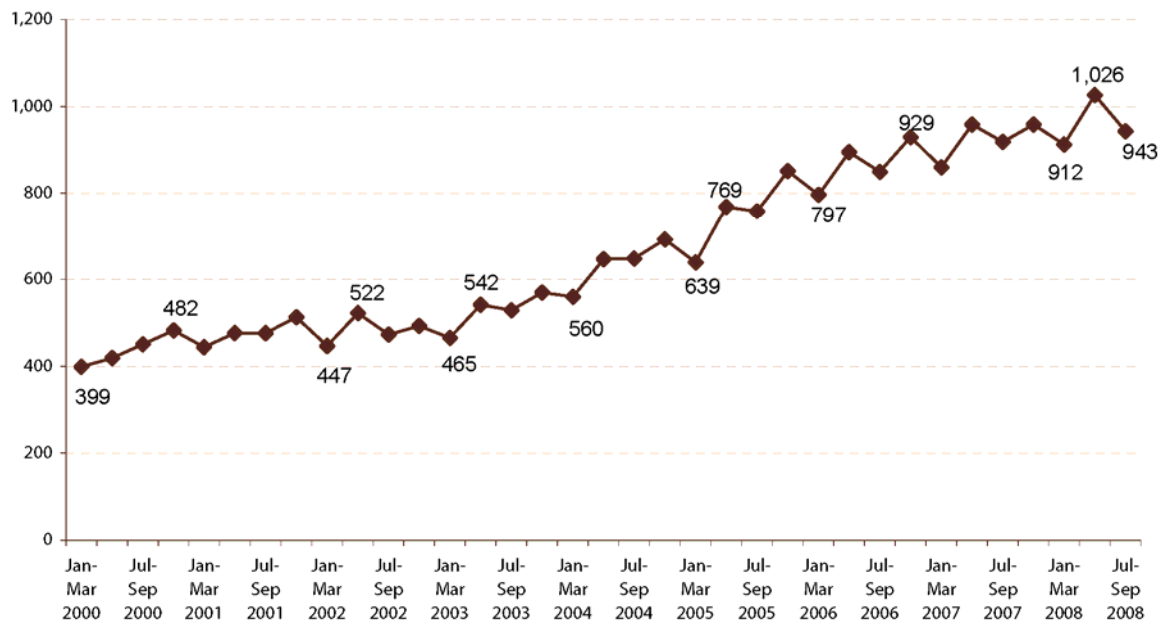
Source: Pew Hispanic Center analysis of Mexican Central Bank remittances data.

Figure C2
Mexico Change in Workers' Remittances, Compared to Same Quarter of Previous Year
(%)



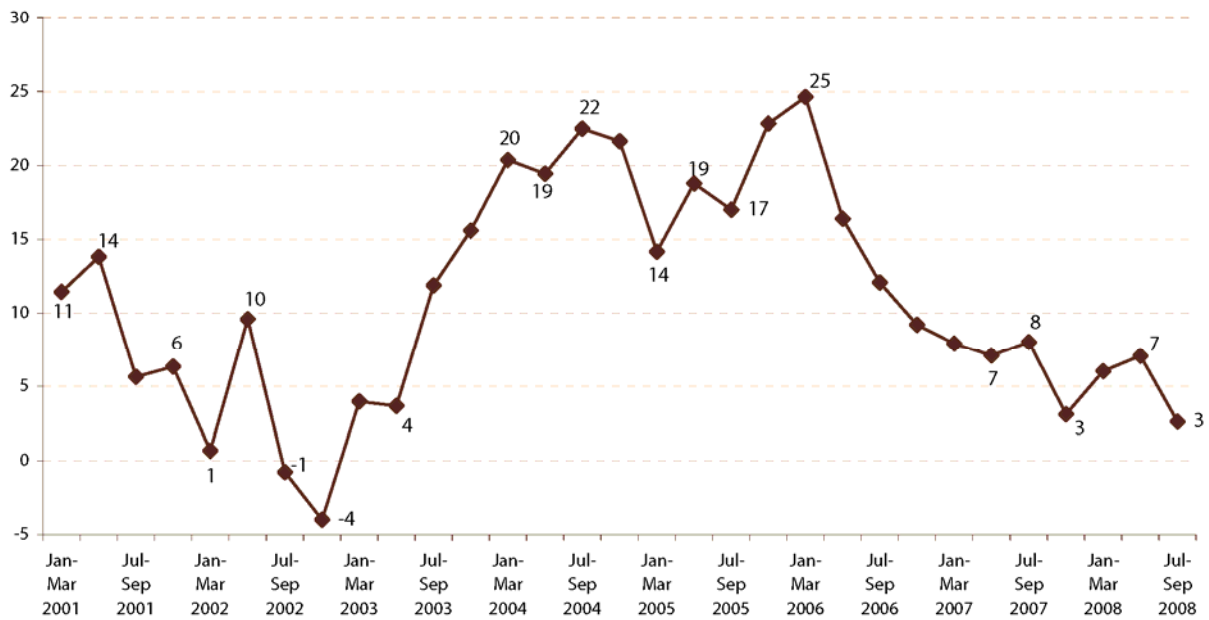
Source: Pew Hispanic Center analysis of Mexican Central Bank remittances data.

Figure C3
 El Salvador Family Remittances, Quarterly 2000:1 to 2008:3
 (millions of dollars)



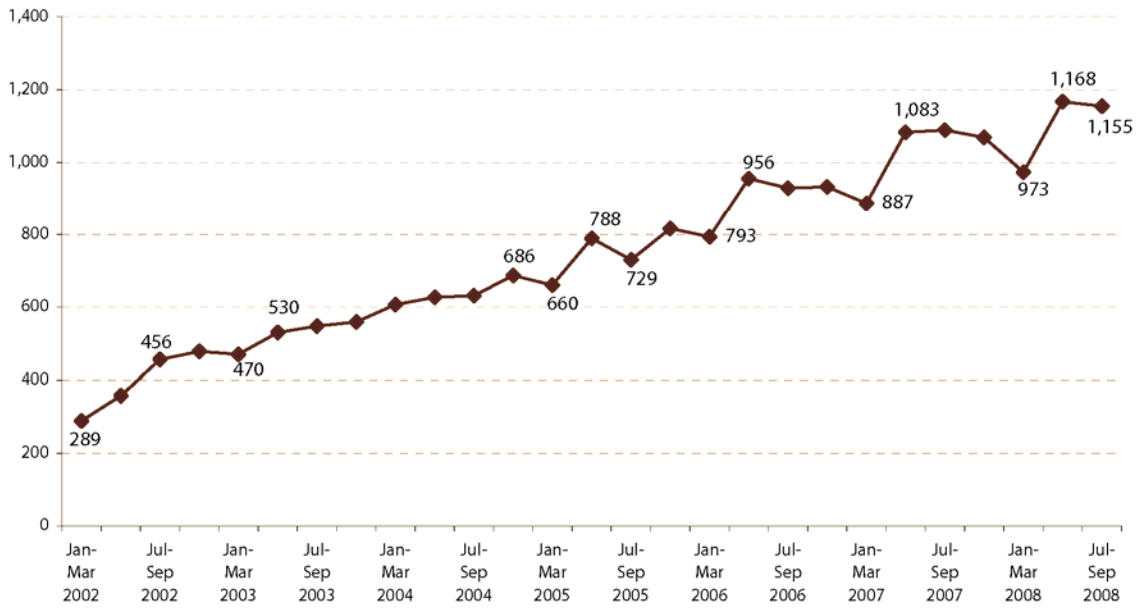
Source: Pew Hispanic Center analysis of El Salvador Central Reserve Bank remittances data.

Figure C4
 El Salvador Change in Family Remittances, Compared to Same Quarter of Previous Year
 (%)



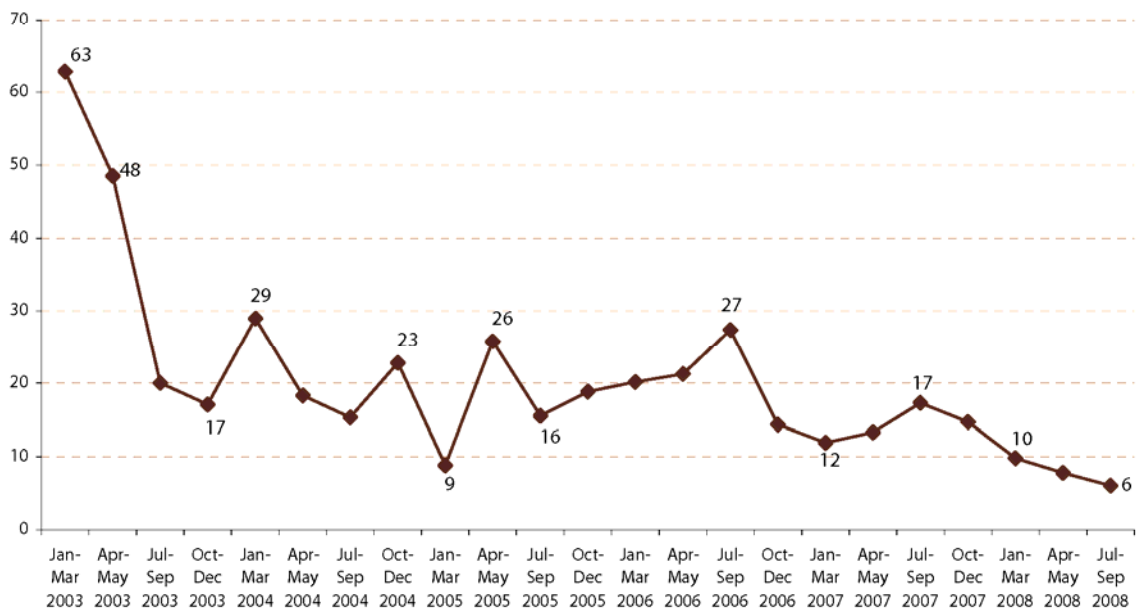
Source: Pew Hispanic Center analysis of El Salvador Central Reserve Bank remittances data.

Figure C5
Guatemala Family Remittances, Quarterly 2002:1 to 2008:3
(millions of dollars)



Source: Pew Hispanic Center analysis of Bank of Guatemala remittances data.

Figure C6
Guatemala Change in Family Remittances, Compared to Same Quarter of Previous Year
(%)



Source: Pew Hispanic Center analysis of Bank of Guatemala remittances data.

Figure C7
Honduras Family Remittances, Quarterly 2000:1 to 2008:3
(millions of dollars)

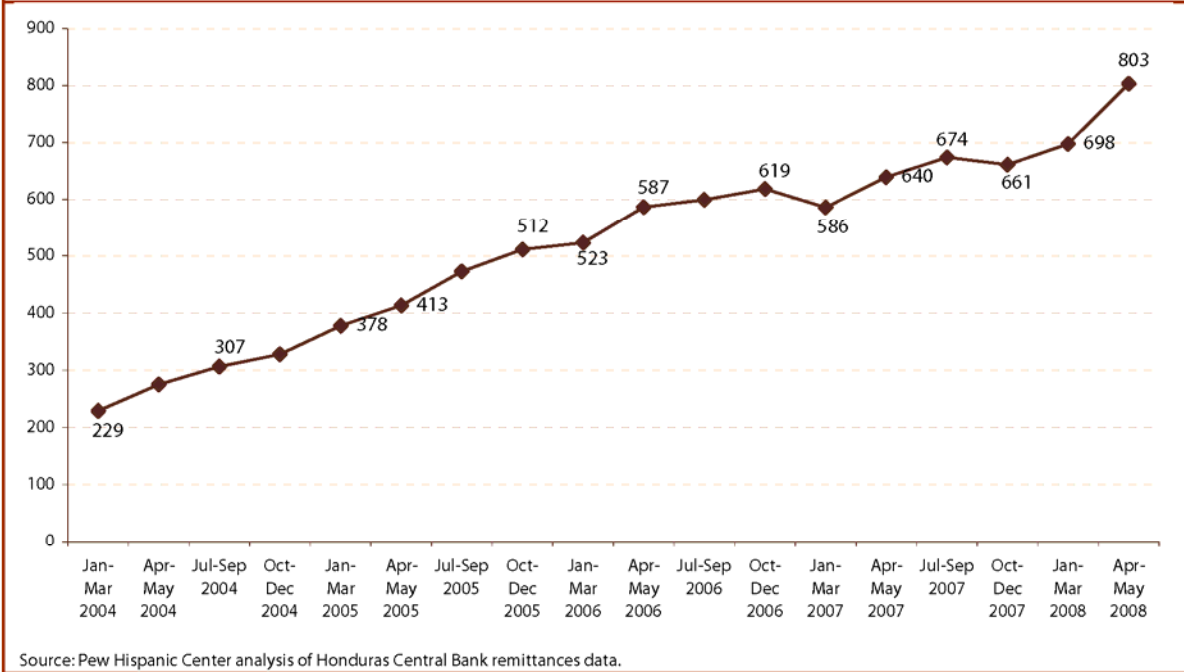


Figure C8
Honduras Change in Family Remittances, Compared to Same Quarter of Previous Year
(%)

